

Evolve Capital Plc

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25th June 2009

Dear Shareholder,

I have pleasure in enclosing for your attention a copy of Evolve's audited accounts for the period to 28 December 2008.

The Company's usual accounting reference date is 31 December but, for the reasons explained in the Chairman's Statement, on this occasion the directors have elected to take advantage of the provisions of Section 223 of the Companies Act 1985, which permits a company to prepare accounts up to a date that is within seven days of its accounting reference date. The audited accounts cover the period from 27 September 2007, being the date of incorporation, to 28 December 2008, being the last date on which the Company did not have a subsidiary which would have obliged it to produce a more complex set of group accounts.

During the period under review and in the months immediately thereafter Evolve has made investments for cash in four companies and made a successful all share offer for an AIM company, Astaire Group plc (formerly Blue Oar plc) where Evolve now holds approximately 65%. More details of these activities can be found in the Chairman's Statement.

Also enclosed is a notice of the Company's Annual General Meeting, which is scheduled to take place at 10.00am on Thursday 27th August 2009 at 223a Kensington High Street, London, W8 6SG.

In addition to the routine business of the meeting, which includes the approval of the accounts, appointment of auditors and the re-election of directors retiring by rotation, are certain resolutions intended to refresh the directors' existing authority to allot and issue the authorised but unissued share capital of the Company and to issue a proportion of these shares for cash on a non pre-emptive basis.

You will also find enclosed a Proxy Card for your use in connection with the Annual General Meeting and I would encourage you to complete this and return it to the Company's registrars at your earliest convenience even if it is your intention to attend the meeting in person.

Yours sincerely

Oliver Vaughan
Chairman