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The distribution of this Document outside the UK may be restricted by laws of such other jurisdictions in which the Document is distributed and therefore persons outside the UK into whose possession this Document comes should inform themselves about and observe any restrictions in relation to the Ordinary Shares and the distribution of this Document. The Ordinary Shares have not been, nor will be, registered in the United States under the United States Securities Act of 1933, as amended, or under the securities laws of Canada, Australia or Japan and they may not be offered or sold directly or indirectly within the United States, Canada, Australia or Japan or to, or for the account or benefit of, US persons or any national, citizen or resident of the United States, Canada, Australia or Japan. This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful.

This Document comprises an Admission Document drawn up in accordance with the requirements of the PLUS Rules for Issuers and has been issued in connection with the proposed admission of BWA Group Plc to the PLUS-quoted Market. This Document is not an approved prospectus for the purposes of and as defined in section 85 of FSMA and has not been prepared in accordance with the Prospectus Rules and has not been approved by the FSA or by any other competent authority which could be a competent authority for the purposes of the Prospectus Directive. Further, the contents of this Document have not been approved by an authorised person for the purposes of section 21 of FSMA.

BWA GROUP PLC

(Incorporated in England and Wales under the Companies Act 1929 with registered number 0255647)

Proposed Open Offer of 78,483,254 new Ordinary Shares of 0.5p each at 0.5p per Ordinary Share

Adoption of New Articles of Association

Notice of Annual General Meeting

and

Admission to PLUS

PLUS Corporate Adviser

ST HELENS CAPITAL PARTNERS LLP

ISSUED SHARE CAPITAL ON ADMISSION

(assuming full subscription of the Open Offer)

<i>Class</i>	<i>Nominal Amount</i>	<i>Number</i>
0.5p Ordinary Shares	£588,624.405	117,724,881

After the passing of Resolution 10 at the Annual General Meeting the Company will no longer have an authorised share capital

Notice of an Annual General Meeting of the Company, to be held at the offices of Bircham Dyson Bell LLP at 11.00 a.m. on 4 February 2010, is set out at the end of this Document. To be valid, the enclosed Form of Proxy should be completed and returned, in accordance with the instructions printed thereon, to the Company's Registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey, GU9 7LL as soon as possible but in any event so as to arrive no later than 48 hours before the time and date fixed for the Annual General Meeting.

Application has been made for all of the Company's issued and to be issued ordinary share capital to be admitted to trading on the PLUS-quoted Market. Subject to the passing of the relevant resolutions at the Annual General Meeting and completion of the Open Offer, it is expected that admission to the PLUS-quoted Market will become effective and dealings in the Ordinary Shares will commence on or around 23 February 2010. It is emphasised that no application is being made for admission of these securities to the Official List or to trading on AIM.

The PLUS-quoted Market, which is operated by PLUS Markets plc, a recognised investment exchange, is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. It is not classified as a Regulated Market under EU financial services law and PLUS-quoted securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in PLUS-quoted securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

St Helens Capital, which is authorised and regulated by the FSA and is a member of PLUS Markets, is acting as the Company's Corporate Adviser in connection with the proposals described in this Document. St Helens Capital is not acting for any other person and will not be responsible to any other person for providing the protections afforded to its customers, or for advising any other person in connection with the proposals described in this Document.

The responsibilities of St Helens Capital as Corporate Adviser are owed solely to PLUS Markets and to the Company. No liability whatsoever is accepted by St Helens Capital for the accuracy of any information or opinions contained in this Document or for the omission of any material information, for which the Company and the Directors are solely responsible. No warranty, express or implied, is made by St Helens Capital as to any of the contents of this Document.

In connection with this Document and/or the Proposals, no person is authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representation must not be relied upon as having been so authorised.

The new Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares in issue immediately following Admission and will rank in full for all dividends and other distributions hereafter declared, paid or made on the ordinary share capital of the Company.

Any individual wishing to buy or sell securities which are traded on the PLUS-quoted market must trade through a stockbroker (being a member of PLUS Markets and regulated by the FSA) as the market's facilities are not available directly to the public.

FORWARD LOOKING STATEMENTS

This Document contains forward-looking statements. These statements relate to the Company's prospects, developments and business strategies.

Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "shall", "will" and other cognate expressions or the negative of those, variations or comparable expressions, including references to assumptions. These statements are primarily contained in Part I of this Document.

The forward-looking statements in this Document are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. Certain risks to and uncertainties for the Company are specifically described in Part II of this Document headed "Risk Factors". If one or more of these risk factors or uncertainties materialises, or if the underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected by the Directors. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements. It is emphasised that this Document does not contain any financial projections of the Company and that past performance is not to be treated as a guide to future performance.

These forward-looking statements speak only as at the date of this Document. Neither the Directors nor the Company undertake any obligation to update forward-looking statements or risk factors other than as required by the PLUS Rules whether as a result of new information, future events or otherwise.

The text of this Document should be read in its entirety. An investment in the Company involves a high degree of risk and, in particular, attention is drawn to the section entitled "Risk Factors" in Part II of this Document. All statements regarding the Company's business, financial position and prospects should be viewed in the light of such Risk Factors. An investment in the Company may not be suitable for all recipients of this Document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

Copies of this Document, which is dated 12 January 2010, will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the offices of St Helens Capital, 223a Kensington High Street, London W8 6SG, from the date of this Document until one month after Admission takes place, which is expected to be on 23 February 2010.

CONTENTS

	<i>Page</i>
DEFINITIONS	4
OPEN OFFER STATISTICS	7
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	7
DIRECTORS, SECRETARY AND ADVISERS	8
PART I LETTER FROM THE CHAIRMAN OF BWA	9
PART II RISK FACTORS	17
PART III TERMS AND CONDITIONS OF THE OPEN OFFER	19
PART IV FINANCIAL INFORMATION ON BWA	27
PART V ADDITIONAL INFORMATION	36
NOTICE OF ANNUAL GENERAL MEETING	52

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

“1985 Act”	the Companies Act 1985
“2006 Act”	the Companies Act 2006
“Acts”	the Companies Acts 1985,1989 and 2006 (as amended from time to time)
“Admission”	admission of the Enlarged Share Capital to trading on the PLUS-quoted Market
“AIM”	the AIM market of the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange
“Annual General Meeting”	the Annual General Meeting of the Company convened by the Notice set out at the end of this Document
“Application Form”	the application form on which Qualifying Shareholders may apply for Open Offer Shares under the Open Offer
“Articles”	the Articles of Association of the Company
“Board” or “Directors”	the Directors of the Company whose names appear on page 8 of this Document
“BWA” or “Company”	BWA Group Plc, a company registered in England and Wales with company number 0255647
“Convertible Preference Shares”	the convertible preference shares of 2p each in the capital of the Company
“CREST”	the Relevant System (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertified form which is administered by Euroclear UK & Ireland Limited
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended from time to time)
“Document”	this document
“Deferred Shares”	deferred shares of 1.5p each in the capital of the Company
“Enlarged Share Capital”	the issued ordinary share capital of the Company on Admission, comprising the Existing Ordinary Shares, the Open Offer Shares, the Excess Shares and any other Ordinary Shares that may be subscribed for by other persons in order to achieve the Minimum Amount
“Excess Shares”	the new Ordinary Shares being made available to Qualifying Shareholders under the Open Offer in excess of their Open Offer Entitlement

“Existing Ordinary Shares”	the issued Ordinary Shares in the capital of the Company
“FSA”	the Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000, as amended
“HMRC”	H M Revenue and Customs
“Insolvency Act”	the Insolvency Act 1986 (as amended)
“Investment Vehicle”	a company whose actual or intended principal activity is to invest in the securities of other businesses (whether publicly traded or not), or to acquire a particular business, in accordance with specific investment criteria
“Lock-In Agreement”	the agreement made between the Company, St Helens Capital and each of the Directors as described in paragraph 8.2 of Part IV of this Document
“Locked-In Parties”	each of Richard Godfrey Battersby, James Montford Victor Butterfield and Michael Alexander Borrelli
“London Stock Exchange”	the London Stock Exchange plc
“Minimum Amount”	the minimum amount to be raised in the Open Offer, being £325,000 (before expenses)
“New Articles”	the new Articles of Association of the Company to be adopted at the Annual General Meeting
“Official List”	the Official List of the UK Listing Authority
“Open Offer”	the conditional offer to Qualifying Shareholders, constituting an invitation to apply to subscribe for Open Offer Shares and Excess Shares on the terms and subject to the conditions set out in this Document and in the Application Form
“Open Offer Entitlement”	the pro-rata entitlement of a Qualifying Shareholder to apply to subscribe for Open Offer Shares in proportion to the number of Existing Ordinary Shares held by him on the Record Date
“Open Offer Price”	0.5 pence per Offer Share
“Open Offer Shares”	the 78,483,254 new Ordinary Shares being made available under the Open Offer
“Ordinary Shares”	ordinary shares of 0.5p each in the capital of the Company
“Overseas Shareholder”	a Shareholder with a registered address outside the United Kingdom, the Channel Islands or the Isle of Man
“PLUS Markets”	PLUS Markets plc, a recognised investment exchange under section 290 of the FSMA
“PLUS-quoted Market” or “PLUS”	the primary market for unlisted securities operated by PLUS Markets

“PLUS Rules”	the PLUS Rules for Issuers, which set out the admission requirements and continuing obligations of companies seeking admission to and whose shares have been admitted to trading on PLUS
“Proposals”	the Open Offer and other proposals described in this Document
“Qualifying Shareholders”	holders of Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholders)
“Receiving Agent”	Share Registrars Limited, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey, GU9 7LL
“Record Date”	the close of business in London on 11 January 2010 in respect of the entitlements of Qualifying Shareholders under the Open Offer
“Registrars”	Share Registrars Limited
“Resolutions”	Resolutions 7 to 11 (inclusive) to be proposed as special business at the Annual General Meeting which are set out in the Notice at the end of this Document
“Shareholders”	persons registered as the holders of Ordinary Shares
“St Helens Capital”	St Helens Capital Partners LLP, PLUS Corporate Adviser to the Company, which is authorised and regulated by the FSA
“UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part IV of FSMA
“US” or “United States”	the United States of America

OPEN OFFER STATISTICS

Existing Ordinary Shares in issue on the Record Date	39,241,627
Open Offer Shares to be issued*	78,483,254
Open Offer Price	0.5p
Gross proceeds of the Open Offer*	£392,416
Net proceeds of the Open Offer*	£328,566
Enlarged Ordinary Share Capital*	117,724,881
Market capitalisation at the Open Offer Price*	£585,438

* assuming full subscription

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date	11 January 2010
Publication of this Document	12 January 2010
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 2 February 2010
Annual General Meeting	11.00 a.m. on 4 February 2010
Latest date for splitting of Application Forms	3.00 p.m. on 5 February 2010
Latest time and date for the receipt of completed Application Forms and payment in full	3.00 p.m. on 9 February 2010
Dealings expected to commence on PLUS	8.00 a.m. on 23 February 2010
Ordinary Shares credited to CREST (where applicable)	23 February 2010
Dispatch of share certificates (where applicable)	By 9 March 2010

If you have any queries on the procedures for application under the Open Offer, you should contact Share Registrars Limited, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL or, by telephone, on 01252 821390 (from the UK) or +44 1252 821390 (from outside the UK). Please note that Share Registrars Limited cannot give Shareholders financial advice in connection with the Open Offer.

If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.

DIRECTORS, SECRETARY AND ADVISERS

Directors:	Richard Godfrey Battersby (<i>Non-executive Chairman</i>) James Montford Victor Butterfield (<i>Non-executive Director</i>) Michael Alexander Borrelli (<i>Non-executive Director</i>)
Company Secretary:	James Butterfield
Registered Office:	50 Broadway London SW1H 0BL
Website address:	www.bwagroupplc.com
Corporate Adviser:	St Helens Capital Partners LLP 223a Kensington High Street London W8 6SG
Solicitors:	Bircham Dyson Bell LLP 50 Broadway London SW1H 0BL
Auditors:	Additions Chartered Accountants Queen Insurance Buildings 7 Queen Avenue Liverpool L2 4TZ
Registrars and Receiving Agent:	Share Registrars Limited Suite E, First Floor 9 Lion & Lamb Yard Farnham Surrey GU9 7LL

PART I

LETTER FROM THE CHAIRMAN OF BWA

BWA GROUP PLC

(Incorporated in England and Wales under the Companies Act 1929 with registered number 0255647)

Directors:

Richard Battersby, BA, FCA, JDipMA (*Non-executive Chairman*)
James Butterfield, BSc (Econ), MBA (*Non-executive Director*)
Alex Borrelli, BA (Econ), FCA (*Non-executive Director*)

Registered Office:

50 Broadway
London
SW1H 0BL

12 January 2010

To the holders of Ordinary Shares

Dear Shareholder

**Proposed Open Offer of 78,483,254 new Ordinary Shares of 0.5p each at
0.5p per Ordinary Share**

Adoption of New Articles of Association

Notice of Annual General Meeting

and

Admission to PLUS

1. INTRODUCTION

It was announced today that BWA is seeking to raise £392,416 (before expenses) in an Open Offer and to obtain admission of the Company's Enlarged Share Capital to trading on the PLUS-quoted Market, where the Company will be classified as an Investment Vehicle.

The issue of new Ordinary Shares pursuant to the Open Offer requires the approval of Shareholders at a General Meeting. As the Company has not yet held its Annual General Meeting for 2009 as required by the 2006 Act, the Annual General Meeting is being convened for 4 February 2010 at which, in addition to the normal business of an annual general meeting, resolutions will be proposed as special business, to reorganise the Company's share capital and to authorise the Directors to allot Ordinary Shares pursuant to the Proposals and otherwise. The Company is also taking the opportunity to adopt the New Articles to take advantage of certain provisions of the 2006 Act and to buy in all of the issued Deferred Shares, which will then be cancelled. The Resolutions are set out in full in the Notice of Annual General Meeting at the end of this Document.

The purpose of this Document is to explain the background to and reasons for the Proposals and to explain why the Directors consider them to be in the best interests of the Company and Shareholders as a whole and to seek Shareholders' approval for the Resolutions to be proposed at the Annual General Meeting.

2. INFORMATION ON THE COMPANY

BWA was formed in 1931. In 1998 it carried out the reverse acquisition of British World Airlines Limited and subsequently listed its shares on the Official List. In 2001, the Company's shares

were suspended from the Official List. In 2002 it was agreed to put the Company into a company voluntary arrangement as an alternative to liquidation. Following the settlement of claims the Company raised new capital and its shares were admitted to AIM in December 2003 as an Investing Company.

Since 2003, the directors of BWA have considered a number of potential reverse acquisitions but no transaction was completed. On 3 April 2006, trading in the Company's shares on AIM was suspended and the shares were then de-listed six months later on 3 October 2006 in accordance with AIM Rule 41.

The Directors believe that there are currently a number of potentially attractive investment opportunities to be found amongst trading companies primarily within the UK, and believe that now is therefore an appropriate time for BWA to raise capital and seek admission to PLUS. The Directors intend to utilise BWA as either a reverse takeover vehicle and/or to make suitable investments in due course. Further information on the Company's intended strategy is set out in section 4 below.

3. A PLUS INVESTMENT VEHICLE

A PLUS Investment Vehicle is defined in the PLUS Rules as:

“An issuer whose actual or intended principal activity is to invest in the securities of other businesses (whether publicly traded or not), or to acquire a particular business, in accordance with specific investment criteria.”

The Directors believe that admitting the Company to PLUS is the most practical option for Shareholders as, unlike on AIM, there is no requirement for Investment Vehicles to have a minimum of £3.0 million in cash. Admission to PLUS will therefore give the Company an appropriate and cost effective platform from which it can seek acquisitions and/or investments.

4. INVESTMENT STRATEGY

The Directors will consider making an investment (or investments) in businesses across a range of geographical locations, strictly determined by criteria including, *inter alia*, a stable economy, the prevailing rule of law, minimal regulations regarding the export of capital and no currency constraints.

Whilst the Directors have no bias towards a specific sector, the business (or businesses) which the Company invests in or acquires will, it is envisaged, meet certain conditions which, the Directors believe, will best position the Company to maximise shareholder value. These conditions include, *inter alia*, a robust business model demonstrating how shareholder value will be created and increase over time, including the generation of strong positive cash flows, and an experienced management team with a proven track record of success in their area of operation. The investment opportunities which the Directors are focusing on:

- are established, companies which are profitable, largely ungeared and which will be earnings enhancing for shareholders, capable of paying dividends and operating in mature markets;
- are primarily engaged in manufacturing and/or trading activities;
- are largely UK based and operating; and
- have developed products which may require additional funding to grow.

However, these criteria are not intended to be exhaustive and the Directors may make an investment which does not fulfil any or all of the investment criteria if they believe it is in the best interests of Shareholders as a whole. Any acquisition of a company would be put to Shareholders for their approval at the appropriate time.

Whilst the Directors will be principally focused on making an investment in private businesses, they would not rule out investment in listed businesses if this presents, in their judgment, the best opportunity for Shareholders.

The Directors envisage that investments made by the Company will be long term and do not intend that the Company should exit for the foreseeable future once any investment is made.

The Directors believe that their broad collective experience together with their extensive network of contacts will assist them in the identification, evaluation and funding of appropriate investment opportunities. When necessary, other external professionals will be engaged to assist in the due diligence on prospective targets and their management teams. The Directors will also consider appointing additional directors with relevant experience if required.

The Directors recognise the investment strategy outlined above carries a certain degree of risk. However, they believe that the successful implementation of such an investment strategy may result in strong capital growth for Shareholders.

The Directors may seek to raise additional funding either prior to or at the same time as the Company carries out any substantial acquisition or investment. The Company may also seek admission to AIM or another appropriate market in conjunction with any substantial acquisition or investment.

The Directors are not entitled to draw any remuneration from the Company in cash until such time as an investment or acquisition is made and all expenditure by the Company will be kept to a minimum until that stage is reached. At that time the remuneration of the Directors will be reviewed and suitable remuneration arrangements shall be agreed with the Directors and any new persons appointed to the Board. In the intervening period, the directors will accrue entitlement to remuneration, but this will only become payable at the time of an investment or acquisition and will be settled by an issue of shares at the price applicable at the time. Further details of the terms of appointment of the Directors are given in paragraph 6 of Part V of this Document. Following Admission, the cash held by the Company will be used, in part, as working capital for the operating costs of the Company in order to seek out and research potential acquisitions and investments.

Operating costs will be maintained at the minimum level consistent with the Company's status as a publicly quoted company. The Company will not acquire premises of its own or engage any full-time employees before making a significant investment or acquisition.

If the Company fails to complete any acquisition or investment as outlined above within 12 months from the date of Admission, the Directors will seek Shareholders' approval for the further pursuit of its investment strategy or a resolution will be proposed for a members' voluntary liquidation of the Company (pursuant to Part IV of the Insolvency Act) and the return of funds (after payment of the expenses and liabilities of the Company) to the Shareholders pro rata to their respective shareholdings.

5. REASONS FOR ADMISSION TO PLUS

The Directors believe that the benefits of admission to the PLUS-quoted Market include:

- the ability to enter into negotiations with vendors of businesses or companies, to whom the issue of publicly traded shares as consideration is potentially more attractive than the issue of shares in an equivalent private company for which no trading facility exists; and
- the ability to raise further funds in the future, either to enable a proposed acquisition to be completed and/or to raise additional working or development capital for the Company once the acquisition has been completed.

6. SUMMARY OF THE OPEN OFFER

The Company is seeking to raise £392,416 (before expenses) by the issue of 78,483,254 new Ordinary Shares at the Open Offer Price, payable in full on application.

Qualifying Shareholders may apply for all or part of their Open Offer Entitlement under the Open Offer calculated on the following basis:

2 Open Offer Shares for every 1 Existing Ordinary Share

and so in proportion for any greater number of Existing Ordinary Shares held on the Record Date. Qualifying Shareholders may also apply to acquire Excess Shares by following the procedure indicated on the Application Form. The Company may satisfy valid applications for Excess Shares in whole or in part. The Board may scale back applications made for Excess Shares on such basis as it considers appropriate.

The Open Offer is not being extended to Overseas Shareholders, as outlined in Part III of this Document.

The minimum amount to be raised in order for the Open Offer to proceed is £325,000 (before expenses).

If applications from Qualifying Shareholders do not result in the Minimum Amount being raised, then the Directors reserve the right to seek applications for new Ordinary Shares at the Open Offer Price from eligible persons, such as market professionals, high net worth bodies and individuals and certified sophisticated investors, to the extent required to achieve the Minimum Amount.

The Open Offer Shares and the Excess Shares must be paid for in full on application. The latest time and date for receipt of completed Application Forms and payment in full in respect of the Open Offer is 3.00 p.m. on 9 February 2010.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore the Open Offer Shares which are not applied for by Qualifying Shareholders will not be sold in the market for the benefit of the Qualifying Shareholders who do not apply. The Application Form is not a document of title and cannot be traded.

The Open Offer Shares and any Excess Shares will be issued credited as fully paid and free of all liens, charges and encumbrances and will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

For Qualifying Shareholders wishing to apply to subscribe for (i) all or part of their Open Offer Entitlements and (ii) Excess Shares, completed Application Forms, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Share Registrars Limited, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey, GU9 7LL so as to arrive as soon as possible and in any event no later than 3.00 p.m. on 9 February 2010.

The Open Offer is conditional on the Minimum Amount being raised, on the Resolutions being passed by Shareholders at the Annual General Meeting, notice of which can be found the end of this Document, and Admission taking place by no later than 31 March 2010.

Further information on the Open Offer, including its terms and conditions and the detailed procedure for application and payment, is set out in Part III of this Document and in the Application Form.

7. THE DIRECTORS

Brief biographical details of the Directors are set out below:

Richard Godfrey Battersby (Non-executive Chairman)

Richard has for the last 35 years worked in and around the venture capital industry. Having qualified as a chartered accountant he initially worked for The Royal Bank of Scotland and then joined the development capital subsidiary of the firm. Subsequently, he became part of a management buyout team for a Sheffield based motor distribution group selling buses, coaches, trucks, vans and cars. That company came to the stock market through a reverse take over of a coach manufacturing business. It made several successful acquisitions and after ten years Richard moved to develop his own small venture capital business, mainly using his own capital. He became a director of several listed and unlisted companies in the process. In 1996 Richard moved to Guernsey where he became a director and shareholder in several local businesses as well as retaining interests in the UK and elsewhere in Europe. Richard is a director of Rensburg AIM VCT plc.

James Montford Victor Butterfield (Non-executive Director)

James joined 3i plc in 1969 and, over a ten year period, became an Area Manager and Local Director, in which role he oversaw and managed a portfolio of more than 200 unquoted investments. Since leaving 3i plc, he has, for over 30 years, specialised in advising small to medium sized companies on a range of matters including stock market listings, mergers and acquisitions, fund raising and corporate recovery work. Until October 2009, James was a director of Essentially Group Ltd, an AIM quoted sports marketing and management business, in which he was actively involved in the creation and early development of what is now one of the world's largest Rugby Union and Cricket player management businesses. James resigned as a result of a successful takeover of the business by Chime Communications Plc. James is also a director of AIM quoted Wren Extra Care Group Plc, which specialises in the provision of retirement housing schemes.

Michael Alexander Borrelli (Non-executive Director)

Alex initially studied medicine and then qualified as a chartered accountant with Deloitte, Haskins & Sells, London in 1982. He has subsequently been active within the investment banking sector and has acted on a wide variety of corporate transactions in a senior role for over 20 years, including flotations, takeovers, mergers and acquisitions for private and quoted companies on the Official List, AIM and PLUS. He is currently a non-executive director of Capcon Holdings plc (on AIM) and of Nordic Panorama plc (previously on AIM).

8. APPLICATION TO PLUS

The Company has applied for the Enlarged Share Capital to be admitted to trading on PLUS. Dealings in the Ordinary Shares are expected to commence on 23 February 2010. The Company ISIN number is GB0033877555.

As required by the PLUS Rules, the Company has entered into an agreement with a Regulated Information Service which is a Primary Information Provider, approved by the FSA to disseminate regulatory information to the market and which is on the list of Regulated Information Services maintained by the FSA.

The PLUS website is available to private investors through the Internet at www.plusmarketsgroup.com. Any individual wishing to buy or sell shares, which are traded on PLUS, must trade through a stockbroker who is regulated by the Financial Services Authority, as the market cannot deal directly with the public.

9. LOCK-IN ARRANGEMENTS

At the date of this Document, the Directors are, in aggregate, interested in 11,768,564 Ordinary Shares, representing approximately 29.9 per cent. of the Existing Ordinary Shares. The Directors may also subscribe for further Ordinary Shares either pursuant to the Open Offer, or by way of additional subscriptions to achieve the Minimum Amount.

The Directors and associated parties have agreed with the Company and St Helens Capital, save as set out or referred to below, not to dispose of any interest in any Ordinary Shares in which the Directors are interested for a period of 12 months following Admission.

The provisions of the Lock In Agreements will not apply in certain limited circumstances which include, among other things:

- the acceptance of (or granting of an irrevocable undertaking in respect of) a general offer for the whole or part of the issued equity share capital in accordance with the City Code where such disposal or agreement to dispose is either conditional upon the announcement of such offer or is by way of acceptance of such offer or the giving of an irrevocable undertaking to accept such an offer; or
- pursuant to a compromise or arrangement between the Company and its creditors; or
- for the purpose only of effecting the appointment of a trustee or new trustee of a family settlement for the benefit of members of the immediate family of a locked-in shareholder; or
- by the personal representatives of a locked-in shareholder if he should die; or
- pursuant to a court order; or
- where St Helens Capital consents to a transfer or sale.

A summary of the Lock In Agreements is set out in paragraph 8.2 of Part V of this Document.

10. FINANCIAL INFORMATION

Audited financial information for the Company for the three years ended 30 April 2009 is set out in Part IV of this Document. The Company did not trade during this period.

The Company's interim results for the period ended 31 October 2009 will be announced on Admission and the Company will thereafter announce financial results in accordance with the PLUS Rules.

12. NEW ARTICLES

It is proposed that the Company will adopt the New Articles at the Annual General Meeting. A summary of the New Articles is set out in paragraph 4 of Part V of this Document.

13. CREST AND SHARE CERTIFICATES

The New Articles will permit the Company to issue shares in uncertificated form in accordance with the CREST Regulations and the Company's Ordinary Shares will be admitted to CREST. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system, should Shareholders so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. Application will be made for the Ordinary Shares to be admitted to CREST with effect from Admission.

14. DIVIDEND POLICY

The Directors do not intend to declare a dividend until the Company has achieved sufficient profitability and until requirements for working capital are such that it is prudent to do so.

15. CORPORATE GOVERNANCE

The Directors intend to comply with the provisions of the Guidance for Smaller Companies published by the Quoted Companies Alliance to the extent that they believe is appropriate in

view of the size and resources of the Company. Following Admission, due to the size and nature of the Company, audit and risk management issues will be addressed by the Directors as a whole, rather than by separate committees. As the Company develops, the Board will consider establishing separate audit and risk management committees and will consider developing further policies and procedures which reflect the principles of good governance.

The Company has adopted, and will operate where applicable, a share dealing code for Directors and senior executives under the same terms as the Model Code on directors' dealings in securities, published from time to time by the UK Listing Authority.

16. TAXATION

The Existing Ordinary Shares and any new Ordinary Shares issued pursuant to the Open Offer or to other eligible investors as contemplated in this document do not rank as a qualifying investment for the purposes of the Enterprise Investment Scheme nor as a "qualifying holding" for the purposes of investment by Venture Capital Trusts.

Information regarding UK taxation in relation to the Ordinary Shares is set out in paragraph 10 of Part V of this Document. These details are, however, intended only as a general guide to the current tax position under UK taxation law. **If you are in any doubt as to your tax position, you should consult your own independent financial adviser immediately.**

17. RISK FACTORS

Your attention is drawn to the risk factors set out in Part II of this Document. Potential investors should carefully consider the risks described in Part II before making a decision to participate in the Open Offer.

18. ANNUAL GENERAL MEETING

The Annual General Meeting is being convened for 11.00 a.m. on 4 February 2010. At the Annual General Meeting in addition to the regular items of business, resolutions will be proposed as special business as follows:

Ordinary Resolution:

- Resolution 6: as the net assets of the Company are half or less of its called up share capital to consider whether any, and if so what, steps should be taken to deal with the situation;

Special Resolution

- Resolution 7: to convert each of the Convertible Preference Shares into 4 Ordinary Shares ranking *pari passu* with the existing Ordinary Shares;

Ordinary Resolution

- Resolution 8: to authorise the Directors to allot new Ordinary Shares in connection with the Proposals and otherwise;

Special Resolutions:

- Resolution 9: to disapply pre-emption rights in relation to any Ordinary Shares issued pursuant to the Proposals and in other cases, subject to limitations;
- Resolution 10: to authorise the purchase by the Company of all of the issued Deferred Shares for nil consideration; and

- Resolution 11: to (i) amend the Company's articles of association by deleting the provisions of the Company's memorandum of association which, by virtue of section 28 of the 2006 Act, are to be treated as provisions of the Company's articles of association and (ii) adopt the New Articles.

19. ACTION TO BE TAKEN IN RESPECT OF THE ANNUAL GENERAL MEETING

Shareholders will find enclosed a reply-paid Form of Proxy for the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete and sign the Form of Proxy and return it to the Company's Registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey, GU9 7LL as soon as possible and, in any event, so as to arrive not later than 11.00 a.m. on 2 February 2010. Unless the Form of Proxy is received by this date and time, it will be invalid. The completion and return of a Form of Proxy will not preclude you from attending the Annual General Meeting and voting in person if you so wish.

20. ACTION TO BE TAKEN IN RESPECT OF THE OPEN OFFER

For details of the action to be taken in relation to the Open Offer, please refer to paragraph 2 of Part III of this Document. The last time for applications and accompanying payment under the Open Offer to be received is 3.00 p.m. on 9 February 2010.

If you are in any doubt as to the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under FSMA.

21. INTENTIONS OF THE DIRECTORS IN RELATION TO THE OPEN OFFER

Richard Battersby and James Butterfield intend to participate in the Open Offer through their existing shareholdings and have committed to invest a minimum of £25,000 each at the Open Offer Price. Alex Borrelli has committed to invest a minimum of £5,000 at the Open Offer Price. The Directors may also subscribe for additional new Ordinary Shares and intend to source additional investment to the extent required in order to enable the Company to raise the Minimum Amount.

22. RECOMMENDATION

The Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the Annual General Meeting as they intend to do, or to procure to be done, in respect of their aggregate beneficial holdings of 11,768,564 Ordinary Shares, representing approximately 29.9 per cent. of the Existing Ordinary Shares.

Yours faithfully

Richard Battersby
Chairman

PART II

RISK FACTORS

In addition to all other information set out in this Document, the following specific factors should be considered carefully in evaluating whether to make an investment in the Company. If you are in any doubt about the action you should take, you should consult a professional adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities prior to making any investment.

The Directors believe the following risks to be the most significant for potential investors. However, the risks listed do not necessarily comprise all those associated with an investment in the Company. In particular, the Company's performance may be affected by changes in market or economic conditions and in legal, regulatory and tax requirements.

If any of the following risks were to materialise, the Company's business, financial conditions, results or future operations could be materially adversely affected. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Company.

The list below is not exhaustive, nor is it an explanation of all the risk factors involved in investing in the Company and nor are the risks set out in any order of priority.

- (i) The Company's success will depend on the retention of the Directors and any future management team, and on its ability to continue to attract and retain highly skilled and qualified personnel. The loss of the services of any of the Company's executive officers or other key employees could have a material adverse effect on the Company's business.

The Company's future success will also depend on its ability to attract and retain additional suitably qualified and experienced employees. There can be no guarantee that the Company will be able to continue to attract and retain such employees, and failure to do so could have a material adverse effect on the financial condition, results or operations of the Company. In addition, the future success of the Company may be dependent on the Company's ability to integrate new teams of professionals. There can be no guarantee that the Company will be able to recruit such teams or effect such integration. Failure to do so could have a material adverse effect on the financial condition, results or operations of the Company;

- (ii) The value of an investment in the Company is largely dependent upon the expertise of the Directors and their ability to identify and acquire or invest in suitable companies or businesses. There can be no certainty that the Company will be able to identify suitable acquisition targets or complete the purchase of any identified targets at a price the Directors consider acceptable. In the event of an aborted acquisition it is likely that resources may have been expended on investigative work and due diligence, which cannot be recovered. The acquisition of other businesses can involve significant commercial and financial risks and there can be no certainty that any acquired business will not have a material adverse effect on the operations, results or financial position of the Company;
- (iii) The Company's proposed admission to the PLUS-quoted Market is entirely at the discretion of PLUS Markets. The Ordinary Shares are not presently listed or traded on any stock exchange. Any changes to the market trading environment, in particular the

PLUS Rules, could for example, affect the ability of the Company to maintain a trading facility on the PLUS-quoted market;

- (iv) An investment in shares traded on PLUS is perceived to involve a higher degree of risk and to be less liquid than an investment in companies whose shares are traded on AIM or listed on the Official List. An investment in Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment;
- (v) The share price of quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some of which are specific to the Company and its operations and some of which may affect quoted companies generally. These factors could include the performance of the Company, large purchases or sales of Ordinary Shares, legislative changes and general economic, political or regulatory conditions;
- (vi) It is likely that the Company will need to raise further funds in the future, either to fund preliminary investigation and due diligence, to complete a proposed acquisition or to raise further working or development capital for such an acquisition. There is no guarantee that the then prevailing market conditions will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at the same price as the price paid by an investor, or higher. Shareholders may be materially diluted by any further issue of Ordinary Shares by the Company;
- (vii) The Ordinary Shares are intended for capital growth and therefore may not be suitable as a short-term investment. Investors may therefore not realise their original investment at all, or within the time-frame they had originally anticipated;
- (viii) Any changes to the regulatory environment, in particular the PLUS Rules regarding companies such as BWA, could for example, affect the ability of the Company to maintain a trading facility on PLUS; and
- (ix) It is the Company's intention to issue Ordinary Shares to satisfy all or part of any consideration payable on an acquisition, but vendors of suitable companies or businesses may not be prepared to accept shares traded on PLUS or may not be prepared to accept Ordinary Shares at the quoted market price.

The investment opportunity offered in this Document may not be suitable for all recipients of this Document. Investors are therefore strongly recommended to consult an adviser authorised under the Financial Services and Markets Act 2000, who specialises in investments of this nature, before making their decision to invest.

Investors should consider carefully whether an investment in the Company is suitable in the light of their personal circumstances and the financial resources available to them.

PART III

TERMS AND CONDITIONS OF THE OPEN OFFER

1. INTRODUCTION

As the letter from the Chairman set out in Part I of this Document explains, the Company is seeking to raise £392,416 (before expenses) by way of the Open Offer.

Pursuant to the Open Offer, Open Offer Shares are being offered to Qualifying Shareholders at 0.5p per share.

2. THE OPEN OFFER

Qualifying Shareholders are hereby invited, subject to the terms and conditions set out below and, where relevant, in the Application Form, to apply for Open Offer Shares at a price of 0.5p per share payable in full on application pro rata to their Open Offer Entitlement which shall be calculated on the following basis:

2 Open Offer Shares for every 1 Existing Ordinary Share

and so in proportion for any number of Existing Ordinary Shares held at the Record Date.

Qualifying Shareholders may apply for all or part of their Open Offer Entitlement under the Open Offer. Valid applications by Qualifying Shareholders under the Open Offer will be satisfied in full up to each applicant's Open Offer Entitlement.

Not all Shareholders will be Qualifying Shareholders. Shareholders with a registered address outside the United Kingdom will not qualify to participate in the Open Offer. The attention of Overseas Shareholders is drawn to paragraph 6 of this Part III.

Qualifying Shareholders may also apply for Excess Shares by following the procedure indicated on the Application Form. The Board may scale back applications made for Excess Shares on such basis as it considers appropriate.

To the extent that the monies subscribed by an applicant in relation to any valid application for Open Offer Shares or Excess Shares issued pursuant to that application exceeds the aggregate value at the Open Offer Price of the Open Offer Shares and Excess Shares to be issued pursuant to that application, the excess subscription monies will be returned to that applicant (at the applicant's risk without interest).

Qualifying Shareholders who have sold or transferred all or part of their registered holdings are advised to consult their stockbroker, bank or other agent through or by whom the sale or transfer was effected as soon as possible since the benefits arising under the Open Offer may be claimed from them by purchasers or transferees.

Subject to statutory withdrawal rights (reference is made to paragraph 7 of this Part III), applications for Open Offer Shares will be irrevocable. The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects and carry the same voting rights as the Existing Ordinary Shares. Further terms of the Open Offer are set out in the Application Form.

Shareholders should be aware that the Open Offer is not a rights issue and that the Application Form is not a negotiable document and cannot be traded. Entitlements to Open Offer Shares will neither be tradeable nor sold in the market for the benefit of Qualifying Shareholders who do not apply for them in the Open Offer. Instead, any Ordinary Shares not taken up by Qualifying Shareholders pursuant to the Open Offer may be issued to persons who may become Shareholders after the Record Date and

eligible non Shareholders, such as market professionals, high net worth bodies and individuals and certified sophisticated investors.

Before making any decision to acquire Open Offer Shares or Excess Shares, you are asked to read and carefully consider all the information in this Document, including in particular the important information set out in the letter from the Chairman of the Company in Part I of this Document, as well as this paragraph 2 of this Part III and the Risk Factors set out in Part II of this Document. Shareholders who do not participate in the Open Offer will be subject to dilution of their existing BWA shareholdings.

The Open Offer is subject to the satisfaction of, *inter alia*, the following conditions by no later than 8.00 a.m. on 23 February 2010 or such later time and/or date as the Company may determine (but, in any event not later than 31 March 2010):

- (i) the passing of the Resolutions at the Annual General Meeting;
- (ii) the Minimum Amount being raised; and
- (iii) Admission.

The Open Offer Shares and the Excess Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

3. PROCEDURE FOR APPLICATION AND PAYMENT

General

Each Qualifying Shareholder will have received an Application Form enclosed with this Document. The Application Form shows the number of Existing Ordinary Shares registered in your name at the close of business on the Record Date. It also shows the number of Open Offer Shares for which you are entitled to apply under the Open Offer. Qualifying Shareholders may apply for all or part of their maximum Open Offer Entitlement.

The instructions and other terms which are set out in the Application Form constitute part of the terms of the Open Offer.

The Application Form has not been sent to Overseas Shareholders with registered addresses outside the United Kingdom and, in particular, in the United States, Canada, Australia or Japan and brokers/dealers and other parties may not submit Application Forms on behalf of Overseas Shareholders

Applications for Excess Shares

Qualifying Shareholders may apply to acquire Excess Shares by completing Box 3 of the Application Form, should they wish. Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlement but applications by Qualifying Shareholders for Excess Shares may be subject to scaling back. The total number of Open Offer Shares will not be increased in response to demand for Excess Shares. Excess subscription monies (being the amount by which the monies subscribed by an applicant in relation to a valid application under an Application Form for new Ordinary Shares under the Open Offer in excess of the applicant's Open Offer Entitlement and any application for Excess Shares exceeds the aggregate value at the Open Offer Price of the new Ordinary Shares issued pursuant to that application) will be returned to the relevant applicant (at the applicant's risk and without interest).

Procedure for application and payment

Applications for Open Offer Shares and Excess Shares may only be made on the Application Form, which is personal to the Qualifying Shareholder(s) named on it and is not capable of being split, assigned or transferred. The Application Form represents a right personal to the Qualifying Shareholder to apply to subscribe for Open Offer Shares and Excess Shares; it is not a document of title and it cannot be traded.

Qualifying Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Document and in the Application Form) be allocated the Open Offer Shares and Excess Shares applied for in full at the Open Offer Price (subject to the Company's discretion to accept, reject or scale back any application for Excess Shares). Subject to statutory withdrawal rights (reference is made to paragraph 7 of this Part III), applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid.

If you are a Qualifying Shareholder and wish to apply for all or less of the Open Offer Shares to which you are entitled and any Excess Shares you should complete and sign the Application Form in accordance with the instructions printed on it and return it, either by post or by hand (during normal business hours only), together with a pounds sterling cheque or banker's draft to the value of the Open Offer Shares and Excess Shares applied for on the Application Form, to Share Registrars, Corporate Actions, Suite E, 1st Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL as soon as practicable and, in any event, so as to be received not later than 3.00 p.m. on 9 February 2010, after which time Application Forms will not be accepted. The cheque or banker's draft must be drawn on a United Kingdom branch of a qualifying bank or building society, as further described below. Your Application Form will not be valid unless you sign it. If you post your Application Form by first class post in the UK, or in the reply-paid envelope provided for use by Qualifying Shareholders, you are advised to allow at least four business days for delivery.

The Company reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 3.00 p.m. on 9 February 2010 from an authorised person (as defined in the FSMA) specifying the Open Offer Shares or Excess Shares concerned and undertaking to lodge the relevant Application Form in due course.

Payments

Cheques must be drawn on the personal account to which you have sole or joint title to the funds. Your cheque or banker's draft should be crossed "account payee" and made payable to "Share Registrars Limited re: BWA Group Plc Open Offer A/C". Payments must be made by cheque or banker's draft in pounds sterling drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies and must bear the appropriate sorting code in the top right-hand corner. Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed on the back of the building society cheque or banker's draft the name of the account holder (which must be the same name as printed in Box 1 of the Application Form) and their title to funds by stamping and endorsing the building society cheque/banker's draft to such effect. Any application or purported application may be rejected unless these requirements are fulfilled. **Other third party cheques with the exception of those covered by paragraphs 4(i) and (ii) below will be returned.**

The Company shall as soon as practicable following 3.00 p.m. on 9 February 2010 refund any payment received with respect to an application for any number of Excess Shares which has been rejected in whole or in part by the Company.

Cheques and banker's drafts will be presented for payment on receipt and it is a term of the Open Offer that cheques and banker's drafts will be honoured on first presentation. The Company may elect to treat as valid or invalid any applications made by Qualifying Shareholders in respect of which cheques are not so honoured. If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate non-interest bearing bank account. In the event that the Open Offer does not become unconditional, all monies will be returned (without payment of interest) to applicants as soon as practicable.

Effect of application

By completing and delivering an Application Form you (as the applicant(s)):

- (a) agree that your application, the acceptance of your application and the contract resulting there from under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (b) confirm that in making the application you are not relying on any information or representation other than those contained in this Document and the Application Form and you, accordingly, agree that no person responsible solely or jointly for this Document or any part of it shall have any liability for any information or representation not contained in this Document and that having had the opportunity to read this Document you will be deemed to have notice of all the information concerning the Company contained within this Document;
- (c) represent and warrant that you are not resident(s) of the United States of America, Canada, Australia, or Japan and are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of the Open Offer Shares directly or indirectly in, into or within the United States of America, Canada, Australia, or Japan, or to a resident of the United States of America, Canada, Australia, or Japan or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (d) represent and warrant that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis; and
- (e) will also be asked whether or not you can represent and warrant as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in the United States of America or in Japan, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into the United States of America, Canada, Australia, or into Japan; (ii) you are not and were not located in the United States of America, Canada, Australia, or in Japan at the time you accepted the Application Form or at the time you returned the Application Form; (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside the United States of America, Canada, Australia, and Japan at the time he or she instructed you to submit the Application Form; and (iv) you are acquiring the Open Offer Shares in an "offshore transaction" as defined for purposes of Regulation S of the Securities Act.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that subject to statutory withdrawal rights (reference is made to paragraph 7 of this Part III) applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid. If you do not wish to apply for Open Offer Shares under the Open Offer you should not complete or return the Application Form.

If you have any questions relating to the procedure for acceptance, please telephone Share Registrars Limited between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday (except UK public holidays) on 01252 821 390 from within the UK or +44 1252 821 390 if calling from outside the UK. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

All enquiries in connection with the Application Form should be addressed to Share Registrars Limited, Corporate Actions, Suite E, 1st Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL.

4. MONEY LAUNDERING REGULATIONS 2007

It is a term of the Open Offer that, in order to ensure compliance with the Money Laundering Regulations 2007, Share Registrars may verify the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity").

The verification of identity requirements pursuant to the Money Laundering Regulations 2007 will apply to all applications. Verification of the identity of applicant(s) for Open Offer Shares and Excess Shares may be required including by electronic means. If within a reasonable period of time following a request for verification of identity, but in any event by 3.00 p.m. on 9 February 2010, the Receiving Agent has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant acceptance, in which event the money payable or paid in respect of the acceptance will be returned (without interest and at the applicant's risk) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid).

In order to avoid the operation of the provisions of the Money Laundering Regulations 2007 described above, payment should be made by means of a cheque drawn by and in the name of the applicant named on the enclosed Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* claims in relation to transfers of Existing Ordinary Shares prior to 3.00 p.m. on 5 February 2010), by the person named in Box 12 on the Application Form. If this is not practicable and the applicant uses a cheque drawn on a building society or a banker's draft, the applicant should:

- (i) ask the building society or bank to endorse on the cheque or draft the name and account number of the person whose building society or bank account is being debited (this must be the same name as that printed on the Application Form), such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker's draft;
- (ii) if the applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or EU regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions

relating to the procedure for acceptance, please telephone Share Registrars between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday (except UK public holidays) on 01252 821 390 from within the UK or +44 1252 821 390 if calling from outside the UK. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice;

(iii) if the applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driver's licence; and

(iv) third party cheques will not be accepted unless covered by (i) or (ii) above.

In any event, if it appears to the Receiving Agent that an applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the applicant appears to be acting will be required.

Neither the Receiving Agent, nor St Helens Capital nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification.

By lodging an Application Form, each Qualifying Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company and St Helens Capital, at such specified time thereafter as may be required to ensure compliance with the Money Laundering Regulations 2007.

5. NO PUBLIC OFFERING OUTSIDE THE UNITED KINGDOM

BWA has not taken, nor will it take, any action in any jurisdiction that would permit a public offering of new Ordinary Shares in any jurisdiction where action for the purpose is required, other than in the United Kingdom.

6. OVERSEAS SHAREHOLDERS

6.1 General

It is the responsibility of any Overseas Shareholder (including, without limitation, nominees, custodians and trustees) wishing to apply for Open Offer Shares under the Open Offer to satisfy himself as to full observance of the laws of any relevant territory in connection with such application, including obtaining any requisite governmental or other consent or approval, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory. **Shareholders who are in any doubt as to their position should consult a professional adviser.**

No person receiving this Document and/or an Application Form in any territory other than the UK may treat it as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him and such Application Form could lawfully be used by him without contravention of any registration or other regulatory or legal requirement. In such circumstances, this Document and/or the Application Form are sent for information only, are confidential and should not be copied or distributed.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares or Excess Shares under the Open Offer made by or on behalf of a person outside the UK or if the Company is not given the relevant warranty set out in the Application Form or if it appears that the application may constitute a breach of such warranty or any relevant securities legislation. Notwithstanding any other statement in this Document, the Company reserves the right to permit a Shareholder to take up Open Offer Shares under the

Open Offer if the Company is satisfied in its sole and absolute discretion that such action would not result in contravention of any applicable legal or regulatory requirements.

6.2 North America

Neither this Document, the Application Form, the Open Offer Shares nor the Excess Shares have been or will be registered under the United States Securities Act of 1933, as amended, or any applicable securities laws of any state of the United States of America, nor have they been, nor will they be qualified for sale under the securities law of any province or territory of Canada and the relevant exemptions are not being obtained from the Securities Commission of any province or territory of Canada. Except in a transaction which is exempt from the registration requirements of such laws, neither the Open Offer Shares nor the Excess Shares may be, directly or indirectly, offered, sold, taken up or delivered in North America, or to or for the benefit of a North American Person (as defined below).

Application Forms are not being sent to any Shareholder with a registered address in North America or who is known or believed by the Company to be a North American Person, unless such Shareholder satisfies the Company (in its sole discretion) that an allotment is permitted under an exemption from the securities laws referred to above.

In this letter "North America" means the United States of America and Canada, their respective states, provinces, territories and possession and all areas subject to their respective jurisdictions and any political subdivision thereof and "North American Person" means any person who is in North America, or any citizen or resident of North America, who receives any Application Form in North America or who executes, authorises the execution of or sends in any Application Form from within North America and shall include the estate of any such person or any corporation, partnership or other entity created or organised under the laws of North America. References in this letter to "in North America" shall mean at the time the Open Offer is received and at the time any relevant Application Form is executed or authorised to be executed and returned.

6.3 Australia

Neither this Document nor the Application Form nor the Open Offer Shares or the Excess Shares will be lodged or registered with the Australian Securities and Investments Commission under Australia's Corporations Law and Open Offer Shares and Excess Shares are not being offered for subscription or sale and may not be offered, sold or delivered in or into Australia or for the account or benefit of any person or corporation in Australia.

No Application Form will be sent to any person or corporation in Australia, including any Shareholder with a registered address in Australia. This Document is being sent to such Shareholders for information purposes only and does not constitute an offer or invitation to apply for Open Offer Shares or the Excess Shares. Payment under an Application Form will constitute a representation or warranty that the person entitled to the same has not received, sent or forwarded the Application Form in or into Australia or to any person or corporation in Australia, and is not subscribing for any of the Open Offer Shares or the Excess Shares for the account or benefit of any person or corporation in Australia or with a view to their offer, sale or delivery directly or indirectly in or into Australia or to or for the account of any person or corporation in Australia.

6.4 Japan

The relevant clearances have not been, and will not be, obtained from the Ministry of Finance of Japan, no document in relation to the Open Offer has been or will be lodged with or registered by the Ministry of Finance of Japan and no steps have been taken to enable the Open Offer Share to be offered, sold, accepted, or otherwise delivered in Japan, its territories

and possessions and any areas subject to its jurisdiction (“Japan”) in compliance with applicable laws of Japan. The Open Offer Shares may not therefore be offered, sold or accepted or otherwise delivered directly, or indirectly, in or into Japan.

Accordingly, Application Forms are not being sent to Qualifying Shareholders who have registered addresses in Japan. This Document is being sent to such Shareholders for information purposes only and does not constitute an offer or invitation to apply for Open Offer Shares or Excess Shares.

7. WITHDRAWAL RIGHTS

Qualifying Shareholders wishing to exercise statutory withdrawal rights after publication by the Company of a circular supplementing this Document must do so by lodging a written notice of withdrawal, which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST member, with Share Registrars Limited, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL, so as to be received no later than two business days after the date on which the supplementary circular is published. Notice of withdrawal given by any other means or which is deposited with or received by the Registrar after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant Qualifying Shareholder of its subscription in full and the allotment of Open Offer Shares and Excess Shares to such Qualifying Shareholder becoming unconditional. In such event, Qualifying Shareholders are advised to seek independent legal advice.

8. TAXATION

The attention of Shareholders is drawn to the advice on United Kingdom taxation received by the Company set out in paragraph 10 of Part V of this Document.

If you are in any doubt about your tax position, you should consult your independent professional adviser immediately.

9. FURTHER INFORMATION

The attention of Shareholders is drawn to the further information set out in this Document including the Risk Factors set out in Part II of this Document and the Notice set out at the end of this Document and to the terms and conditions set out on the Application Form.

PART IV

FINANCIAL INFORMATION ON BWA

Responsibility

The directors of the Company are responsible for preparing the financial information set out below on the basis of preparation set out in note 1 to the financial information and in accordance with applicable UK accounting standards.

Nature of information

The following financial information has been extracted, without material adjustment, from the audited consolidated financial statements of BWA for the three financial years ended 30 April 2007, 30 April 2008 and 30 April 2009. The information set out in this Part III has been extracted from previously published financial reports by the Company and does not constitute statutory accounts within the meaning of section 434 of the 2006 Act.

PROFIT AND LOSS ACCOUNT

		<i>Year ended</i> <i>30 April</i> <i>2009</i>	<i>Year ended</i> <i>30 April</i> <i>2008</i>	<i>Year ended</i> <i>30 April</i> <i>2007</i>
	<i>Notes</i>	£	£	£
Turnover		—	—	—
Administrative expenses		7,706	15,340	43,009
Operating loss	2	(7,706)	(15,340)	(43,009)
Exceptional items	3	—	(143,733)	(2,908)
		(7,706)	(159,073)	(45,917)
Finance charges (net)	5	342	1,955	4,120
Loss on ordinary activities before and after taxation and retained for the period	6	<u>(7,364)</u>	<u>(157,118)</u>	<u>(41,797)</u>
Loss per ordinary share – basic	7	<u>(0.019)p</u>	<u>(0.81)p</u>	<u>(0.22)p</u>
Loss per ordinary share – diluted	7	<u>(0.019)p</u>	<u>(0.40)p</u>	<u>(0.22)p</u>

All amounts relate to continuing activities.

All recognised gains and losses in the current period and prior periods are included in the profit and loss account.

BALANCE SHEET

		<i>At</i> <i>30 April</i> <i>2009</i> £	<i>At</i> <i>30 April</i> <i>2008</i> £	<i>At</i> <i>30 April</i> <i>2007</i> £
Current assets				
Debtors	8	—	5,077	—
Cash at bank and in hand		26,964	44,257	99,860
		<u>26,964</u>	<u>49,334</u>	<u>99,860</u>
Creditors: amounts falling due within one year	9	25,722	40,728	34,136
Net current assets		<u>1,242</u>	<u>8,606</u>	<u>65,724</u>
Total assets less current liabilities		<u><u>1,242</u></u>	<u><u>8,606</u></u>	<u><u>65,724</u></u>
Capital and reserves				
Called up share capital	11	484,833	384,833	384,833
Other reserves	12	—	100,000	—
Profit and loss account	12	(483,591)	(476,227)	(319,109)
Shareholders' funds	13	<u>1,242</u>	<u>8,606</u>	<u>65,724</u>

CASH FLOW STATEMENT

		<i>Year ended</i> <i>30 April</i> <i>2009</i> £	<i>Year ended</i> <i>30 April</i> <i>2008</i> £	<i>Year ended</i> <i>30 April</i> <i>2007</i> £
Net cash outflow from operating activities	14	(22,635)	(152,558)	(30,396)
Returns on investments and servicing of finance				
Interest received		342	1,955	4,127
Interest paid		—	—	(7)
Net cash inflow from returns on investments and servicing of finance		<u>342</u>	<u>1,955</u>	<u>4,120</u>
Cash outflow before financing		<u>(22,293)</u>	<u>(150,603)</u>	<u>(26,276)</u>
Financing				
Issue of convertible loan notes		—	100,000	—
Unpaid amounts		5,000	(5,000)	—
Cash inflow from financing		<u>5,000</u>	<u>95,000</u>	<u>—</u>
Decrease in cash for the period	15	<u><u>(17,293)</u></u>	<u><u>(55,603)</u></u>	<u><u>(26,276)</u></u>

NOTES TO THE FINANCIAL INFORMATION

1 ACCOUNTING POLICIES

The financial information has been prepared under the historical cost convention and in accordance with applicable UK accounting standards. The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial information:

Basis of preparing the financial statements

The Directors are seeking a suitable company, business or investment to acquire in the small to medium sized sector with a view to seeking access to a UK quoted market and enhancing shareholder value. When appropriate, the Directors recognise that a further fundraising is necessary in order to provide additional resources for the Company to ensure it is able to effect such an acquisition.

The Directors consider that in preparing the financial statements they have taken into account all information that can reasonably be expected to be available. On this basis they consider that it is appropriate to prepare the financial statements on a going concern basis. This assumes that the Company will recover amounts due to it in relation to the abortive acquisition, as set out in Note 3, or that alternative finance will be raised to cover the Company's on-going working capital requirements.

Compound financial instruments

The Company has adopted FRS25 Financial Instruments: disclosure and presentation.

Financial assets and liabilities are recognised in the balance sheet at the lower of cost and net realisable value when the Company becomes a party to the contractual provisions of the instrument. Provision is made for diminution in value where appropriate. Income and expenditure arising on financial instruments is recognised on the accruals basis and credited or charged to the profit and loss account in the financial period to which it relates.

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Company, is included in equity.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity. Upon conversion, the appropriate transfer is made from reserves to ordinary share capital.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. The deferred tax balance is not discounted.

2 OPERATING LOSS

This is arrived at after charging:

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Auditors' remuneration			
audit services	4,025	5,175	5,287
non-audit services	—	—	—
	<u>4,025</u>	<u>5,175</u>	<u>5,287</u>

3 EXCEPTIONAL ITEMS

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Costs of abortive takeover	—	43,733	—
Provision for bad debt	—	100,000	—
Costs of capital reduction	—	—	2,908
	<u>—</u>	<u>143,733</u>	<u>2,908</u>

During the year ended 30 April 2008 the Company conditionally agreed to acquire 74 per cent. of the issued share capital of a South African company with various mineral rights. In order to secure this transaction it was necessary for the Company to make a loan of £100,000 to the target company to enable it to meet its short term costs and progress its business plan.

As a result of various developments, it subsequently became clear to the Board that the target business was not viable and the transaction was aborted.

To date, the Company has been unsuccessful in its efforts to effect repayment of the £100,000 loan and the costs incurred in relation to the transaction. The Directors have therefore decided to fully provide against the loan and to write off in full the costs which arose in relation to the aborted transaction. They continue to pursue recovery of the debt.

4 EMPLOYEES

There were no staff costs, social security or other pension costs incurred during the years ended 30 April 2007, 30 April 2008 or 30 April 2009.

There were no employees during the years ended 30 April 2007, 30 April 2008 or 30 April 2009 other than the two directors.

5 FINANCE CHARGES (NET)

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Bank interest receivable	342	1,955	4,127
Bank interest payable	—	—	(7)
	<u>342</u>	<u>1,955</u>	<u>4,120</u>

6 TAXATION ON LOSS FROM ORDINARY ACTIVITIES

No tax charge has arisen in the current or prior periods due to the taxable losses incurred by the Company.

The differences between the tax charge and the standard rate of corporation tax in the UK are explained below:

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Loss on ordinary activities before tax	<u>7,364</u>	<u>157,118</u>	<u>41,797</u>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 21% (2008: 20%, 2007: 19%)	(1,546)	(31,423)	(7,941)
<i>Effects of:</i>			
Expenses not deductible for tax purposes	—	28,747	552
Losses carried forward to be utilised against future profits	<u>1,546</u>	<u>2,676</u>	<u>7,389</u>
Current tax charge for the period	<u>—</u>	<u>—</u>	<u>—</u>

7 LOSS PER SHARE

Basic and diluted loss per share figures are based on the following losses and numbers of shares:

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Basic			
Loss after tax	<u>7,364</u>	<u>157,118</u>	<u>41,797</u>
Weighted average number of shares	<u>39,241,627</u>	<u>19,241,627</u>	<u>19,241,627</u>

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Diluted			
Loss after tax	7,364	157,118	41,797
Weighted average number of shares	39,241,627	19,241,627	19,241,627
Weighted average number of potential shares on convertible loan notes	—	20,000,000	—
	<u>39,241,627</u>	<u>39,241,627</u>	<u>19,241,627</u>

The weighted average number of shares for the year ended 30 April 2007 has been adjusted to reflect the capital reorganisation approved at an Extraordinary general meeting held on 29 May 2007.

8 DEBTORS

	<i>At 30 April 2009 £</i>	<i>At 30 April 2008 £</i>	<i>At 30 April 2007 £</i>
Other debtors	—	5,000	—
Prepayments and accrued income	—	77	—
	<u>—</u>	<u>5,077</u>	<u>—</u>

All amounts fall due for payment within one year.

9 CREDITORS

	<i>At 30 April 2009 £</i>	<i>At 30 April 2008 £</i>	<i>At 30 April 2007 £</i>
Amounts falling due within one year			
Trade creditors	6,503	12,179	8,500
Other creditors	15,000	15,000	—
Accruals and deferred income	4,219	13,549	25,636
	<u>25,722</u>	<u>40,728</u>	<u>34,136</u>

10 CONVERTIBLE LOAN NOTES

On 3 May 2007, £100,000 unsecured convertible loan notes 2008 were issued, subject to the following terms:

<i>Principal</i>	<i>Coupon</i>	<i>No. 0.5p ordinary shares per £1 loan note</i>	<i>Maturity Date</i>	<i>Liability element</i>
£100,000	0%	200	2 May 2008	£ Nil

The notes are convertible into ordinary shares of the Company by the noteholder at any time between the date of issue of the notes and their conversion date of 2 November 2007 subject to certain conditions being met.

The loan notes will convert automatically into ordinary shares upon completion of a reverse takeover (as defined under the PLUS rules) or an acquisition or investment by the Company subject to certain conditions being met.

In the event conversion had not taken place by 8 November 2007 the loan notes could be converted at any time prior to the maturity date at the option of the Company. On 29 April 2008 the Board voted to exercise its right to effect mandatory conversion of the convertible loan notes and they have therefore been classified as equity under FRS 25 Financial Instruments: Disclosure and Presentation in the year ended 30 April 2008. (The loan notes were subsequently converted to ordinary shares during the year ended 30 April 2009).

11 SHARE CAPITAL

<i>Number:</i>	<i>Class</i>	<i>Nominal value</i>	<i>At 30 April 2009 £</i>	<i>At 30 April 2008 £</i>	<i>At 30 April 2007 £</i>
Authorised					
1,942,275,119	Ordinary	0.5p	9,702,375	9,702,375	—
19,241,627	Deferred	1.5p	297,625	297,625	—
154,300,000	CPS	2p	3,086,000	3,086,000	—
500,000,000	Ordinary	2p	—	—	10,000,000
			<u>13,086,000</u>	<u>13,086,000</u>	<u>10,000,000</u>
Allotted, called up and fully paid					
39,241,627	Ordinary	0.5p	187,208	—	—
19,241,627	Ordinary	0.5p	—	87,208	—
19,241,627	Deferred	1.5p	297,625	297,625	—
19,241,627	Ordinary	2p	—	—	384,833
			<u>484,833</u>	<u>384,833</u>	<u>384,833</u>

Special Resolutions were passed at an Extraordinary General Meeting held on 29 May 2007 to:

- subdivide each unissued 2p ordinary share into four new ordinary shares of 0.5p each;
- subdivide each existing issued 2p ordinary share into one new ordinary share of 0.5p and one deferred share of 1.5p each; and
- increase the authorised capital of the Company to £13,086,000 by the creation of 154,300,000 Convertible Participating Preference shares (CPS) of 2p each

On 29 April 2008 the Board voted to exercise its right to effect mandatory conversion of the convertible loan notes 2008 and, accordingly, 20 million new ordinary shares of 0.5p each were subsequently issued to the holders.

The Convertible Participating Preference shares rank *pari passu* with the ordinary shares in regard to payment of dividends or any other right or participation in the profits in the Company and with regard to a return of capital on liquidation or otherwise. The CPS will not carry any voting rights at a general meeting save in respect of any resolutions that vary the CPS rights.

The deferred shares carry no right to receive any dividend or distribution. The holders of the deferred shares have no rights to receive notice, attend, speak or vote at any general meeting of the Company. On a return of capital on liquidation or otherwise, the holders of the

deferred shares are entitled to receive the nominal amount paid up on the deferred shares after the repayment of £10,000,000 per ordinary share.

12 RESERVES

	<i>Other reserves £</i>	<i>Profit & Loss Account £</i>
At 1 May 2006	—	(277,312)
Deficit for the year	—	(41,797)
At 30 April 2007	—	(319,109)
Equity component on issue of convertible loan notes	100,000	—
Deficit for the year	—	(157,118)
	<i>Other reserves £</i>	<i>Profit & Loss Account £</i>
At 30 April 2008	100,000	(476,227)
Conversion of loan notes into ordinary shares	(100,000)	—
Deficit for the year	—	(7,364)
At 30 April 2009	—	(483,591)

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<i>At 30 April 2009 £</i>	<i>At 30 April 2008 £</i>	<i>At 30 April 2007 £</i>
Loss for the financial period	(7,364)	(157,118)	(41,797)
Equity element of convertible loan notes issued	—	100,000	—
Net (reduction)/addition to shareholders' funds	(7,364)	(57,118)	(41,797)
Opening shareholders' funds	8,606	65,724	107,521
Closing shareholders' funds	1,242	8,606	65,724
Equity interests	1,242	8,606	65,724

14 RECONCILIATION OF OPERATING LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	<i>Year ended 30 April 2009 £</i>	<i>Year ended 30 April 2008 £</i>	<i>Year ended 30 April 2007 £</i>
Operating loss	(7,706)	(15,340)	(43,009)
Net cash outflow from exceptional items	—	(143,733)	(2,908)
Decrease /(increase) in debtors	77	(77)	—
(Decrease)/increase in creditors	(15,006)	6,592	15,521
Net cash flow from operating activities	(22,635)	(152,558)	(30,396)

15 ANALYSIS OF NET FUNDS

	<i>At the start of the year £</i>	<i>Cash flow £</i>	<i>At the end of the year £</i>
Year ended 30 April 2007			
Cash at bank and in hand	126,136	(26,276)	99,860
Year ended 30 April 2008			
Cash at bank and in hand	99,860	(55,603)	44,257
Year ended 30 April 2009			
Cash at bank and in hand	44,257	(17,293)	26,964

PART V

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors of the Company, whose names appear on page 8 of this Document, accept responsibility, both individually and collectively, for the information contained in this Document and for compliance with the PLUS Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information. All Directors accept responsibility accordingly.

2. INCORPORATION AND STATUS OF THE COMPANY

- 2.1 The Company was incorporated and registered in England and Wales on 11 April 1931 under the Companies Act 1929 with registration number 255647. The Company was incorporated under the name Lancashire Handbag Company Limited which was changed to Lanca Limited on 26 June 1970. It was re-registered as a public limited company under the Companies Act 1948 to 1980 on 19 February 1982 under the name of Lanca Plc and, on 1 October 1990, the name was changed to Castle Mill International Plc. On 22 October 1998 the name of the Company was changed to BWA Group Plc.
- 2.2 The principal legislation under which the Company operates is the 2006 Act and the regulations made thereunder.
- 2.3 The liability of the members of the Company is limited.
- 2.4 The registered office of the Company is at 50 Broadway, London SW1H 0BL.
- 2.5 The accounting reference date of the Company is 30 April.
- 2.6 The Company does not have any subsidiaries.

3. SHARE CAPITAL

- 3.1 Details of the Company's share capital are as follows:

- 3.1.1 The authorised share capital of the Company at the date of this Document is as follows:

	£	Number
Ordinary Shares of 0.5p	196,208.135	39,241,627
Deferred Shares of 1.5p	288,624.405	19,241,627
Convertible Preference Shares of 2p	3,086,000	154,300,000

The Convertible Preference Shares (none of which are currently issued) are to be converted to Ordinary Shares by Resolution 7 at the Annual General Meeting. Following the passing of the Resolutions the Company will no longer have an authorised share capital.

3.1.2 The issued share capital of the Company at the date of this Document and following Admission is expected to be as follows:

	As at the date of this Document		On Admission (assuming Minimum Amount raised)		On Admission (assuming full subscription of Open Offer)	
	£	Number	£	Number	£	Number
Ordinary						
Shares of 0.5p	196,208.135	39,241,627	521,208.135	104,241,627	588,624.405	117,724,881
Deferred						
Shares of 1.5p	288,624.405	19,241,627	—	—	—	—

3.1.3 If Resolution 10 is passed at the Annual General Meeting all of the issued Deferred Shares will be purchased by the Company, following which they will be cancelled. Pending such cancellation the Deferred Shares have the following rights and are subject to the following restrictions:-

- (a) the Deferred Shares are not entitled to any dividends or to any other right or participation in the profits of the Company;
- (b) on any return of assets on liquidation, the Deferred Shares confer on the holders thereof an entitlement to receive out of the assets of the Company available for distribution amongst the members (subject to the rights of any new class of shares with preferred rights) the amount paid up or credited as paid up on the Deferred Shares held by them respectively after (but only after) payment has been made to the holders of the Ordinary Shares and the Convertible Preference Shares of the amounts paid up or credited as paid up on such shares and the sum of £10,000,000 in respect of each Ordinary Share and Convertible Preference Share held by them respectively. The holders of the Deferred Shares have no further right to participate in the assets of the Company;
- (c) the holders of the Deferred Shares are not entitled to vote upon any resolution of the Company in general meetings and are not entitled to receive notice of, attend any general meeting, or be part of the quorum thereof as the holders of the Deferred Shares;
- (d) any reduction of capital involving the cancellation of the Deferred Shares for no consideration is not deemed to be a variation of the rights attaching to them nor a modification or abrogation of the rights or privileges attaching to the Deferred Shares;
- (e) the special rights conferred upon the holders of the Deferred Shares are deemed not to be modified, varied or abrogated by the creation or issue of further shares ranking *pari passu* with or in priority to the Deferred Shares;
- (f) the holders of the Deferred Shares are not entitled to be issued with a share certificate;
- (g) no transfer of any Deferred Shares is permitted save as provided by paragraph 4.5 below; and
- (h) the Company has irrevocable authority at any time to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same (without making any payment to the holders thereof) to such person as the Company may determine as custodian thereof and/or to cancel the same without making any payment to

the holders thereof and/or acquire the same (in accordance with the provisions of the Act) without making any payment to or obtaining the sanction of the holders hereof.

3.1.4 The special rights, privileges, restrictions and limitations attaching to the Convertible Preference Shares are as follows:

- (a) the Convertible Preference Shares rank *pari passu* with the Ordinary Shares in regard to:
 - (i) payment of dividends or to any other right or participation in the profits of the Company; and
 - (ii) on a winding-up or on a reduction of capital including but without prejudice to the foregoing the purchase by the Company of its own shares;
- (b) the holders of the Convertible Preference Shares are:
 - (i) entitled to receive notice of or to attend general meetings of the Company and to receive all other communications, reports and accounts of the Company as shall be receivable by the holders of the Ordinary Shares; and
 - (ii) not entitled to speak nor to vote on any resolution proposed at any general meeting of the Company save for as in respect of any resolution that varies the terms of the rights of the Preference Shareholders set out herein;
- (c) the Convertible Preference Shares are transferable by the holders thereof but are not admitted to trading on any market, exchange or any dealing facility;
- (d) the holders of the Convertible Preference Shares have the right by notice in writing, accompanied by the certificate for the holding of the Preference Shares, to the Company at any time prior to the redemption date specified in paragraph (v) below, to convert all or any of the Convertible Preference Shares from time to time outstanding into Ordinary Shares at the rate of 1 Ordinary Share for every 1 Convertible Preference Share held. The Company shall on receipt of the notice to convert:
 - (i) procure the issue, to the holder of a share certificate, or at the request of the holder credit the holder's CREST account with the Ordinary Shares to be issued on such conversion; and
 - (ii) in the event that the Company's Ordinary Shares are admitted to dealing on the official list of the London Stock Exchange plc, or on AIM or Plus Markets ("Market"), then the Company shall procure that the Ordinary Shares to be issued on the conversion are so admitted to trading on the relevant Market;
 - (iii) no holder of the Convertible Preference Shares is entitled to serve notice of the conversion if as a consequence his or their (whether alone or together with other persons deemed to be acting in concert, as the expression is defined in the Takeover Code) holding of voting rights in the Company following such conversion would exceed 29.9 per cent. of the voting rights of the Company;

- (iv) no director of the Company who is a holder of Convertible Preference Shares is entitled to serve a notice of conversion on the Company during a Close Period of the Company (as defined in the PLUS Rules);
 - (v) in the event that any Convertible Preference Shares have not been converted by the date being its tenth anniversary of the creation of the Convertible Preference Shares (the "Redemption Date"), then subject to all relevant provisions of the law applicable to companies seeking to redeem or purchase their own shares, the Company shall redeem the Convertible Preference Shares in issue on the Redemption Date.
- 3.2 The Deferred Shares are to be acquired by the Company for nil consideration pursuant to Resolution 10 at the Annual General Meeting and will be cancelled. The Convertible Preference Shares are to be converted into Ordinary Shares by Resolution 7 at the Annual General Meeting.
- 3.3 The Open Offer Shares and the Excess Shares will rank *pari passu* in all respects with the existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares from the date of this Document.
- 3.4 Following Admission, the Ordinary Shares may be held in either certificated or uncertificated form.
- 3.5 There are no shares which do not represent capital.
- 3.6 Save as disclosed in this Document, there are no convertible securities, exchangeable securities or securities with warrants.
- 3.7 The Company will grant St Helens Capital an option to subscribe for Ordinary Shares totalling 5 per cent. of the issued share capital of the company as it will be following Admission. The option will be exercisable at the Open Offer price and shall be exercisable for a period of 5 years from the date of grant. The Company will grant this option on Admission.
- 3.8 Save as disclosed in this Document:
- 3.8.1 no share or loan capital of the Company has been issued or is proposed to be issued;
 - 3.8.2 no person has any preferential subscription rights for any share capital of the Company; and
 - 3.8.3 no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.

4. ARTICLES OF ASSOCIATION

The Memorandum of Association of the Company provides that the principal object of the Company is to carry on the business of a general commercial company. The objects of the Company are set out in full in clause 3 of the Memorandum of Association the content of which has been transferred to the Articles of Association of the Company by virtue of section 28 of the 2006 Act. After the adoption of the New Articles the Company will have no objects clause and will be able to carry on business without restriction.

The New Articles of Association of the Company to be adopted at the Annual General Meeting (the "Articles") contain, *inter alia*, provisions to the following effect:

4.1 Voting rights

Every member present in person at a general meeting of the Company shall have one vote on a show of hands, and on a poll every member present in person or by proxy shall have one vote for every share for which he is a holder save for holders of Deferred Shares or holders of Preference Shares who have no voting rights (except in the latter's case in respect of any resolution that varies the terms of the rights of the Preference Shareholders). In the case of an equality of votes, the Chairman of such meeting shall not be entitled to a further, or casting vote.

4.2 Variation of rights

The special rights attached to any class of shares may (as far as allowed under the terms of their issue) be varied either with the written consent of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of holders of such shares. All the provisions of the articles of association shall apply *mutatis mutandis* to every such separate class meeting but the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if any adjourned meeting of such holders or quorum as above is defined is not present, those of such holders who present in person or by proxy shall be a quorum), and that the holders of the shares of the class shall, on poll, have one vote in respect of every share of the class held by them respectively.

4.3 Dividends

The Company may in general meeting declare dividends to be paid out of profits available for distribution to the members according to their rights and priorities in the profits but no dividends shall be declared in excess of the amount recommended by the Board.

All dividends shall be declared and paid accordingly to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated as paid on the share. All dividends shall be paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid subject to the terms of issue and entitlement relating to such share.

The Directors may, with the prior authority of an ordinary resolution of the Company, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets including fully paid up shares or debentures of any other company.

The Directors may, with the sanction of an ordinary resolution of the Company, offer any holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares, in either case, credited as fully paid, in whole or in part, instead of cash in respect of such dividends as may be specified by the resolution.

Subject to the provisions of the 2006 Act, the Directors may declare and pay interim dividends on such dates in respect of such periods as they think fit.

Provided that the Directors act in good faith they shall not incur any liability to the holders or shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares ranking after those with preferred rights.

The Board may set aside out of profits of the Company available for dividend and carry to reserves such as it may think proper, which shall be used for any purpose to which the profits of the Company may properly be applied, and, pending such application, may either be employed in the business of the Company, or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may also from time to time carry forward any profits which it may think prudent not to distribute.

The Board may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of a share.

No unpaid dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

All dividends unclaimed for other amounts payable by the Company in respect of a share may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and so that the Company shall not thereby be constituted as a trustee in respect thereof. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.

4.4 Restrictions on transferability of shares

Members may transfer shares by writing in the usual common form or in such other form as Board may approve.

The instrument of transfer of a share shall be executed by or on behalf of the transferor or, in the case of a partly paid share, by or on behalf of the transferee also, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company.

The Board may, in its absolute discretion, and without assigning any reason therefor, refuse to register any transfer of shares which are not fully paid, provided the exercise of such discretion does not prevent dealings in the shares from taking place on an open and proper basis.

The Board may also refuse to register any amount of transfer, if:

- (a) the instrument of transfer is not lodged, duly stamped, at the Company's registered office or at such other place as the Board may appoint or is not accompanied by the certificate of shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; or
- (b) the instrument of transfer is in respect of more than one class of share;
- (c) the instrument of transfer is in favour of a minor, infant, bankrupt or person with mental disorder; or
- (d) in the case of a transfer to joint holders, they exceed four in number.

If the Board refuses to register a transfer, it shall send to the transferee notice of the refusal the earlier of (i) the time required by the Listing Rules (if applicable to the Company) or (ii) two months after the date on which the transfer was lodged with the Company.

4.5 Changes in share capital

The Company may by ordinary resolution:

- consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares and authorise the Board to make such provisions as it thinks for the case of any fractions in the course of such consolidation and division; and
- sub-divide any of its shares, into shares of smaller amount, subject to the provisions of the 2006 Act so that one or more of the resulting shares may have any preferred or special rights or be subject to any restrictions, as compared with the others

The Company may, subject to the provisions of the 2006 Act, by special resolution reduce its share capital, its capital redemption reserve fund and any share premium account and/or non-distributable reserves in any manner.

4.6 Purchase by the Company of its own shares

Subject to the provisions of the 2006 Act and to the rights attaching to any class of shares, the Company may purchase its own shares.

4.7 Borrowing powers

The Directors may exercise all the powers of the Company to borrow money.

4.8 Directors

Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to a maximum and shall be not less than two.

4.9 In addition to the provisions summarised above, the New Articles contain provisions to take account of changes in English company law brought about by the 2006 Act. The principal changes being proposed in the New Articles are summarised below.

(a) *Objects*

From 1 October 2009, the 2006 Act treats the Company's objects as forming part of the articles of association. The New Articles do not specifically restrict the objects of the Company, so following the adoption of the New Articles, the objects of the Company will be unrestricted.

(b) *Authorised Share Capital*

Under the 2006 Act, a company is not required to have an authorised share capital. The Company's New Articles reflect this amendment. Please note that the Company will still need to seek shareholder approval to increase the Directors' authority to allot shares and to disapply the pre-emption rights.

(c) *Timing of the AGM*

The 2006 Act requires the Company to hold its annual general meeting within six months from the day following the Company's accounting reference date in each year. The New Articles reflect the requirements of the 2006 Act.

(d) *Transfer of Shares*

Under the 2006 Act, a company must either register a transfer of shares or give the transferee notice of, and reasons for, its refusal to register a transfer. Any registration of transfer or notice must be made or given as soon as practicable and in any event at the earlier of either the time required by the Rules of the London Stock Exchange or within two months from the date that the transfer is lodged with the Company. The New Articles reflect these requirements.

(e) *Types of Meetings*

The Current Articles refer to Annual General Meetings and Extraordinary General Meetings. The concept of the Extraordinary General Meeting has not been retained by the 2006 Act. Pursuant to the 2006 Act any general meeting other than an Annual General Meeting is to be referred to as a General Meeting. The New Articles reflect this amendment.

(f) *Notice of General Meetings*

The provisions in the New Articles dealing with the convening of General Meetings and the length of notice required to convene General Meetings has been amended to reflect the requirements of the 2006 Act. In particular, a General Meeting (other than an Annual General Meeting) to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

(g) *Conflicts of Interest*

Pursuant to the 2006 Act, from 1 October 2008, a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with a company's interest. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation where such appointment conflicts or possibly may conflict with the Company's interest. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where a company's Articles of Association contain a provision to this effect. The New Articles give the Directors authority to approve such situations. There are safeguards which will apply when the Directors decide whether to authorise a conflict or potential conflict. First, only Directors who do not have an interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the Directors must act in good faith and in a way in which they consider will be most likely to promote the Company's success. The Directors will be able to impose limits or conditions when giving such authorisation if they think this is appropriate.

4.10 In preparing the New Articles the opportunity has also been taken to remove certain provisions imposing limitations on the ownership of shares in the Company, which were relevant at the time when the Company was the owner of British World Airways, but have not been relevant since that ceased to be the case.

5. DIRECTORS' AND OTHER INTERESTS

5.1 As at 11 January 2010, being the last practicable date prior to printing this Document, the interests (including rights to subscribe and short positions) of the Directors (all of which are beneficial, unless otherwise stated) (so far as is known to the Directors, or could with reasonable diligence be ascertained by them) or connected persons in the issued share capital of the Company are as follows:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>% of Existing Ordinary Shares</i>
Richard Battersby	5,866,896*	14.95
James Butterfield	5,901,668	15.04
Alex Borrelli	Nil	Nil

* Of the shares held by Mr Richard Battersby, 469,980 Ordinary Shares are registered in the name of Neric Holdings Limited, 5,384,424 Ordinary Shares are registered in the name of Bath Limited, 773 Ordinary Shares are registered in the name of Second Neric Limited and 11,719 Ordinary Shares are registered in the name of HSBC Global Nominees Holdings. The 773 Ordinary Shares registered in the name of Second Neric Limited are the subject of a legal charge in favour of Royal Bank of Scotland plc and are therefore not subject to the Lock-in Agreements summarised in paragraph 8.2 below.

- 5.2 In addition to the holdings disclosed in paragraph 5.1 above, as at the date of this Document, the Company has been notified of the following holdings which represent more than 3 per cent. of the Existing Ordinary Shares:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>% of Existing Ordinary Shares</i>
Merchant House Group Plc	1,200,000	3.06
W B Nominees Limited*	1,250,144	3.19
Mr Christopher Bakhurst**	1,275,790	3.25
Mr David Michael Cass	1,350,000	3.44
Mr Richard James Armstrong***	1,800,000	4.59
Mr Peter Redmond****	2,475,000	6.31
Fiske Nominees Limited***	6,475,000	16.50

* No shareholder within W B Nominees Limited is interested in over 3 per cent. of the Existing Ordinary Shares.

** Mr Christopher Bakhurst has registered 284,334 Ordinary Shares in his own name and 991,456 Ordinary Shares under the name of Rochette Securities Limited.

*** Mr Richard James Armstrong owns a total of 2,800,000 Ordinary Shares representing 7.14 per cent. of the Existing Ordinary Shares. 1,800,000 Ordinary Shares are registered in his own name and 1,000,000 Ordinary Shares are held in Fiske Nominees Limited. No other shareholder within Fiske Nominees Limited is interested in over 3 per cent. of the Existing Ordinary Shares.

**** Mr Peter Redmond has a personal holding of 2,475,000 Ordinary Shares but is also the CEO of Merchant Capital Limited a subsidiary to Merchant House Group Plc which is interested in 1,200,000 Ordinary Shares representing 3.06 per cent. of the Existing Ordinary Shares.

- 5.3 Save as disclosed in paragraphs 5.1 and 5.2 above, as at the date of this Document, the Directors are not aware of any interest which will immediately following Admission represent 3 per cent. or more of the Enlarged Share Capital or voting rights of the Company or of any person which directly or indirectly, jointly or severally, exercises or could exercise control of the Company.
- 5.4 Save as disclosed in this Document, none of the Directors has or will have any interest in any share capital or loan capital in the Company following Admission not does any person connected with the Directors have any such interest, whether beneficial or non-beneficial.
- 5.5 There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors.
- 5.6 Save as disclosed in paragraph 6 below, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company during the current or immediately preceding financial year, or during any earlier financial year and which remains in any respect outstanding or unperformed.
- 5.7 There are no material related party transactions required to be disclosed under the accounting standards applicable to the Company, to which the Company was a party during the period of twelve months preceding the date of this Document.

6. DIRECTORS' LETTERS OF APPOINTMENT

- 6.1 Each of the Directors has entered into a letter of appointment dated 8 January 2010 with the Company as follows:

Position

Each will act as a non-executive director of the Company and Richard Battersby will be Chairman. Each director will have the primary function of seeking and progressing potential acquisitions as described in Part 1 of this Document.

Remuneration

The Directors are not entitled to draw any remuneration from the Company in cash until such time as an investment or acquisition is made. At that time the remuneration of the Directors will be reviewed and suitable remuneration arrangements shall be agreed with the Directors and any new persons appointed to the Board. In the intervening period, the Directors will accrue entitlement to remuneration at the rate of £10,000 per annum each, but this will only become payable at the time of an investment or acquisition and will be settled by an issue of Ordinary Shares at the price applicable at the time.

Term

The appointments are for an initial term of three years from the original date of appointment (2 October 2009 for Richard Battersby, 18 December 2009 for James Butterfield and 21 December 2009 for Alex Borrelli) but in each case determinable by either party on six months' notice in writing.

- 6.2 Save as disclosed in paragraph 6.1, there are no service contracts, existing or proposed, between any Director and the Company.
- 6.3 It is estimated that under arrangements currently in force, the aggregate remuneration and benefits in kind to be paid to the Directors for the financial period ending 30 April 2010, will be £Nil unless an acquisition or investment is completed before this date.

7. ADDITIONAL INFORMATION ON THE BOARD

- 7.1 In addition to directorships of the Company, the Directors hold or have held the following directorships (including directorships of companies registered outside England and Wales) or have been partners in the following partnerships within the five years prior to the date of this Document:

<i>Director</i>	<i>Current directorships:</i>	<i>Previous directorships:</i>
Richard Battersby	AG Insurance Limited (Guernsey) Air Montgomery (Guernsey) Limited Batair Limited (Guernsey) Challenge Financial Investments Limited (BVI) Challenge (Guernsey) Limited (Guernsey) Emballages Manutention Stockages SAS (France) Ensign Limited (Guernsey) Falcon Insurance PCC Limited (Guernsey) Motorsport Consultancy Services Limited (Guernsey) Rochette Securities Limited (BVI) Rensburg Aim VCT plc Neric Finance Limited Second Neric Limited Neric Limited Falcon Freeholds (Management) Limited Falcon Freeholds Limited Neric Holdings Limited (Guernsey) Bath Limited (Guernsey) Limited SJL Limited (Guernsey) Field Insurance Limited (Guernsey) Sarnia Aircraft Leasing Limited (Guernsey) Sarnia Aircraft Holdings Limited (Guernsey) Gilbertson & Page Limited	CG Holdings & Investments Inc (Delaware) Challenge (C.I.) Limited (Guernsey) Challenge Finance Limited Courtside Group Limited (BVI) Essentially Group Limited (Jersey) Idealhouse Limited NML Limited Rensburg VCT plc Rensburg Aim VCT plc Vantage Technologies Limited

<i>Director</i>	<i>Current directorships:</i>	<i>Previous directorships:</i>
Richard Battersby <i>(continued)</i>	Aiglle Group Limited (Guernsey) Aiglle Limited (Guernsey) Partners Finance Limited Dr John Limited Diamond Floor (SAS) France	
James Butterfield	Belgravia Telecom Limited MarineTrack Limited MarineTrack Holdings plc Wren Extra Care Group plc	Essentially Group Limited
Alex Borrelli	ABDM Limited BNB Recruitment Solutions PLC Capcon Holdings plc Nordic Panorama plc	IAF Capital Limited IAF Corporate Finance LLP IAF Securities Limited Shore Capital and Corporate Limited Shore Capital Markets Limited

7.2 James Butterfield was appointed a director of MarineTrack Limited in June 2007 and it became part of the MarineTrack Holdings Plc Group in August 2008. Shortly after that date orders and sales collapsed for no apparent reason and in November 2008 James Butterfield was taken gravely ill and hospitalised until March 2009, during which time MarineTrack Ltd was placed in administration and a pre-pack sale was made for modest consideration to the former CEO and Marketing Director. The liquidation is ongoing.

James Butterfield was appointed as a director of Eldon Pet Supplies Limited on 3 October 2000 as part of a corporate restructuring. The company was dissolved on 10 August 2004.

7.3 James Butterfield was a director of Smart Asian Media Limited which was put into administration on 17 October 2003. Mr Butterfield was appointed as a director of Smart Asian Media Limited on 11 September 2003 in an effort to effect a corporate rescue. Within a short period it had become clear that the company was insolvent and the directors appointed an administrator. The company was placed into liquidation and was dissolved on 1 November 2008.

7.4 James Butterfield was a director of Assured Heritable Securities plc when a liquidator was appointed in July 1996. The company was dissolved on 10 March 1999 with a shortfall to creditors of £803,497.

7.5 James Butterfield undertook an Individual Voluntary Arrangement ('IVA') in 1997. The supervisor of the IVA was PricewaterhouseCoopers and this was completed in May 2002.

7.6 Between 1972-1984 Richard Battersby was an employee and later a director of the development capital subsidiaries of the Royal Bank of Scotland. In that role he was a director of a number of companies of which the following four were placed in receivership while he was a director: Catherall Foster & Company Limited, Moorfield Manufacturing Company (Kilmarnock) Limited, Mindev Holdings Limited and Challenge Finance Limited.

7.7 Richard Battersby was appointed a director of Zoa Corporation plc in 2001. At this time, Zoa was not trading and its operating subsidiary had been placed into administration. The purpose of the appointment was to carry through a restructuring with a view to converting it into a 'shell'. Part of the restructuring involved putting Zoa through a

Company Voluntary Arrangement. When Mr Battersby was appointed, Zoa had already incurred substantial losses and had ceased business. Mr Battersby resigned as a director in 2004.

- 7.8 Richard Battersby was a director of Challenge Finance Limited which went into administration in May 2009. The administration is substantially complete.
- 7.9 Alex Borrelli was appointed as a director of IAF Securities Limited on 1 September 2008 and resigned on 18 January 2009. Liquidators were appointed to the company on 23 March 2009.
- 7.10 Alex Borrelli was appointed a director of BNB Recruitment Solutions plc on 5 April 2007. Administrators were appointed to the company on 29 June 2009.
- 7.11 Save as disclosed above, none of the Directors has:
- (a) had any previous names;
 - (b) any unspent convictions in relation to indictable offences;
 - (c) had any bankruptcy order made against him or entered into any voluntary arrangements;
 - (d) been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
 - (e) been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
 - (f) been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
 - (g) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
 - (h) been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a Company.

8. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company in the two years immediately preceding the date of this Document and are, or may be, material:

- 8.1 Corporate Adviser Agreement dated 2 December 2009 between the Company, the Directors and St Helens Capital pursuant to which the Company has appointed St Helens Capital to act as Corporate Adviser to the Company for the purposes of Admission for a fee of £20,000. The Company has agreed to pay St Helens Capital, a fee of £10,000 per annum for retaining its services as PLUS Corporate Adviser following Admission. The Company has agreed to grant St Helens Capital an option to subscribe for Ordinary Shares equalling 5 per cent. of the Enlarged Share Capital at the Open Offer Price. The option will be exercisable for a period of 5 years from the date of

Admission. The agreement contains certain undertakings and indemnities given by the Company in respect of, *inter alia*, compliance with all applicable laws and regulations. The agreement continues for a minimum period of twelve months and thereafter is subject to termination on the giving of three months' notice.

- 8.2 Lock-in Agreements dated 12 January 2010 between the Company, St Helens Capital and each of the Directors, under which, save in the event of an offer for the Company or other limited circumstances, each of the Directors has undertaken not to dispose of any Ordinary Shares held by him at Admission, or rights over Ordinary Shares derived from such shares, for a period of 12 months from the date of Admission.

9. LITIGATION

The Company is not involved in any legal, governmental or arbitration proceedings which may have or have had since incorporation a significant effect on the Company's financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Company.

10. UNITED KINGDOM TAXATION

The following paragraphs include advice received by the Directors about the tax position of shareholders who are resident or ordinarily resident in the UK for tax purposes and who hold their Ordinary Shares as investments and not as an asset of a financial trade. The comments below are based on current legislation and HM Revenue and Customs practice and do not constitute an exhaustive list. They are intended only as a general guide and do not constitute advice to any shareholder on his or her personal tax position and may not apply to certain classes of investor (such as dealers or UK insurance companies).

Any investor who is in doubt as to his or her tax position and in particular, those who are subject to taxation in a jurisdiction other than the United Kingdom, are strongly advised to consult his or her professional adviser.

10.1 Taxation of the Company

The Company will be liable to UK Corporation Tax, the rate of which depends on the level of its profits. For each accounting period where the Company's taxable profits exceed the top level (currently £1,500,000) the Company will be liable to UK Corporation Tax at the rate of 28 per cent. of its taxable profits. The limit of £1,500,000 is divided equally between the Company and any other companies associated with it at any time during the accounting period.

10.2 Taxation of Dividends

Under current United Kingdom tax legislation, no tax is required to be withheld from dividend payments by the Company.

A UK resident shareholder who is an individual will be entitled on receipt of a dividend to a notional tax credit equal to one ninth of the net dividend (i.e. one tenth of the aggregate of the net dividend and associated tax credit).

The rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and the associated tax credit, falls within the threshold for lower or basic rate tax is 10 per cent. Accordingly, the tax credit will discharge such shareholder's liability to UK income tax on the dividend. To the extent that the tax credit exceeds that shareholder's liability to UK income tax, such shareholder will not be entitled to claim payment of the excess from the Inland Revenue.

The rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and associated tax credit, falls above the threshold for higher

rate tax, is 32.5 per cent., which taking into account the 10 per cent. tax credit gives an effective rate of tax of 25 per cent. on the actual received dividend.

It has been proposed that with effect from 6 April 2010, the rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and associated tax credit, falls above £150,000 per annum, is 42.5 per cent., which taking into account the 10 per cent. tax credit gives an effective rate of tax of 36.11 per cent. on the actual received dividend. At the date of this document consultations continue and the detail of the legislation has not yet been finalised.

An individual shareholder who is a Commonwealth citizen, a resident of the Isle of Man or Channel Islands or a national of a state within the European Economic Area or falls with the categories of person within Section 278 of ICTA will be entitled to claim credit for the whole or part of the tax credit attaching to dividends against their UK tax liabilities. However, in general such shareholders or other non-UK resident shareholders will not be entitled to a cash payment from the Inland Revenue in respect of the tax credit.

10.3 Inheritance Tax (“IHT”) Relief

Ordinary shares in companies admitted to trading on PLUS, such as the Company, generally qualify for 100 per cent. IHT Business Property Relief provided that they have been held for two years prior to an event giving rise to a potential charge of IHT, however as the Company does not qualify as a trading company this relief will not be available. Any shareholder who has any doubts as to his IHT position should consult a professional adviser, especially before making any gift or transfer of shares.

10.4 Capital gains tax

Changes to the structure of capital gains tax for individuals, trustees and personal representatives were introduced on 6 April 1998, including changes to the rules relating to the holding of shares.

A disposal of shares is generally treated on a LIFO (last in, first out) basis for the purpose of calculating gains chargeable to tax.

The capital gains tax relief regime whereby gains made by individuals, trustees and personal representatives after 5 April 1998 could qualify for taper relief., was abolished with effect from 5 April 2008 with a flat rate of 18 per cent. applying to chargeable gains thereafter.

10.5 UK corporate shareholders

A shareholder which is a UK resident company will in general not be liable to UK Corporation Tax on dividends received on its Ordinary Shares.

10.6 Chargeable gains – corporate shareholders

The above changes to the taxation of chargeable gains do not apply to corporate shareholders, to which share “pooling” and indexation rules will continue to apply.

10.7 Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The allotment and issue of Ordinary Shares by the Company pursuant to the Subscriptions will not give rise to a charge to stamp duty or SDRT.

Transfers of Ordinary Shares will be liable to *ad valorem* stamp duty at the rate of 50p per £100 (or part thereof) of the actual consideration paid (subject to a minimum level of Stamp Duty of £5 and rounded up to the nearest £5). An unconditional agreement to transfer such shares will be subject to SDRT at the rate of 0.5 per cent. of the consideration paid, payable

by the seventh day of the month following the date of the agreement or if the agreement was conditional, the seventh day of the month in which the condition was satisfied. Liability to Stamp Duty and SDRT is generally that of the transferee.

Special rules apply to the agreements made by market makers in the ordinary course of their business, broker-dealers and certain other persons. Agreements to transfer shares to charities will not give rise to SDRT or stamp duty.

11. MATERIAL CHANGE

There has been no material change in the financial or trading position of the Company since 30 April 2009 (the date to which the latest audited accounts of the Company were prepared).

12. GENERAL

- 12.1 The total costs and expenses relating to the Proposals payable by the Company are estimated to amount to approximately £63,850 (excluding VAT).
- 12.2 The Company is not dependent on patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to its business.
- 12.3 The financial information in this Document does not comprise statutory accounts for the purpose of Section 434 of the Act.
- 12.4 Except as disclosed in this Document and for the advisers named on page 8 of this Document no person has received, directly or indirectly, from the Company during the twelve months preceding the date of this Document or has entered into a contractual arrangements to receive, directly or indirectly, from the Company on or after the start of the trading on PLUS, fees totalling more than £10,000 or more or securities in the Company with a value of £10,000 or more calculated by reference to the price or any other benefit to a value of £10,000 or more.
- 12.5 Except as disclosed in this Document, there are no significant investments in progress by the Company.
- 12.6 Except as disclosed in this Document, no exceptional factors have influenced the Company's activities.
- 12.7 St Helens Capital has given and not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which it appears.
- 12.8 Save as disclosed in this document, the Company does not have any employees.
- 12.9 Save as disclosed in this Document none of the Directors, or any members of their families, has a related financial product referenced to the Ordinary Shares.
- 12.10 The Company does not have any interest in any property or any liability in relation to any property.

13. WORKING CAPITAL

The Directors are of the opinion that, having made due and careful enquiry and having taken into account the proceeds of the Open Offer (assuming that the Minimum Amount is raised), the working capital available to the Company on admission to PLUS will be sufficient for its present requirements, that is, for at least the next twelve months following Admission.

14. DOCUMENTS AVAILABLE FOR INSPECTION

- 14.1 Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the offices of Bircham Dyson Bell LLP, 50 Broadway, London, SW1H 0BL until the date of Admission:
- 14.1.1 the Memorandum and Articles of Association of the Company;
 - 14.1.2 the New Articles;
 - 14.1.3 the audited accounts of the Company for the two years ended 30 April 2009;
 - 14.1.4 the material contracts referred to in paragraph 8 above; and
 - 14.1.5 the letter of consent referred to in paragraph 12.7 above.
- 14.2 Copies of this Document will be available free of charge to the public during normal business hours on any weekday (Saturdays and public holidays excepted) from the offices of St Helens Capital Partners LLP, 223a Kensington High Street, London W8 6SG and shall remain available for at least one month after the date of Admission.

PART V

NOTICE OF ANNUAL GENERAL MEETING

BWA GROUP PLC

(Incorporated in England and Wales under the Companies Act 1929 with registered number 0255647)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of the Company will be held at the offices of Bircham Dyson Bell LLP, 50 Broadway, London SW1H 0BL on 4 February 2010 at 11.00 am for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as ordinary and special resolutions as set out below:

ORDINARY RESOLUTIONS

1. To receive the audited Financial Statements for the year ended 30 April 2009, together with the directors' and auditors' reports thereon.
2. To re-elect Richard Battersby, who was appointed since the last Annual General Meeting and retires in accordance with the Articles of Association, a Director of the Company.
3. To re-elect James Butterfield, who was appointed since the last Annual General Meeting and retires in accordance with the Articles of Association, a Director of the Company.
4. To re-elect Alex Borrelli, who was appointed since the last Annual General Meeting and retires in accordance with the Articles of Association, a Director of the Company.
5. To re-appoint Additions Chartered Accountants as the auditors of the Company and to authorise the Directors to agree their remuneration.

SPECIAL BUSINESS

6. As the net assets of the Company are half or less of its called up share capital, to consider whether any, and if so what, steps should be taken to deal with the situation.

SPECIAL RESOLUTION

7. That each of the Convertible Preference Shares of 2 pence each in the capital of the Company be sub-divided and converted into and re-designated as 4 Ordinary Shares of 0.5 pence each, ranking *pari passu* in all respects with the existing Ordinary Shares of 0.5 pence each in the capital of the Company.

ORDINARY RESOLUTION

8. That, in accordance with section 551 of the Companies Company Act 2006 (the "**2006 Act**"), the Directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £1,000,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 October 2010 or, if earlier, the conclusion of the Company's next annual general meeting save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the 1985 Act or section 551 of the 2006 Act.

SPECIAL RESOLUTIONS

9. That, subject to the passing of resolution 8, the Directors be given the general power to allot equity securities (as defined by section 560 of the 2006 Act) for cash, either pursuant to the authority conferred by resolution 3 or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
- 9.1 the allotment of equity securities with a nominal value of up to £392,416.27 pursuant to the Open Offer and other Proposals described in the circular to the Company's shareholders dated 12 January 2010 which includes this Notice of Annual General Meeting;
- 9.2 the allotment of equity securities in connection with an offer by way of a rights issue to the holders of:
- (a) ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
- (b) other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,
- but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- 9.3 the allotment (otherwise than pursuant to paragraph 9.1 and/or 9.2 above) of equity securities up to an aggregate nominal amount of £300,000.

The power granted by this resolution 9 will expire on 31 October 2010 or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

10. That the Company be authorised pursuant to Section 694 of the 2006 Act and Article 3.1.8 of the Company's Articles of Association to acquire all of the 19,241,627 issued Deferred Shares for nil consideration by means of a stock transfer form in common form and that any Director be authorised to execute such stock transfer form on behalf of the holders of the Deferred Shares.
11. That:
- (a) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the 2006 Act, are to be treated as provisions of the Company's articles of association; and
- (b) the draft regulations produced to the meeting and, for the purposes of identification, initialled by the Chairman be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

By order of the Board

James Butterfield
Secretary

12 January 2010

Registered Office
50 Broadway
London
SW1H 0BL

Notes

Appointment of proxies

1. If you are a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the Annual General Meeting to represent you. Details of how to appoint the Chairman of the annual general meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Annual General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Companies Registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you select either the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; and
- received by Share Registrars Limited no later than 11.00 a.m. on 2 February 2010.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must accompany the proxy form.

Joint holders

6. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the first named on the register of members shall be accepted to the exclusion of other joint holders.

Changing proxy instructions

7. To change your proxy instructions simply submit a new proxy appointment using the method set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited at the address set out above.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Share Registrars Limited no later than 11.00 a.m. on 2 February 2010.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Annual General Meeting and voting in person. If you have appointed a proxy and attend the annual general meeting in person, your proxy appointment will automatically be terminated.

Communication

9. You may not use any electronic address provided either:
- in this notice of Annual General Meeting; or
 - any related Documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.
10. As at 5.00 p.m. on the day immediately prior to the date of posting of this notice of Meeting, the Company's issued share capital comprised 39,241,627 Ordinary Shares of 0.5p each and 19,241,627 Deferred Shares of 1.5p each. Each Ordinary Share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 p.m. on the day immediately prior to the date of posting of this notice of meeting is 39,241,627. The Deferred Shares do not carry any right to attend or vote at General Meetings of the Company.

