

23 March 2012

**Oak Holdings plc**  
("Oak" or the "Company")

**Publication of Circular & Notice of General Meeting**

The Company announces that it has published a circular to shareholders convening a general meeting to be held at 11:00 a.m. on 16 April 2012 at the offices of Rivington Street Holdings PLC, 3 London Wall Buildings, London Wall, London EC2M 5SY to consider the resolutions set out at the end of the circular.

The circular is available on the Company's website at [www.oakholdings.co.uk](http://www.oakholdings.co.uk) and the letter from the Directors of Oak contained within the circular is copied below.

Enquiries:

**Oak Holdings plc**

Michael Woodcock, Chairman

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Rivington Street Corporate Finance Limited  
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# Letter from the Directors of Oak Holdings PLC

(Incorporated in England and Wales under the Companies Act 1985 with Registered No.02929801)

Michael Woodcock, Chairman  
Christopher Yates, Finance director  
Peter Collins, Non-executive director

Registered Office:  
38 South Molton Street  
London W1K 5RL

22 March 2012

To Shareholders and, for information only, holders of Existing Warrants and the Option Holder

**Proposals for:-  
Company Voluntary Arrangement  
Disposal of Assets  
Capital Reorganisation  
Approval of Investing Policy  
and  
Change of Name**

## Introduction

Oak Holdings announced earlier today that it proposes to enter into a CVA, undertake the Capital Reorganisation and the Disposal and adopt an investing policy pursuant to Rule 15 of the AIM Rules. The Company is also proposing to change its name to Pires Investments PLC.

Consequently, the Company is issuing this Circular to Shareholders setting out the background to and the reasons for the Proposals and where appropriate seeking Shareholders' approval. A notice convening the General Meeting for 11:00 a.m. on 16 April 2012 at the offices of Rivington Street Holdings PLC, 3 London Wall Buildings, London Wall, London EC2M 5SY to consider the Resolutions is accordingly set out at the end of this Circular.

Rivington Street Corporate Finance Limited has been appointed broker to the Company.

Rivington Street Corporate Finance Limited has conditionally raised £1,000,000 before expenses by way of a subscription by Placees for 1,000,000,000 New Ordinary Shares at a price of £0.001 per share. The Placing is conditional on admission of the Placing Shares to trading on AIM.

The proceeds of the Placing will be used to fund approximately £95,000 payment due to creditors pursuant to the CVA and to provide the Company with working capital to allow it to fulfil its investing policy, further details of which are set out below.

It is proposed that, should the Proposals be approved, Michael Woodcock and Peter Collins will resign as directors with immediate effect following the conclusion of the General Meeting and the Proposed Directors will join the Board.

Following the Meetings, the Company will request the resumption of trading in its shares on AIM, which is expected to occur on or around 17 April 2012.

## Background to and Reasons for the CVA

The Company was initially admitted to trading on AIM in August 1996.

The Company's ordinary shares were re-admitted to trading on AIM on 2 December 2003, following the reverse takeover of Oak Holdings Limited.

Recently, the principal objective of the Group was to make investments within the property development and the leisure sector.

As at 30 April 2011 (the date to which the Company last reported results to Shareholders), the Group operated the Rother Valley Country Park in Rotherham, the Ringwood Town & Country Experience museum, restaurant and function facility in Ringwood and a business refurbishing and maintaining classic motor cars.

The Interim Management Agreement for the management of, and the lease over, the Rother Valley Country Park was terminated without notice on 20 October 2011. The Company's property development interests had been in the YES Project in Rotherham where the Company was a party to a Development Agreement with Rotherham Metropolitan Borough Council which was terminated in January 2011.

The Company has been pursuing opportunities for raising capital to enable the businesses of the Group to be developed, but the unexpected termination of the contracts meant it was not possible to raise funds. In addition, the termination of the Interim Management Agreement relating to the Rother Valley Country Park eliminated the source of the majority of the Group's income.

Consequently, on 21 October 2011 the Company requested the temporary suspension of its shares from trading on AIM. Following the temporary suspension the Directors of the Company have been actively pursuing other initiatives for the Company. Unfortunately all of these initiatives have proved unsuccessful.

On 23 December 2011, the Company announced that it had entered into loan agreements with a group of lenders to provide the Company with temporary funding.

The Directors estimate that the Company has liabilities of approximately £2,000,000.

As the Company has no means of meeting these liabilities, the Directors have reluctantly concluded that the best course of action is to call a meeting of the creditors and a meeting of the Shareholders for the purpose of considering and voting on a proposal for a CVA.

A CVA would allow the Company to avoid liquidation and to remain in existence. This would provide the New Directors an opportunity to reposition the Company into an investing company, pursuant to the AIM Rules with an investing policy focused on the natural resources and energy sectors.

If the CVA is not approved, the Directors believe that the only alternative would be for the Company to be placed into liquidation.

### **Company Voluntary Arrangement**

In order to facilitate the proposed future activity of the Company and allow it to raise the required capital, approximately 75 per cent of unsecured creditors have agreed to take five pence in the pound in cash and a further five pence in the pound in New Ordinary Shares at a price of £0.00125 per share. It is expected that the CVA will be approved at meetings to be held at 10:00 a.m. and 10:15 a.m. on 16 April 2012.

Approximately 76,000,000 Creditor Shares will be issued pursuant to the CVA.

If the CVA is approved at the Meetings and the Creditor Shares are issued, the Directors will be interested, respectively, in 11,195,155 New Ordinary Shares, representing approximately 1 per cent of the Enlarged Share Capital. Shareholders will have an interest over approximately 4.9 per cent of the Enlarged Share Capital.

For the avoidance of doubt, the CVA would not result in any distribution being made to the Shareholders of the Company.

The Directors have requested that Paul Howard Finn of Finn Associates, Central Administration, Tong Hall, Tong, West Yorkshire, BD4 0RR act as Nominee in respect of the proposal of the directors for a Company Voluntary Arrangement. Mr Finn has provided his consent to Act and his Nominee's Report will be filed at Court as required.

A copy of the Directors' proposal incorporating the Nominee's Report will be available for download from the following website as of 23 March 2012:

[www.thecreditorgateway.co.uk](http://www.thecreditorgateway.co.uk), password: hh48jh35bf

Should any Shareholder wish to receive a paper copy of the proposal please contact Finn Associates on 0870 330 1900, or email [solutions@finnassociates.com](mailto:solutions@finnassociates.com), or in writing to the above noted address.

Notices of the Creditors' Meeting and Shareholder CVA Meeting, to be held on 16 April 2012, and a Form of Proxy enabling you to vote at the meetings may be found in the proposal document. Following completion these should be detached and returned to Computershare Investor Services Plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 7NH

### **The Disposal**

Under the terms of the CVA, it is proposed that forthwith upon approval of the CVA proposal steps will be taken to dispose of the assets of the Subsidiaries which will be placed into Creditors' Voluntary Liquidation. The proceeds of the Disposal will be applied, at independent valuations, towards satisfying the indebtedness secured on the Disposable Assets.

The Disposal is considered a fundamental change in the business and therefore, pursuant to the AIM Rules, requires the consent of Shareholders. Resolution 7 seeks such an authority.

### **The Placing and Appointment of Broker and Issue of Warrants**

Rivington Street Corporate Finance Limited has been appointed broker to the Company.

RSCF has conditionally raised £1,000,000 before expenses through the subscription of 1,000,000,000 New Ordinary Shares at a price of £0.001 per share. The Placing is conditional on approval of the Resolutions and the approval of the CVA at a meeting of the unsecured creditors and Shareholders. The net proceeds of the Placing are estimated at £880,000.

Conditional on the Proposals being approved by Shareholders at the General Meeting, the Company has agreed to issue Peterhouse Capital Limited will be issued a warrant which is exercisable over 3% of the Company's issued share capital from time to time. This warrant will be exercisable at the Placing Price until 20 March 2015.

The proceeds of the Placing will be used to fund approximately £95,000 payment due to creditors pursuant to the CVA and provide the Company with working capital to allow it to fulfil its Investing Policy, further details of which are set out below.

Following completion of the CVA, Placing and the Capital Reorganisation, the Placees will, in aggregate, hold approximately 88.4% of the Enlarged Share Capital.

**Shareholders should be aware that the Placing is conditional upon the passing of all of the Resolutions and the approval of the CVA. If the CVA is not approved or any of the Resolutions are not passed then the Placing will not proceed and the Company will have to consider commencing liquidation proceedings. Also pursuant to the AIM Rules the Company's shares will be cancelled from trading on AIM on 22 April 2012, being six months following the suspension of trading in its shares.**

## **Change of Name**

Subject to Shareholders' approval, it is proposed that the name of the Company be changed to Pires Investments PLC, to reflect the new Investing Policy. Resolution 2 is proposed for the purposes of obtaining Shareholders' approval for the proposed name change.

## **Proposed Directors**

It is proposed that immediately following the General Meeting, Mr Peter Redmond and Mr Aamir Quraishi will join the Board as non-executive directors.

### *Peter Redmond*

Peter is an experienced corporate financier and has some 30 years' experience in corporate finance and venture capital. He has gained particular experience in the field of reverse takeovers and mergers. He became director of corporate finance at Durlacher Limited in 2003, then joined Merchant House Group PLC where he later became Chief Executive. He has been active in reconstructing a number of AIM companies which have subsequently acquired or established operating businesses.

Reverse transactions on which he has acted include Weatherly International PLC and IGas Resources PLC, in both cases acting as a director both before and after the reverse. Currently, Peter is Chairman of Leed Resources PLC, which is an investment company on AIM and a director of Black Eagle Capital PLC, which is an investment company on PLUS.

### *Aamir Quraishi*

Aamir has over 15 years of investment banking experience in London, Asia and the Middle East and has worked in the UK at Dresdner Kleinwort Benson and Libertas Capital Group Plc. He is currently a member of the senior investment banking team of MAC Capital Limited, which is a fully regulated investment bank registered with the Dubai Financial Services Authority and located in the Dubai International Financial Centre in Dubai, UAE. Aamir is currently a non-executive director of Creon Resources PLC, which is an investment vehicle on AIM.

Aamir qualified as a chartered accountant with Price Waterhouse and is a member of the ICAEW and the Securities Institute. He holds an M.A. (Hons) in Economics from Cambridge University.

During his career, Aamir has advised on and raised capital for a number of companies globally, including in the resources and energy sectors. These have included companies from across Africa, Europe, the Asia-Pacific, the Americas and more recently from South Asia.

Aamir is also a director of Montpelier Holdings Limited and Benedict Investments Limited, both of which are registered as International Business Companies in the Republic of Seychelles.

## **Capital Reorganisation**

The Act prohibits the Company from issuing ordinary shares at a price below their nominal value. The price at which the Company has been able to raise additional capital in the Placing is less than the current nominal value of its Existing Ordinary Shares. Accordingly, it will be necessary to undertake a Capital Reorganisation to enable the Placing to proceed.

The existing ordinary share capital comprises 55,570,856 ordinary shares of £0.05 in issue. Resolution 3 to be proposed at the General Meeting proposes that each of the Existing Ordinary Shares of the Company be split into one New Ordinary Share and one New Deferred Share.

The New Ordinary Shares will continue to carry the same rights as attached to the Existing Ordinary Shares (save for the reduction in nominal value).

The New Deferred Shares will not entitle the holder thereof to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution or to participate in any return on capital on a winding up other than the nominal amount paid on such shares following a substantial distribution to holders of ordinary shares in the Company. Subject to the passing of the Resolutions, the Company will have the right to purchase all the issued New Deferred Shares from all

Shareholders for an aggregate consideration of one penny. As such, the New Deferred Shares effectively have no value. Share certificates will not be issued in respect of the New Deferred Shares.

It is proposed that the Articles of Association of the Company be amended to reflect the rights attaching to the New Deferred Shares. A copy of the amended Articles of Association will be available for inspection at the General Meeting and will be made available on the Company's website at [www.oakholdings.com](http://www.oakholdings.com). The practical effect of this change, if implemented, will be that each Shareholder will receive the same number of New Ordinary Shares as they hold Existing Ordinary Shares, without diminution in rights pertaining to each share held. It is intended that £0.02 of the proceeds raised from the Placing will be applied to redeeming all of the Deferred Shares and the New Deferred Shares.

Application for admission to trading on AIM of the Placing Shares and Creditor Shares to be issued in connection with the Proposals will be made to AIM. Admission is expected to occur on or around 16 April 2012. On admission, trading of the Company's Existing Ordinary Shares as reconstructed will be restored on AIM.

### **Share capital**

The Company is seeking authorisation to allot additional equity securities on a non pre-emptive basis up to the nominal amount of £2,000,000 (representing 2,000,000,000 New Ordinary Shares) to enable the Proposals to be implemented and to allow the New Directors the ability to issue further New Ordinary Shares.

### **Investing Policy**

Resolution 1 to be proposed at the General Meeting proposes the adoption of the new Investing Policy.

It is proposed by the New Directors that the Company's Investing Policy will be to invest principally, but not exclusively in the resources and energy sectors. The Company will initially focus on projects located in Asia but will also consider investments in other geographical regions. The Company may be either an active investor and acquire control of a single company or it may acquire non-controlling shareholdings. Once a target has been identified, additional funds may need to be raised by the Company to complete a transaction.

The proposed investments to be made by the Company may be in either quoted or unquoted securities; made by direct acquisition; may be in companies, partnerships, joint ventures; or direct interests in projects and can be at any stage of development. The Company's equity interest in a proposed investment may range from a minority position to 100 per cent. ownership.

The Company will identify and assess potential investment targets and where it believes further investigation is required, intends to appoint appropriately qualified advisers to assist.

The Company proposes to carry out a comprehensive and thorough project review process in which all material aspects of any potential investment will be subject to rigorous due diligence, as appropriate. It is likely that the Company's financial resources will be invested in a small number of projects or investments or potentially in just one investment which may be deemed to be a reverse takeover under the AIM Rules.

Where this is the case, it is intended to mitigate risk by undertaking an appropriate due diligence process. Any transaction constituting a reverse takeover under the AIM Rules will require shareholder approval. The possibility of building a broader portfolio of investment assets has not, however, been excluded.

The Company intends to deliver shareholder returns principally through capital growth rather than capital distribution via dividends. Given the nature of the Company's Investing Policy, the Company does not intend to make regular periodic disclosures or calculations of net asset value.

The proceeds of the Placing will enable the Company to take initial steps to implement this new strategy and it is likely that the Company will undertake a further fundraising in the future to provide additional capital for the Company.

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

The objective of the New Directors is to generate capital appreciation and any income generated by the Company will be applied to cover costs or will be added to the funds available to further implement the Investment Policy. In view of this, it is unlikely that the New Directors will recommend a dividend in the early years. However, they may recommend or declare dividends at some future date depending on the financial position of the Company.

The New Directors confirm that, as required by the AIM Rules, they will at each annual general meeting of the Company seek shareholder approval of its Investing Policy.

### **Change of Name**

The Company is proposing to change its name to Pires Investments PLC.

### **Certificates**

No new share or warrant certificates will be issued as a result of the Company's name change or the change in nominal value.

### **General Meeting**

If any of the Resolutions are not passed, the General Meeting will be adjourned and the Board will consider the Company's future position in respect of its current trading and working capital position. The Board will seek immediate advice regarding insolvency proceedings in relation to its assets including its Subsidiaries.

The Notice convening the General Meeting at which the Resolutions will be proposed is set out at the back of this Circular. A summary of the Resolutions is set out below.

### **Ordinary Resolutions**

Resolution 3, which will be proposed as an ordinary resolution, seeks approval for the subdivision of each Existing Ordinary Share into 1 New Ordinary Share and 1 New Deferred Share.

Resolution 1, which will be proposed as an ordinary resolution, seeks approval for the proposed Investing Policy.

Resolution 4, which will be proposed as an ordinary resolution, seeks to grant the directors of the Company authority to allot New Ordinary Shares in the capital of the Company up to the nominal amount of £2,000,000.

Resolution 7, which will be proposed as an ordinary resolution, seeks approval for the Disposal.

## **Special Resolutions**

Resolution 2, which will be proposed as a special resolution, seeks approval to change the name of the Company to Pires Investments PLC.

Resolution 5, which will be proposed as a special resolution, seeks approval for the amendment of the Company's Articles of Association to create and reflect the rights attaching to the New Deferred Shares.

Resolution 6, which will be proposed as a special resolution, seeks to dis-apply the statutory pre-emption rights over New Ordinary Shares authorised for allotment pursuant to Resolution 4.

Each of the Resolutions is conditional on each of the other Resolutions being passed.

## **Action to be taken**

Shareholders will find a Form of Proxy enclosed for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received at the Company's registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 11:00 a.m. on 14 April 2012, being 48 hours before the time appointed for holding the General Meeting. Completion of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person if you so wish.

## **Recommendation**

The Directors consider the Proposals to be in the best interests of the Company, its creditors and the Shareholders as a whole as the only alternative may be liquidation which the Directors believe would deliver very little or no value to its creditors or Shareholders. The Directors therefore recommend that you vote in favour of the Resolutions as they intend to do themselves in respect of their shareholdings totalling 6,014,627 shares representing approximately 10.9 per cent of the existing share capital.

Yours faithfully,

**Michael Woodcock**

Chairman

for and on behalf of the Board