

9 February 2011

Oak Holdings plc

Business review and financial condition update

The Board of Oak Holdings plc (the "Company") announced on 24 January 2011 that Rotherham Metropolitan Borough Council ("RMBC") had issued it with a notice stating that it intended to terminate the current development agreement relating to the YES Project between RMBC, Oak Ventures Limited and Oak Holdings plc with effect from 31 January 2011. This notice was duly implemented in accordance with its terms.

In light of this very disappointing news, the Board has been reviewing the future plans and financing for the group.

The group now has four revenue generating operations and a number of valuable assets which are each discussed below. It also has total liabilities (including medium term loans) of some £ 1.9 million (compared with over £2.5million at the last balance sheet date). The group requires further equity based funding to achieve its objectives and is in discussions with a third party for an injection of such funds. The group is also in discussions with banks with a view to funding some of the capital required to enable the strategy below to be implemented.

Rother Valley Country Park

The group's main revenue generating business is the operation of the Rother Valley Country Park which is adjacent to the Yes! Project site. The group owns a lease on the Park and runs a number of outdoor activities there. It is widely used by local schools, national sporting bodies and by individuals. It receives some 900,000 visitors each year and the board believes that there is considerable scope to increase the current profitability of the operation through some modest investment in additional and enhanced facilities.

Ringwood Town & Country Experience

This business, which was acquired last year, operates a museum with an associated function space and restaurant near Ringwood. It has on display a eclectic range of exhibits and has considerably more objects than can be displayed. This business has historically been consistently profitable but has not traded well in the past year. The board believe, however, that with a modest capital investment and some other minor changes, trading can be returned to profitability during the current year. This business also has the capacity to realise some of the objects which are not on display and the board is considering moving some of the exhibits to the Rother Valley Country Park to provide a focus of interest when outdoor pursuits are unappealing.

Oak Heritage

Oak Heritage acquired a number of historic motor vehicles from RTCE and is currently restoring Hispano Suiza vehicles for sale into the specialised market for such cars. It also supplies from stock and re-manufactures spare parts for these historic cars and undertakes maintenance and restoration for third parties. This business has the potential to make profits for the group and requires again only modest funding.

Property consulting

The group is involved in two property consultancy projects. One is generating revenues for the group and the other should generate a capital profit for the group on the achievement of certain objectives and the realisation of the site concerned.

Assets

The Group owns the A57 land which is adjacent to the site of the YES! Project. This 'consented access' is likely to be required to provide access to the site for any alternative developer and, the board believes, will have the potential for separate development prospects alongside any development on the YES! site. Its value at the moment, is therefore, very difficult to assess.

The group also has valuable assets in the partly constructed historic vehicles and the RTCE exhibits.

Liabilities

The group also has significant liabilities including a number of term loans running forward secured on group assets

As well as the possible equity based funding referred to above, the Board is currently exploring various options in an attempt to ensure the future of the Group and to best protect shareholders' interests. Other options would include the acquisition, for shares, of a new business.

Shareholders will be further updated in due course.

Enquiries

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