

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to be taken you are recommended to seek your own personal financial and taxation advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act, 1995 (as amended) or the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) or, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000.

If you sell or have sold or otherwise transferred all your Oglesby & Butler Shares, please send this document, and the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. Such documents should, however, not be distributed, forwarded or transmitted in or into or from any Restricted Jurisdiction.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Oglesby & Butler in Part I of this document, which contains a unanimous recommendation from the Board that you vote in favour of the resolutions to be proposed at the Court Meeting and the EGM. A letter from Bloxham Stockbrokers explaining the Scheme appears in Part III of this document.

Notices convening the Court Meeting and EGM, both of which will be held at The Royal Marine Hotel, Marine Road, Dun Laoghaire, Co. Dublin, Ireland on 3 December 2010 are set out at the end of this document. The Court Meeting will start at 9.00 a.m. (Dublin time) and the EGM will start at 9.30 a.m. (Dublin time) (or as soon thereafter as the Court Meeting, convened for the same date and place, has concluded or been adjourned).

The action to be taken by Oglesby & Butler Shareholders in respect of the Court Meeting and the Acquisition is set out on pages 8 to 9.

Recommended Acquisition
of
OGLESBY & BUTLER GROUP PLC
by
GROVE VENTURES PLC
by means of a
SCHEME OF ARRANGEMENT
under Section 201 of the Companies Act 1963 of Ireland

Shareholders will find enclosed with this document Forms of Proxy for the Meetings and the Form of Election. Whether or not Oglesby & Butler Shareholders wish to attend the Meetings, they are asked to complete the enclosed Forms of Proxy in accordance with the instructions printed on the forms and return them either by post or by hand as soon as possible but in any event so as to be received by Oglesby & Butler's Registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, not less than 48 hours before the relevant meeting. If the Forms of Proxy for the Court Meeting are not lodged by the relevant time, they may be handed to the Chairman of the relevant Court Meeting before the start of the Court Meeting.

Davy Corporate Finance, which is regulated in Ireland by the Central Bank of Ireland, is acting for Grove Ventures and no one else in connection with the Acquisition and will not be responsible to anyone other than Grove Ventures for providing the protections afforded to clients of Davy Corporate Finance nor for providing advice in relation to the Acquisition, the contents of this document or any transaction or arrangement referred to herein.

Bloxham Stockbrokers, which is authorised in Ireland by the Central Bank of Ireland under the Investment Intermediaries Act 1995, is acting exclusively for Oglesby & Butler and no one else in connection with the Acquisition and will not be responsible to anyone other than Oglesby & Butler for providing the protections afforded to customers of Bloxham Stockbrokers or for providing advice in relation to the Acquisition, the contents of this document or any transaction or arrangement referred to herein.

This document does not constitute an offer to sell or an invitation to purchase or the solicitation of an offer to purchase or subscribe for any securities.

This document does not constitute an offer to purchase, sell, subscribe or exchange or the solicitation of an offer to purchase, sell, subscribe or exchange any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise.

The distribution of this document in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction.

The Convertible Loan Note Alternative will not be available in the Restricted Jurisdictions and Oglesby & Butler Shareholders will not be permitted to make an election for the Convertible Loan Note Alternative from any of the Restricted Jurisdictions. No Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be posted to an address in any of the Restricted Jurisdictions and no Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be registered in his/her name with an address in any of the Restricted Jurisdictions.

Any action taken in relation to the Acquisition should be taken only on the basis of all of the information contained in this document and any other document by which the Acquisition and Scheme are made.

If you have any questions relating to this document or how to complete and return the Forms of Proxy or Forms of Election please call Oglesby & Butler's Registrars, Computershare Investor Services (Ireland) Limited, on 01 447 5503 (if calling within Ireland) or on + 353 1 447 5503 (if calling from outside Ireland).

The attention of Oglesby & Butler Shareholders who are resident in, or citizens of, Restricted Jurisdictions, is drawn to paragraph 9 Overseas Shareholders in Part III (Explanatory Statement) of this document.

Information concerning forward-looking statements

This document, including information included or incorporated by reference in this document, may contain 'forward-looking statements' concerning the Acquisition, Oglesby & Butler and Grove Ventures. Generally, the words 'will', 'may', 'should', 'could', 'would', 'can', 'continue', 'opportunity', 'believes', 'expects', 'intends', 'anticipates', 'estimates' or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements. Grove Ventures assumes no obligation in respect of, nor intends to update these forward-looking statements, except as required pursuant to applicable law.

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ADVISERS TO OGLESBY & BUTLER AND GROVE VENTURES

OGLESBY & BUTLER:

**Financial Adviser to
Oglesby & Butler**

Bloxham Stockbrokers
2/3 Exchange Place
International Financial Services Centre
Dublin 1
Ireland

**Legal Adviser to
Oglesby & Butler**

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland

**Auditors and
Reporting Accountants
to Oglesby & Butler**

KPMG
Russell Court
St. Stephen's Green
Dublin 2
Ireland

GROVE VENTURES:

**Financial Adviser to
Grove Ventures**

Davy Corporate Finance
Davy House
49 Dawson Street
Dublin 2
Ireland

**Legal Adviser to
Grove Ventures**

McEvoy Partners
Connaught House
Burlington Road
Dublin 4
Ireland

**Accountants to
Grove Ventures**

Knowles, O'Dowd, Carrig
36 Fitzwilliam Square
Dublin 2
Ireland

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and/or Date^{(1) (2)}</i>
Last day of dealings in Oglesby & Butler Shares	30 November 2010
Cancellation of admission to listing by Irish Stock Exchange and of trading on Irish Stock Exchange market for listed securities in Oglesby & Butler Shares	8.00 a.m. on 1 December 2010
Latest time for receipt of BLUE Forms of Proxy for the Court Meeting ⁽³⁾	9.00 a.m. on 1 December 2010
Latest time for receipt of PINK Forms of Proxy for the Extraordinary General Meeting ⁽⁴⁾	9.30 a.m. on 1 December 2010
Oglesby & Butler Voting Record Time	6.00 p.m. on 1 December 2010
Court Meeting	9.00 a.m. on 3 December 2010
Extraordinary General Meeting ⁽⁴⁾	9.30 a.m. on 3 December 2010
Latest time for receipt of Forms of Election and settlement of TTE Instruction	1.00 p.m. on 20 December 2010
Scheme Record Time	5.00 p.m. on 20 December 2010
Intended date for Court Hearing (of the petition to sanction the Scheme)	21 December 2010
Effective Date of the Scheme	22 December 2010
Payments in respect of Oglesby & Butler Shares credited to CREST accounts (as appropriate)	No later than 4 January 2011
Despatch of cheques/electronic transfer in respect of Oglesby & Butler Shares (as appropriate)	No later than 4 January 2011
Despatch of certificates in respect of Convertible Loan Notes (as appropriate)	No later than 4 January 2011

Notes:

- (1) All times shown in this document are Dublin times unless otherwise stated.
- (2) The dates and times are indicative only and will depend on, inter alia, the dates upon which the High Court sanctions the Scheme and confirms the reduction of capital that forms part of the Scheme.
- (3) If the BLUE Form of Proxy for the Court Meeting is not returned by this time, a BLUE Form of Proxy may be handed to the chairman of the Court Meeting before the start of the meeting and will still be valid.
- (4) To commence at 9.30 a.m. or, if later, immediately after the conclusion or adjournment of the Court Meeting.

ACTION TO BE TAKEN

MEETINGS TO BE HELD ON 3 DECEMBER 2010

The Scheme requires approval by Oglesby & Butler Shareholders (other than Grove Ventures Shareholders) at the Court Meeting to be held at 9.00 a.m. on 3 December 2010.

In addition to approval at the Court Meeting, implementation of the Scheme also requires various approvals by Oglesby & Butler Shareholders at an EGM to be held at 9.30 a.m. on 3 December 2010 or, if later, immediately after the conclusion or adjournment of the Court Meeting. Once effective, the Scheme will be binding on all Oglesby & Butler Shareholders, including those who did not vote, or who voted against it, at the Court Meeting.

SIGN AND RETURN THE ACCOMPANYING FORMS

You are encouraged to complete, sign and return the enclosed Forms of Proxy as soon as possible and in any event so as to be received by Oglesby & Butler's Registrars, Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland, as follows:

Oglesby & Butler Shareholders (other than Grove Ventures Shareholders) have been sent a BLUE Form of Proxy for the Court Meeting and Oglesby & Butler Shareholders have been sent a PINK Form of Proxy for the EGM. These should be signed and returned so as to be received no later than 9.00 a.m. and 9.30 a.m., respectively, on 1 December 2010. The BLUE Form of Proxy for the Court Meeting (but NOT the PINK Form of Proxy for the EGM) may also be handed to the Chairman of the Court Meeting before the start of the meeting on 3 December 2010 and will still be valid.

Whether or not you plan to attend the Court Meeting and/or the Extraordinary General Meeting, please complete and sign the Forms of Proxy accompanying this document in accordance with the instructions printed thereon and return them to **Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18**, in any event, so as to be received either by post or, during normal business hours, by hand by 9.00 a.m. on 1 December 2010 in the case of the Court Meeting and by 9.30 a.m. on 1 December 2010 in the case of the Extraordinary General Meeting.

The completion and return of a Form of Proxy either for the Court Meeting or for the EGM will not prevent you from attending and voting at either meeting (or any adjournment thereof) in person if you wish to do so. Alternatively, you may submit your proxy via the internet by accessing the Registrar's website www.computershare.com/ie/voting/ogli. To log in you will require your unique PIN and shareholder reference number (SRN) which you will find printed at the top of your Forms of Proxy.

Notes on completing the Form of Election for the Convertible Loan Note and/or a TTE Instruction are set out in Part X of this document. Apart from completing, signing and returning the appropriate Forms of Proxy (and, if appropriate, the Form of Election and/or a TTE Instruction for the Convertible Loan Note) you need take no further action at this stage.

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please telephone the helpline on 01 447 5503 (or, from outside Ireland, +353 1 447 5503 between 9.00 a.m. and 5.00 p.m. (Dublin time) on any business day.

Overseas Persons should refer to paragraph 9 of the Explanatory Statement at Part III of this document. Details relating to settlement are included in paragraph 8 of the Explanatory Statement at Part III of this document.

The Forms of Proxy can be revoked or amended at any time up to 9.00 a.m. on 1 December 2010 in the case of the PINK Form of Proxy for the EGM, or the start of the Court Meeting in the case of the BLUE Form of Proxy for the Court Meeting.

If you wish to amend or revoke your Form(s) of Proxy after you have returned them to Computershare Investor Services (Ireland) Limited, you should contact the Registrar at the address given above.

ELECTIONS FOR THE CONVERTIBLE LOAN NOTE ALTERNATIVE

For Oglesby & Butler Shares in certificated form

A WHITE Form of Election is enclosed with this document. You should only complete and return the Form of Election if you wish to make an election for the Convertible Loan Note Alternative, instead of the Cash Consideration. You will find further information about the Convertible Loan Notes in Part VI (Particulars of the Convertible Loan Notes) of this document. Notes on completing the Form of Election are set out in Part X (Form of Election) of this document.

Your completed Form of Election should be returned, signed and witnessed in accordance with the instructions printed thereon, by post or by hand to Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland as soon as possible but, in any event, so as to be received by no later than 1.00 p.m. on 20 December 2010 or such later time (if any) to which the right to make an election may be extended.

Oglesby & Butler Shareholders who do not wish to make an election for the Convertible Loan Note Alternative are not required to return the Form of Election. If you do not complete the Form of Election you will receive the Cash Consideration in respect of all your Oglesby & Butler Shares. If you make a partial Election for the Convertible Loan Note Alternative in respect of some but not all of your Oglesby & Butler Shares, such Election will be invalid.

For Oglesby & Butler Shares in uncertificated form

Oglesby & Butler Shareholders who hold their Oglesby & Butler Shares in uncertificated form through CREST and wish to elect for the Convertible Loan Note Alternative should send (or, if they are a CREST personal member, procure that their CREST sponsor sends) a transfer to escrow instruction (a “**TTE Instruction**”) to Euroclear. Further details on completing the TTE Instruction are set out in Part X (Form of Election) of this document. If you do not send a TTE Instruction in respect of the Convertible Loan Note Alternative you will receive the Cash Consideration in respect of all your Oglesby & Butler Shares. If you make a partial Election for the Convertible Loan Note Alternative in respect of some but not all of your Oglesby & Butler Shares, such Election will be invalid.

RECOMMENDATION

Your Directors are unanimously recommending that you vote in favour of the Proposals and the Resolutions at the Meetings using the Forms of Proxy enclosed with this document or submit your proxy via the internet.

The Board is making no recommendation in respect of the Convertible Loan Note Alternative.

ENQUIRIES

If you have any queries in relation to action to be taken, please contact Oglesby & Butler’s Registrars, Computershare Investor Services (Ireland) Limited, on 01 447 5503 (if calling within Ireland) or on +353 1 447 5503 (if calling from outside Ireland) between 9.00 a.m. and 5.00 p.m. Monday to Friday. For legal reasons, the Registrars will not be able to provide advice on the merits of the Acquisition itself or give financial or tax advice.

PART I

LETTER OF RECOMMENDATION FROM THE BOARD OF OGLESBY & BUTLER GROUP PLC

OGLESBY & BUTLER

G R O U P P L C

O'Brien Road, Carlow, Ireland.
Telephone (059) 9143333. Fax: (059) 9143577.
www.portasol.com

OGLESBY & BUTLER GROUP PLC

(Incorporated and registered in Ireland under the Companies Acts with registered number 124871)

Board:

Nevin Dowling (*Non-Executive Chairman*)
Peter Oglesby
Jacqueline Oglesby

Registered Office:

Industrial Estate
O'Brien Road
Carlow

10 November 2010

To Oglesby & Butler Shareholders

Dear Shareholder,

RECOMMENDED ACQUISITION OF OGLESBY & BUTLER GROUP PLC

1. Introduction

On 15 October 2010 the Board of Oglesby & Butler and the Board of Grove Ventures announced that they had reached agreement on the terms of a recommended acquisition of Oglesby & Butler by Grove Ventures, a public limited company that was incorporated in Ireland on 13 October 2010. Grove Ventures is controlled by Mr. Kevin Anderson and Mr. Thomas Anderson. Mr. Kevin Anderson owns 6,295,647 Oglesby & Butler Shares representing approximately 51.12 per cent. of the issued share capital of Oglesby & Butler and has irrevocably committed to vote in favour of the Acquisition and Scheme.

I am writing to you to set out the background to the Acquisition and the reasons why the Board considers the terms of the Acquisition to be fair and reasonable and in the best interests of Oglesby & Butler Shareholders taken as a whole, and is unanimously recommending that Oglesby & Butler Shareholders vote in favour of the Proposals and Resolutions. The Board is making no recommendation in respect of the Convertible Loan Note Alternative.

The Acquisition will be effected by way of a Scheme of Arrangement between Oglesby & Butler and Oglesby & Butler Shareholders under Section 201 of the Act, the terms of which are set out in Part IV (The Scheme of Arrangement) of this document and an explanation of which is given by Bloxham Stockbrokers in Part III (Explanatory Statement) of this document. The Acquisition and the Scheme are subject to the conditions and further terms set out in Part V (Conditions to and certain Further Terms of the Acquisition and the Scheme) of this document. It is anticipated that, subject to the satisfaction or waiver of these conditions, the Acquisition will become effective on 22 December 2010.

2. Summary of the Terms of the Acquisition

The consideration for the Acquisition will comprise either (i) Cash Consideration or (ii) the Convertible Loan Note Alternative. Further information about the Convertible Loan Note Alternative is set out in paragraph 2.2 of this Part I, and in Part VI (Particulars of the Convertible Loan Note) of this document.

2.1 *The Cash Consideration*

The Cash Consideration represents:

35 cent in cash for each Oglesby & Butler Share

The Cash Consideration values the entire issued and to be issued share capital of Oglesby & Butler at approximately €4.31 million.

The Cash Consideration represents:

- a premium of approximately 9.4 per cent. to the Closing Price of 32 cent per Oglesby & Butler Share on 20 August 2010, being the last dealing day prior to the announcement of a mandatory offer having been triggered through the acquisition of 2,344,685 Oglesby & Butler Shares by Mr. Kevin Anderson;
- a nil premium to the Closing Price of 35 cent per Oglesby & Butler Share on 14 October 2010, being the last dealing day before the Announcement;
- a nil premium to the average daily Closing Price of approximately 35 cent per Oglesby & Butler Share over the last 30 days before the commencement of the Offer Period;
- a premium of approximately 68 per cent. to the average daily Closing Price of approximately 21 cent per Oglesby & Butler Share over the 12 month period prior to the commencement of the Offer Period; and
- a premium of approximately 6 per cent. to the daily Closing Price of 33 cent per Oglesby & Butler Share on the Latest Practicable Date.

2.2 *The Convertible Loan Note Alternative to the Cash Consideration*

A Convertible Loan Note Alternative to the Cash Consideration is being made available to Oglesby & Butler Shareholders who elect to receive the Convertible Loan Notes in respect of all of their holdings of Oglesby & Butler Shares.

Oglesby & Butler Shareholders may, in lieu of the Cash Consideration, elect to receive Convertible Loan Notes to be issued on the following basis:

1 Convertible Loan Note for each Oglesby & Butler Share

The Convertible Loan Notes, which will be issued by Grove Ventures, will be governed by the laws of Ireland, will be unsecured subordinated obligations of Grove Ventures, will not be guaranteed as to the payment of principal or interest and will be issued, credited as fully paid, in amounts and integral multiples of 35 cent nominal value.

The Convertible Loan Notes will be non-transferable and no application will be made for them to be listed or dealt in on any stock exchange.

The Convertible Loan Notes will allow holders of those notes to opt to convert the notes prior to 4 January 2011 (by giving a conversion notice which will be scheduled to the Convertible Loan Notes) into one ordinary share of 1 cent each in the share capital of Grove Ventures and one Ten Year Loan Note of 34 cent per ordinary share in the share capital of Grove Ventures for each Convertible Loan Note held by an Oglesby & Butler Shareholder. **If an Oglesby & Butler Shareholder does not elect in writing to convert his/her Convertible Loan Note by 4 January 2011 they will automatically be redeemed for cash on 31 January 2011 at a nominal value of 35 cent per Convertible Loan**

Note together with interest at the rate of 5 per cent. per annum from the date of the issue up to 31 January 2011.

The Ten Year Loan Note shall be an unsecured 10 year loan note with an annual coupon of:

- (a) 5 per cent. per annum until 31 December 2016; and
- (b) thereafter at 1.5 per cent. per annum over the interest rate at which the Irish Government will have last issued bonds with a term of 5 years prior to 1 February 2016 and this annual coupon will subsist for the remaining duration of the Ten Year Loan Note.

The Convertible Loan Note Alternative will not be available in the Restricted Jurisdictions and Oglesby & Butler Shareholders will not be permitted to make an election for the Convertible Loan Note Alternative from any of the Restricted Jurisdictions. No Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be posted to an address in any of the Restricted Jurisdictions and no Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be registered in his/her name with an address in any of the Restricted Jurisdictions.

The Board is not making any recommendation in respect of the Convertible Loan Note Alternative.

If you are considering making an election for the Convertible Loan Note Alternative, your attention is drawn to paragraph 4 of the letter from Grove Ventures set out in Part II of this document, entitled "Risk Factors and Investment Considerations in relation to Convertible Loan Notes". In addition, you are strongly recommended, immediately, to seek your own personal financial advice from a stockbroker, bank manager, solicitor, accountant, independent financial adviser or other professional adviser who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act 1995 or EC (Markets in Financial Instruments) Regulations 2007 (as amended), or, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 of the United Kingdom, and who specialises in advising on the acquisition of shares or other securities.

Further details of the Convertible Loan Notes are set out in paragraphs 3 and 4 of the letter from Grove Ventures set out in Part II and in Part VI (Particulars of the Convertible Loan Notes) of this document.

3. Background to and Reasons for Recommending the Acquisition

On 23 August 2010, Mr. Kevin Anderson acquired 2,344,685 shares in Oglesby & Butler, at a price of 31 cent per Oglesby & Butler Share. As a result of this acquisition, under Rule 9 of the Takeover Rules, Mr. Kevin Anderson was required to make a mandatory cash offer for the entire issued and to be issued share capital of Oglesby & Butler (other than any Oglesby & Butler Shares already held by him) at a price of 31 cent per Oglesby & Butler Share. The mandatory cash offer was made on 1 October 2010.

Since then the Board has held discussions with the Andersons and their representatives with a view to a second offer, at a higher cash price to the mandatory cash offer price, being made by him or a party connected with him. Following the conclusion of these discussions, the Board has agreed with Grove Ventures to recommend the Acquisition and the Scheme.

Apart from the most recent financial year to 31 March 2010, Oglesby & Butler's trading performance has been mostly poor. Sales levels have largely remained static and the Oglesby & Butler Group recorded a break even to loss making performance in most of the previous 5 years. A number of factors affected the Oglesby & Butler Group's performance including economic conditions, competition in its core markets and adverse movements in currency exchanges rates. As virtually all the Oglesby & Butler Group's sales are exported, the Oglesby & Butler Group revenues are exposed to fluctuations in the Euro/US dollar and Euro/Pound Sterling exchange rates.

Within the past two years the Oglesby & Butler Group commenced a program of cost cutting and reductions in overhead levels. It also reorganised its sales and distribution operations. At the same time new consumer products were launched and the Oglesby & Butler Group revamped its range of traditional industrial

products. These measures together with a positive market response to the introduction of the new products led to a strong turnaround in the Oglesby & Butler Group's trading performance in the second half of the last financial year to 31 March 2010. This resulted in an improvement in the overall trading performance for the year to 31 March 2010 as a whole.

On 12 August, 2010 the Board announced in an interim management statement that, while sales levels had increased, it expected continued uncertainty in the international markets in which the Oglesby & Butler Group traded and that there was a threat of adverse currency fluctuations. It nevertheless anticipated that the Oglesby & Butler Group's products would be competitive and that the Oglesby & Butler Group would continue to trade profitably.

The Board believes that there is no certainty, given its exposure to these factors, which are mainly external factors, that the current performance and level of profitability will be maintained going forward.

Accordingly, the Board considers that the Cash Consideration represents an attractive opportunity for Oglesby & Butler Shareholders to realise fair value for their Oglesby & Butler Shares. In forming its views on recommending the Acquisition, the Board of Oglesby & Butler, which has been advised by Bloxham Stockbrokers, has taken into account the historic share price performance, record of the Oglesby & Butler Group's earnings, the competitiveness of its core products and business, exposure to exchange rate movements and the general economic conditions in the international markets in which the Oglesby & Butler Group trades. In particular, the Directors of Oglesby & Butler have considered the following:

- The Cash Consideration provides Oglesby & Butler Shareholders with an attractive opportunity to realise fair value for their Oglesby & Butler Shares. This is of particular relevance to Oglesby & Butler's Shareholders who hold a small number of the Oglesby & Butler Shares where the market in the Oglesby & Butler Shares has been thin or largely illiquid;
- given the factors outlined above, there is no certainty that the Oglesby & Butler Group's current profitable trading performance will be maintained going forward;
- both Mr. Kevin Anderson (to the extent permitted) and Mr. Peter Oglesby, who in aggregate own 74.48 per cent. of the existing issued share capital of Oglesby & Butler, have given irrevocable undertakings to vote in favour of the Resolutions and Proposals at the Meetings;
- Oglesby & Butler may not meet the criteria on the suitability for a company to be listed on the Official List. Paragraph 12 below sets out details of a resolution which was passed by shareholders at the annual general meeting of Oglesby & Butler held on 2 November 2010, seeking the cancellation of Oglesby & Butler's listing on the Official List and cancellation of admission of Oglesby & Butler Shares to trading on the Main Securities Market of the Irish Stock Exchange; and
- it is very unlikely, given the circumstances, that any alternative opportunity will emerge for Oglesby & Butler Shareholders to realise value for their shares at a higher cash price than the Cash Consideration in the near future.

Consequently, the Board considers the terms of the Acquisition to be fair and reasonable and that the Cash Consideration represents an opportunity for Oglesby & Butler Shareholders to realise fair value for their Oglesby & Butler Shares at a price that fairly reflects the current position and prospects of Oglesby & Butler.

4. Illustrative Financial Effects of Acceptance of the Scheme

If the Acquisition is approved and the Scheme becomes effective Oglesby & Butler Shareholders will realise either (i) cash amounting to 35 cent for each Oglesby & Butler Share they hold or (ii) if they elect to receive the Convertible Loan Note Alternative, Convertible Loan Notes with a value of not less than 33 cent per Oglesby & Butler Share, based on the valuation by Davy Corporate Finance of the Convertible Loan Notes set out in paragraph 3 of Part II of this document. The attention of Oglesby & Butler Shareholders is drawn to the tables in Appendix I, which set out for illustrative purposes only and on the bases and assumptions set out therein, the financial effects of acceptance of the Scheme on the capital position and the gross income

for an accepting Oglesby & Butler Shareholder who holds 100 Oglesby & Butler Shares if the Scheme become effective.

5. Mandatory Cash Offer by Mr. Kevin Anderson

Mr. Kevin Anderson made a mandatory cash offer for the entire issued and to be issued share capital of Oglesby & Butler on 1 October 2010 at a price of 31 cent per Oglesby & Butler Share.

Under Rule 35.2, except with Panel consent, if an offer (the “original offer”) becomes unconditional as to acceptances the offeror, or any person acting in concert with it as respects the original offer, is restricted for a period of 6 months from the date on which the original offer becomes unconditional in all respects from making an offer or acquiring securities in the offeree on more favourable terms than those made available under the original offer.

Following a submission on behalf of Grove Ventures to the Panel, the Panel has granted consent to Grove Ventures to acquire Oglesby & Butler Shares pursuant to the Scheme during the period set out in Rule 35.2 in the event that the mandatory cash offer becomes unconditional as to acceptances subject to all Oglesby & Butler Shareholders who accept the mandatory cash offer being afforded, in effect, an opportunity to receive the same terms as those to be offered under the Scheme.

The mandatory cash offer became unconditional in all respects on 21 October 2010 and closed for acceptances on 5 November 2010. In the event that the Scheme becomes effective, Oglesby & Butler Shareholders who have accepted the mandatory cash offer will be given the option to elect for an additional cash consideration of 4 cent per Oglesby & Butler Share or the Convertible Loan Note Alternative in substitution for the entire cash consideration.

In summary therefore, the mandatory cash offer has become unconditional so if the Scheme becomes effective, all Oglesby & Butler Shareholders will be afforded equivalent treatment.

In the event that the Scheme does not become effective, Oglesby & Butler Shareholders who accepted the mandatory cash offer will receive the cash consideration of 31 cent per Oglesby & Butler Share as described in the mandatory cash offer document.

6. The Views of the Board of Oglesby & Butler on Grove Ventures Plans for Oglesby & Butler and its Employees

Grove Ventures has stated that, following the Acquisition, the business of Oglesby & Butler will continue in the same manner in which it currently operates. Grove Ventures has confirmed that it has no plans to change the locations of the places of business, or redeploy the fixed assets, of the Oglesby & Butler Group.

Grove Ventures has stated that it attaches great importance to the skills and experience of the management and employees of Oglesby & Butler. The existing directors of Oglesby & Butler will continue to serve on the Board of Oglesby & Butler after the Scheme becomes effective and there will be no changes to the terms and conditions of engagement of those directors.

Grove Ventures has stated that it has no plans to change the terms and conditions of employment of the employees of the Oglesby & Butler Group following completion of the Acquisition. Grove Ventures also confirms that, following the Scheme becoming effective, the existing employment rights, including any pension rights, of the employees of the Oglesby & Butler Group will be fully safeguarded in accordance with applicable laws.

The Board of Oglesby & Butler views positively the commitment of Grove Ventures to continue the business of Oglesby & Butler in the same manner in which it currently operates and it believes that Oglesby & Butler has reasonable long-term growth prospects. It also welcomes Grove Ventures’ acknowledgement of the skills and experience of Oglesby & Butler’s management and employees and, specifically, its confirmation that Grove Ventures has no plans to change the terms and conditions of employment of the employees or the locations of the places of business of the Oglesby & Butler Group.

7. Irrevocable Undertakings

Grove Ventures has received an irrevocable undertaking to vote in favour of the Proposals and Resolutions at the Meetings and to elect to receive the Convertible Loan Note Alternative from Mr. Peter Oglesby, a director and chief executive officer of Oglesby & Butler in respect of his entire beneficial holding of Oglesby & Butler Shares amounting to 2,876,188 Oglesby & Butler Shares, representing approximately 23.36 per cent. of the existing issued share capital of Oglesby & Butler.

As of the date of this document, Grove Ventures does not own Oglesby & Butler Shares. Grove Ventures is owned and controlled by Mr. Kevin Anderson and Mr. Thomas Anderson. Mr. Kevin Anderson has given an irrevocable commitment to vote in favour of the Acquisition and the Scheme (to the extent permitted to do so) and to elect for the Cash Consideration in respect of his own beneficial shareholding which amounts to 6,295,647 Oglesby & Butler Shares, representing in aggregate approximately 51.12 per cent. of the existing issued share capital of Oglesby & Butler.

These irrevocable undertakings will lapse in the event that the Proposals lapse or are withdrawn, the Scheme not being approved at the Court Meeting, the High Court declines or refuses to sanction the Scheme (unless Oglesby & Butler and Grove Ventures agree that the decision of the High Court shall be appealed and, if so appealed, a final non-appealable order, decree, judgment or ruling has been issued) or the Scheme does not become effective on or before 31 January 2011.

Particulars of these irrevocable undertakings are set out in paragraph 5 of Part II (Letter from Grove Ventures) of this document.

8. Annual General Meeting, Delisting and Cancellation of Trading

The annual general meeting of Oglesby & Butler was held on 2 November 2010.

(i) Final Dividend

A resolution was passed by Oglesby & Butler Shareholders for the payment of a final dividend of 1.0 cent per Oglesby & Butler Share to Oglesby & Butler Shareholders on the register on 23 July 2010. This dividend was paid on 5 November 2010.

(ii) Proposed cancellation of Listing on the Official List and authorisation to seek admission to trading on the Enterprise Securities Market of the Irish Stock Exchange.

A resolution was put to Oglesby & Butler Shareholders proposing the cancellation of Oglesby & Butler's listing on the Official List and the cancellation of admission of Oglesby & Butler Shares to trading on the Main Market of the Irish Stock Exchange at the AGM. This resolution was passed by Shareholders at the AGM. The cancellation will take effect from 8.00 a.m. on 1 December 2010.

Additionally, a resolution was passed by Oglesby & Butler Shareholders at the AGM authorising Oglesby & Butler to make an application to the Irish Stock Exchange for the admission of its ordinary shares to trading on the Enterprise Securities Market. Oglesby & Butler intends to use such authority to make such admission application to the Irish Stock Exchange, in the event that the Resolutions and the Proposals are not approved by Oglesby & Butler Shareholders at the Meetings or the Acquisition and the Scheme do not otherwise become effective.

9. Action to be Taken

Your attention is drawn to the summary of the action to be taken on pages 8 to 9 of this document.

10. Further Information

Your attention is drawn to the information set out in the rest of this document. You are advised to read this document in its entirety and not to rely solely on the information in this letter.

11. Recommendation

The Board, which has been so advised by Bloxham Stockbrokers, considers the terms of the Acquisition to be fair and reasonable. In providing its advice, Bloxham Stockbrokers has taken into account the commercial assessments of the Board. Accordingly, the Board unanimously recommends that Oglesby & Butler Shareholders vote in favour of the Proposals and the Resolutions, as Peter Oglesby has irrevocably undertaken to do in respect of the 2,876,188 Oglesby & Butler Shares he holds, representing approximately 23.36 per cent. of the issued share capital of Oglesby & Butler and as the other members of the Board who hold Oglesby & Butler Shares intend to do in respect of their own beneficial holdings, amounting to, in aggregate, 219,000 Oglesby & Butler Shares, representing approximately 1.78 per cent. of the issued share capital of Oglesby & Butler. **The Board is making no recommendation in respect of the Convertible Loan Note Alternative.**

Yours faithfully

Nevin Dowling
Chairman

PART II

LETTER FROM GROVE VENTURES

GROVE VENTURES

(Incorporated and Registered in Ireland under the Companies Acts, with Registered Number 490186)

Directors:

Mr. Kevin Anderson
Mr. Thomas Anderson

Registered Office:

36 Fitzwilliam Square
Dublin 2

10 November 2010

To The holders of Oglesby & Butler Shares

Dear Shareholder,

Recommended Acquisition of Oglesby & Butler Group plc

1. Background to and Reasons for the Acquisition

The directors of Grove Ventures have been long term shareholders in Oglesby & Butler and are supportive of the current executive management team. Mr. Kevin Anderson has built up a significant stake in Oglesby & Butler over a number of years and most recently on 23 August 2010 acquired 2,344,685 shares in Oglesby & Butler, at a price of 31 cent per Oglesby & Butler Share. As a result of this acquisition, under Rule 9 of the Takeover Rules, Mr. Kevin Anderson was required to make a mandatory cash offer for the entire issued and to be issued share capital of Oglesby & Butler at a price of not less than 31 cent per Oglesby & Butler Share being the highest price paid by Mr. Kevin Anderson for Oglesby & Butler Shares in the previous 12 months. The mandatory offer was made on 1 October 2010.

Since the announcement of the mandatory offer, the Board has held discussions with the Andersons and their representatives with a view to bringing forward an offer at a price and structure which could be recommended by the Board. This engagement resulted in an offer being made by Grove Ventures, a company controlled by the Andersons, at a higher cash price than the mandatory cash offer price and which contains the Convertible Loan Note Alternative. This second offer, which is being recommended by the Board, is being implemented by way of the Scheme of Arrangement.

While it is recognised that Oglesby & Butler has experienced difficult trading conditions in recent years, the directors of Grove Ventures believe that Oglesby & Butler has reasonable long-term growth prospects and may benefit from their business and marketing expertise. The directors of Grove Ventures also believe that Oglesby & Butler's future development is better suited to an unlisted company environment, free from the obligations and costs of maintaining its stock market quotation. It is the intention of Grove Ventures to continue the strategy and business of Oglesby & Butler in a broadly similar manner to which currently prevails.

2. The Cash Consideration

The Cash Consideration represents:

35 cent in cash for every Oglesby & Butler Share

The Cash Consideration values the entire issued and to be issued share capital of Oglesby & Butler at approximately €4.31 million.

The Cash Consideration comprises:

- 2.1 a premium of approximately 9.4 per cent. to the Closing Price of 32 cent per Oglesby & Butler Share on 20 August 2010, being the last dealing day prior to the announcement of a mandatory offer having been triggered through the acquisition of 2,344,685 Oglesby & Butler Shares by Mr. Kevin Anderson;

- 2.2 a nil premium to the Closing Price of 35 cent per Oglesby & Butler Share on 14 October 2010, being the last dealing day before the Announcement;
- 2.3 a nil premium to the average daily Closing Price of approximately 35 cent per Oglesby & Butler Share over the last 30 days before the commencement of the Offer Period;
- 2.4 a premium of approximately 68 per cent. to the average daily Closing Price of approximately 21 cent per Oglesby & Butler Share over the 12 month period prior to the commencement of the Offer Period; and
- 2.5 a premium of approximately 6 per cent. to the daily Closing Price of 33 cent per Oglesby & Butler Share on the Latest Practicable Date.

Any Oglesby & Butler Shares acquired pursuant to the Acquisition will be acquired fully paid or credited as fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other rights and interests of any nature whatsoever and together with all rights now and hereafter attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of the Announcement, save for the proposed final dividend of 1 cent per ordinary share in Oglesby & Butler paid on 5 November 2010 to holders of ordinary shares on the register of members of Oglesby & Butler as at 23 July 2010 as noted in the Oglesby & Butler 2010 Annual Report and the notice of Annual General Meeting issued by Oglesby & Butler on 8 October 2010.

3. Convertible Loan Note Alternative

A Convertible Loan Note Alternative to the Cash Consideration is being made available to Oglesby & Butler Shareholders who elect to receive the Convertible Loan Notes in respect of all of their holdings of Oglesby & Butler Shares.

Oglesby & Butler Shareholders may, in lieu of the Cash Consideration, elect to receive Convertible Loan Notes to be issued on the following basis:

1 Convertible Loan Note for each Oglesby & Butler Share

The Convertible Loan Notes, which will be issued by Grove Ventures, will be governed by the laws of Ireland, will be unsecured subordinated obligations of Grove Ventures, will not be guaranteed as to the payment of principal or interest and will be issued, credited as fully paid, in amounts and integral multiples of 35 cent nominal value.

The Convertible Loan Notes will be non-transferable and no application will be made for them to be listed or dealt in on any stock exchange.

The Convertible Loan Notes will allow holders of those notes to opt to convert the notes prior to 4 January 2011 (by giving a conversion notice which will be scheduled to the Convertible Loan Notes) into one ordinary share of 1 cent each in the share capital of Grove Ventures and one Ten Year Loan Note of 34 cents per ordinary share in the share capital of Grove Ventures for each Convertible Loan Note held by an Oglesby & Butler Shareholder. **If an Oglesby & Butler Shareholder does not elect in writing to convert his/her Convertible Loan Notes by the 4 January 2011 they will automatically be redeemed for cash at a nominal value of 35 cents on 31 January 2011 together with interest at the rate of 5 per cent. per annum from the date of the issue up to 31 January 2011.**

The Ten Year Loan Note shall be an unsecured 10 year loan note with an annual coupon of 5 per cent. per annum until 31 December 2016 and thereafter at 1.5 per cent. per annum above the interest rate at which the Irish Government will have last issued bonds with a term of 5 years prior to 1 February 2016 and this annual coupon will subsist for the remaining duration of the Ten Year Loan Note.

The Convertible Loan Note Alternative will not be available in the Restricted Jurisdictions and Oglesby & Butler Shareholders will not be permitted to make an election for the Convertible Loan Note Alternative from any of the Restricted Jurisdictions. No Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be posted to an address in any of the Restricted Jurisdictions and no Oglesby & Butler

Shareholder will be entitled to require Convertible Loan Notes to be registered in his/her name with an address in any of the Restricted Jurisdictions.

Davy Corporate Finance, financial adviser to Grove Ventures, has advised that, based on market conditions at the Latest Practicable Date, in its opinion, if the Convertible Loan Notes had been in issue on that date, the estimated value of the Convertible Loan Notes, on the basis that it is held to redemption on 31 January 2011 and not converted, would have been not less than 33 cent per Convertible Loan Note. Davy Corporate Finance has also advised that, based on market conditions at the Latest Practicable Date, in its opinion, if the Convertible Loan Notes had been in issue on that date, the estimated value of the Convertible Loan Notes, on the basis that a holder subsequently elects for conversion prior to 4 January 2011, would have been not less than 29 cent per Convertible Loan Note.

If you are considering making an election for the Convertible Loan Note Alternative, your attention is drawn to paragraph 4 of this Part II, entitled “Risk Factors and Investment Considerations in relation to the Convertible Loan Notes Alternatives”. In addition, you are strongly recommended, immediately, to seek your own personal financial advice from a stockbroker, bank manager, solicitor, accountant, independent financial adviser or other professional adviser who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act, 1995 (as amended) or the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) or, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000.

The Board of Oglesby & Butler is making no recommendation in respect of the Convertible Loan Note Alternative.

If an Oglesby & Butler Shareholder makes an Election for the Convertible Loan Note Alternative in respect of some but not all of the Oglesby & Butler Shares which it holds, such Election will be treated as invalid. Oglesby & Butler Shareholders who make an invalid election for the Convertible Loan Note Alternative will receive the Cash Consideration in respect of all the Oglesby & Butler Shares held by them.

4. Risk Factors and Investment Considerations in relation to the Convertible Loan Note Alternative

The attention of persons who may consider electing for the Convertible Loan Note Alternative is drawn to certain risk factors and other investment considerations relevant to a Convertible Loan Note Election and/or subsequent election for conversion into equity and Ten Year Loan Notes, if applicable. These include the following:

- 4.1 Grove Ventures is an unlisted company. There is no market for the trading of its capital instruments at the date of issue and there is no current intention to develop such a market.
- 4.2 Grove Ventures currently has no plans to seek a public quotation of any of its capital instruments on any recognised securities exchange or other market.
- 4.3 Grove Ventures will not be subject to the disclosure, corporate governance and shareholder protection requirements of the Irish Stock Exchange or any other securities exchange.
- 4.4 The Convertible Loan Notes are non-transferable and the Ten Year Loan Notes are only transferable to a restricted category of transferees and only in conjunction with a transfer of the same number of ordinary shares to that person, so any Oglesby & Butler Shareholder who elects to receive such instruments may not be entitled to transfer them or sell them to third parties.
- 4.5 Grove Ventures will have greater borrowings and less equity than Oglesby & Butler currently has and this could adversely affect Oglesby & Butler’s financial condition and the results of its operations and thereby effect the ability of Grove Ventures to meet its obligations to repay the interest on the Ten Year Loan Notes and/or to redeem the Ten Year Loan Notes.
- 4.6 Grove Ventures will not make any payment, repayment, prepayment or redemption of the principal amount of the Ten Year Loan Notes until all sums due for payment of nominal value and interest due under the Five Year Loan Note Instrument has been paid and discharged in full.

4.7 The ability of Grove Ventures to redeem the Convertible Loan Notes or Ten Year Loan Notes as appropriate is ultimately dependent on the financial resources and performance of its operating business, Oglesby & Butler.

Further details of the Convertible Loan Notes and the rights of, and restrictions applicable to the Convertible Loan Notes are contained in Part VI (Particulars of the Convertible Loan Notes) of this document and you are strongly recommended to read this before making a Convertible Loan Note Election.

5. Irrevocable Undertakings

Grove Ventures has received an irrevocable undertaking to vote in favour of the Proposals and Resolutions at the Meetings and to elect to receive the Convertible Loan Note Alternative from Mr. Peter Oglesby, a director and chief executive officer of Oglesby & Butler in respect of his entire beneficial holding of Oglesby & Butler Shares amounting to 2,876,188 Oglesby & Butler Shares, representing approximately 23.36 per cent. of the existing issued share capital of Oglesby & Butler.

As of the date of this document, Grove Ventures does not own any Oglesby & Butler Shares. Mr. Kevin Anderson, who is a director of and a shareholder in Grove Ventures, holds 6,295,647 Oglesby & Butler Shares representing approximately 51.12 per cent. of the existing issued share capital of Oglesby & Butler. Mr. Kevin Anderson has given an irrevocable commitment to vote in favour of the Resolutions and the Proposals (to the extent permitted to do so) and to elect for the Cash Consideration in respect of his beneficial shareholding in Oglesby & Butler Shares.

These irrevocable undertakings will lapse in the event that the Proposals lapse or are withdrawn, the Scheme not being approved at the Court Meeting, the High Court declines or refuses to sanction the Scheme (unless Oglesby & Butler and Grove Ventures agree that the decision of the High Court shall be appealed and, if so appealed, a final non-appealable order, decree, judgment, or ruling has been issued) or the Scheme does not become effective on or before 31 January 2011.

6. Information on Grove Ventures

Grove Ventures is a public limited company, which was incorporated in Ireland on 13 October 2010. Grove Ventures has not traded prior to the date of the Announcement (except for entering into transactions relating to the Acquisition). Grove Ventures is owned and controlled by Mr. Kevin Anderson and Mr. Thomas Anderson.

As at the Scheme Record Time the number of shares in issue in the share capital of Grove Ventures shall equal the number of shares held by Mr. Kevin Anderson and Mr. Thomas Anderson in Oglesby & Butler as at the date of the Announcement. Mr. Kevin Anderson has given an irrevocable undertaking to elect to accept the Cash Consideration in respect of his existing beneficial shareholding in Oglesby & Butler. As at the date of this document there are no, nor will there be at the Scheme Record Time any warrants or options or other arrangements to allot and/or issue shares in Grove Ventures except pursuant to conversion of the Convertible Loan Notes.

On completion of the Acquisition, Oglesby & Butler will become a wholly owned subsidiary of Grove Ventures. Grove Ventures will not have any income other than income provided by way of dividend from, or charges levied on, Oglesby & Butler. In addition to normal operating costs, Grove Ventures will also incur interest payments on the Five Year Loan Notes and the Ten Year Loan Notes. The illustrative capital structure of Grove Ventures assuming completion of the Acquisition under 2 scenarios (assuming full payment of the Cash Consideration to shareholders other than Mr. Peter Oglesby and assuming full take-up of the

Convertible Loan Note Alternative by all shareholders other than Mr. Kevin Anderson and subsequent election for conversion) are as follows:

	<i>Scenario 1 – assuming full payment of the Cash Consideration</i>	<i>Scenario 2 – assuming full take-up of the Convertible Loan Note Alternative</i>
	€	€
Five Year Loan Notes	1,192,127	–
Ten Year Loan Notes	3,029,062	4,187,128
Equity	89,090	123,151
Total	<u>4,310,279</u>	<u>4,310,279</u>

7. Financing of the Acquisition

The Cash Consideration payable by Grove Ventures under the terms of the Acquisition will be financed from the existing financial resources of Grove Ventures which in turn is being financed by Mr. Thomas Anderson, by way of the Five Year Loan Note, and by Mr. Kevin Anderson.

Full payment of the Cash Consideration would involve a maximum cash payment of approximately €3.3 million. Davy Corporate Finance, financial adviser to Grove Ventures, is satisfied that sufficient resources are available to Grove Ventures to satisfy in full the Cash Consideration payable under the Acquisition.

8. Implementation Agreement and Convertible Loan Note Instrument

(a) Implementation Agreement

Oglesby & Butler and Grove Ventures entered into an implementation agreement on 15 October 2010 in relation to the Acquisition which governs their relationship during the period until the Acquisition becomes effective or lapses or is withdrawn or the agreement is otherwise terminated. The parties have agreed, amongst other things, to co-operate with regard to the process of implementing the Acquisition. The agreement contains certain assurances and confirmations between the parties (including terms regarding the conduct of business of the Oglesby & Butler Group pending completion of the Acquisition). Oglesby & Butler has provided certain limited warranties to Grove Ventures, the liability for which is limited to vouched third party costs and expenses reasonably incurred pursuant to the Scheme and the Acquisition which shall not exceed 1 per cent. of the value of the entire issued and to be issued share capital of Oglesby & Butler at €0.35 per share. The implementation agreement includes an undertaking from the Oglesby & Butler Group not to solicit, encourage, procure or otherwise seek any offer or agreement from any person with a view to any third party transaction. The Implementation Agreement terminates in certain circumstances, including:

- (i) Oglesby & Butler's board failing to unanimously recommend the Scheme and/or the Acquisition;
- (ii) the Scheme having been approved by the requisite majority at the Court Meeting;
- (iii) the Capital Reduction having been approved by the requisite majority at the EGM; or
- (iv) by a material breach of the implementation agreement by Oglesby & Butler.

Further details of the Implementation Agreement are set out in paragraph 6 of Part III of this document.

(b) Convertible Loan Note Instrument

On 15 October 2010 Grove Ventures entered into a Convertible Loan Note Instrument which constitutes the issue of the Convertible Loan Notes and the Ten Year Loan Notes (the terms of which are described in Part VI of this document).

9. Directors, Management, Employees and Oglesby & Butlers' Business

Grove Ventures intends that, following the Acquisition, the business of Oglesby & Butler will continue in the same manner in which it currently operates. Grove Ventures has no plans to change the locations of the places of business, or redeploy the fixed assets, of the Oglesby & Butler Group.

Grove Ventures attaches great importance to the skills and experience of the management and employees of Oglesby & Butler. The existing directors of Oglesby & Butler will continue to serve on the Board of Directors of Oglesby & Butler after the Scheme becomes effective and there will be no changes to the terms and conditions of engagement of those directors.

Following completion of the Acquisition, Grove Ventures has no plans to change the terms and conditions of employment of the employees of the Oglesby & Butler Group. Grove Ventures also confirms that, following the Scheme becoming effective, the existing employment rights, including any pension rights, of the employees of the Oglesby & Butler Group will be fully safeguarded in accordance with applicable laws.

10. Delisting and Cancellation of Trading

Your attention is drawn to paragraph 8 of Part I of this document in relation to the resolution passed by Oglesby & Butler Shareholders at the AGM approving the cancellation of Oglesby & Butler's listing on the Official List and the cancellation of admission of Oglesby & Butler Shares to trading on the Main Market of the Irish Stock Exchange.

Additionally, a resolution was also passed by Oglesby & Butler Shareholders at the AGM to authorise Oglesby & Butler to make an application to the Irish Stock Exchange for the admission of its ordinary shares to trading on the Enterprise Securities Market. Oglesby & Butler intends to use such authority to make such admission application to the Irish Stock Exchange, in the event that the Resolutions and the Proposals are not approved by Oglesby & Butler Shareholders at the Meetings or the Acquisition and the Scheme do not otherwise become effective.

11. Payment of Scheme Consideration

Upon completion of the Scheme, settlement of the Cash Consideration to which any Oglesby & Butler Shareholder is entitled under the Acquisition will be effected within 14 days of the Effective Date. Full details of arrangements in connection with the payment of the Cash Consideration are set out at paragraph 4 of Part IV of this document.

If an Oglesby & Butler Shareholder validly elects for the Convertible Loan Note Alternative, whether their Oglesby & Butler Shares are in certificated or uncertificated form, definitive certificates for any Convertible Loan Notes to which they are entitled will be despatched within 14 days of the Effective Date, by ordinary prepaid post (or by such other method as the Panel may approve). No certificates for Convertible Loan Notes will be despatched to addresses in a Restricted Jurisdiction. Please note all certificates are posted at the shareholder's own risk. Further details on the arrangements in connection with the settlement of the Convertible Loan Note Alternative are set out at paragraph 4 of Part IV of this document.

12. Recommendation by the Board of Oglesby & Butler

The attention of Oglesby & Butler Shareholders is drawn to the recommendation of the Board, set out in Part I of this document. The Board is unanimously recommending that Oglesby & Butler Shareholders vote in favour of the Proposals and the Resolutions.

13. Action to be taken

Your attention is drawn to the summary of the action to be taken on pages 8 to 9 of this document, which sets out details of the Meetings that have been convened for Scheme Shareholders to consider and, if thought fit, approve the Resolutions.

Whether or not you plan to attend the Court Meeting and/or the Extraordinary General Meeting, please complete and sign the Forms of Proxy accompanying this document in accordance with the instructions

printed thereon and return them either to Computershare Investor Services (Ireland) Limited at PO Box 954 Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 as soon as possible but, in any event, so as to be received by post or, during normal business hours, by hand by 9.00 a.m. on 1 December 2010 in the case of the Court Meeting and by 9.30 a.m. on 1 December 2010 in the case of the Extraordinary General Meeting.

The completion and return of a Form of Proxy either for the Court Meetings or for the EGM will not prevent you from attending and voting at either meeting (or any adjournment thereof) in person if you wish to do so. Alternatively, you may submit your proxy via the internet by accessing the Registrar's website www.computershare.com/ie/voting/ogli. To log in you will require your unique PIN and shareholder reference number (SRN) which you will find printed at the top of your Forms of Proxy. CREST members may make an electronic proxy appointment using the procedures described in the CREST Manual, as set out in the notices of the Meetings included at the end of this document.

Notes on completing the Form of Election and the TTE Instruction are set out in Part X of this document. Apart from completing, signing and returning the appropriate Forms of Proxy (and, only if you wish to elect for the Convertible Loan Note Alternative, the Form of Election) you need take no further action at this stage. If you do not complete and return the Form of Election or the TTE Instruction, you will receive the Cash Consideration in respect of all your Oglesby & Butler Shares.

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please telephone the helpline on 01 447 5503 or, +353 1 447 5503 (if calling from outside Ireland) between 9.00 a.m. and 5.00 p.m. on any Business Day.

Overseas Shareholders should refer to paragraph 9 of the Explanatory Statement at Part III of this document. Details relating to settlement are included in paragraph 8 of the Explanatory Statement at Part III of this document.

If the Scheme becomes effective it will be binding on all Oglesby & Butler Shareholders, including those who did not vote, or who voted against it, at the Court Meetings. Provided the Scheme becomes effective, Oglesby & Butler Shareholders will receive the Cash Consideration without having to take further action.

If you are in any doubt as to the action you should take in relation to the Scheme, you should consult your independent professional financial adviser immediately.

Yours faithfully,

Kevin Anderson
Director

Thomas Anderson
Director

PART III

EXPLANATORY STATEMENT

(IN COMPLIANCE WITH SECTION 202 OF THE ACT)



Bloxham Stockbrokers
2/3 Exchange Place
International Financial Services Centre
Dublin 1
Ireland

10 November 2010

To Oglesby & Butler Shareholders

Dear Shareholder,

RECOMMENDED ACQUISITION OF OGLESBY & BUTLER GROUP PLC

1. Introduction

On 15 October 2010 the Board of Oglesby & Butler and the Board of Grove Ventures announced that they had reached agreement on the terms of a recommended acquisition of Oglesby & Butler by Grove Ventures, by way of Scheme of Arrangement under Section 201 of the Act. Grove Ventures is a public limited company that was incorporated in Ireland on 13 October 2010.

Your attention is drawn to the letter of recommendation from the Board in Part I of this document, which sets out the reasons why the Directors of Oglesby & Butler, who have been so advised by Bloxham Stockbrokers, consider the terms of the Acquisition to be fair and reasonable and in the best interests of Oglesby & Butler Shareholders taken as a whole and why the Board of Oglesby & Butler unanimously recommend that all Oglesby & Butler Shareholders (other than Grove Ventures Shareholders) vote in favour of the Proposals and Resolutions at the Court Meeting and that the Oglesby & Butler Shareholders vote in favour of the Resolutions and the Proposals at the EGM, as they intend to do in respect of their own beneficial holdings of, in aggregate, 3,095,188 Oglesby & Butler Shares, which represent, in aggregate, approximately 25.13 per cent. of the existing issued share capital of Oglesby & Butler. In providing their advice to the Directors of Oglesby & Butler, Bloxham Stockbrokers has taken into account the commercial assessments of the Directors.

Your attention is also drawn to the other parts of this document, which all form part of this explanatory statement.

2. The Acquisition

The Acquisition is to be effected by way of the Scheme of Arrangement between Oglesby & Butler and Oglesby & Butler Shareholders under Section 201 of the Act. The Scheme is set out in full in Part IV of this document. Under the terms of the Scheme, Grove Ventures will pay the Cash Consideration of 35 cent per Oglesby & Butler Share to Oglesby & Butler Shareholders unless they elect for the Convertible Loan Note Alternative.

If the Scheme is implemented, the Scheme Shares currently held by Oglesby & Butler Shareholders will be cancelled pursuant to Sections 72 and 74 of the Act. Oglesby & Butler will then issue New Oglesby & Butler Shares to Grove Ventures in place of the Scheme Shares cancelled pursuant to the Scheme and Grove Ventures will pay the consideration for the Acquisition to former Oglesby & Butler Shareholders. As a result of these arrangements, Oglesby & Butler will become a wholly-owned subsidiary of Grove Ventures.

The Scheme will require approval by Oglesby & Butler Shareholders (other than Grove Ventures Shareholders) at the Court Meeting and the sanction of the High Court at the Court Hearing. The Court Meeting and the EGM and the nature of the approvals required to be given at them are described in more detail in paragraph 4 below. All Oglesby & Butler Shareholders are entitled to attend the Court Hearing in person or to be represented by Counsel to support or oppose the sanctioning of the Scheme.

The Acquisition is subject to a number of conditions (summarised in paragraph 3 below and set out in full in Part V (Conditions to and certain Further Terms of the Acquisition and the Scheme) of this document). The Acquisition can only become effective upon the issue by the Registrar of Companies of a certificate of registration of the Court Order and if all the other remaining conditions to the Acquisition have been satisfied or waived on or before the sanction of the Scheme by the High Court. The Scheme will become effective upon the delivery to the Registrar of an office copy of the Court Order together with the minute required by Sections 75 and 202 of the Act and registration of such Court Order by him which, subject to the sanction of the Scheme by the High Court, is expected to occur during the course of December 2010.

Unless the Scheme becomes effective by no later than 31 January 2011, or such later date, as Oglesby & Butler and Grove Ventures may agree and the High Court may allow, the Scheme will not become effective and the Acquisition will not proceed.

3. The Conditions

The Acquisition is conditional, amongst other things, on the Scheme becoming effective. The conditions to the Acquisition and the Scheme are set out in full in Part V (Conditions to and Certain Further Terms of the Acquisition and the Scheme) of this document. The implementation of the Scheme is conditional, amongst other things, upon:

- 3.1 the Scheme becoming Effective by no later than 31 January 2011 (or such later date as Grove Ventures and Oglesby & Butler may, with (if required) the consent of the Panel, agree and (if required) the High Court may allow);
- 3.2 the approval by a majority in number of Oglesby & Butler Shareholders representing three-fourths (75 per cent.) or more in value of the Oglesby & Butler Shares held by such holders present and voting either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);
- 3.3 the passing of such resolutions as are required to approve or implement the Scheme at the Extraordinary General Meeting;
- 3.4 the sanction of the Scheme (with or without modifications) and confirmation of the reduction of capital involved therein by the Court and the delivery of an office copy of the Court Order and the minute required by Section 75 of the Act to the Registrar of Companies and the registration of such Court Order and minute by the Registrar of Companies; and
- 3.5 the conditions, which are not otherwise identified above, being satisfied or waived on or before the sanction of the Scheme by the High Court pursuant to Section 201 of the Act.

4. Consents and meetings

The Scheme is subject to the approval of Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) at the Court Meeting and its implementation will also require various approvals of Oglesby & Butler Shareholders at the separate EGM, both of which will be held at The Royal Marine Hotel, Marine Road, Dun Laoghaire, Co. Dublin, Ireland on 3 December 2010. The Court Meeting will start at 9.00 a.m. and the EGM at 9.30 a.m. (or as soon thereafter as the Court Meeting is concluded or adjourned) on that date. The Court Meeting is being held at the direction of the High Court to seek the approval of Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) to the Scheme. The EGM is being convened to enable the directors of Oglesby & Butler to implement the Scheme, as described below.

Notices of both the Court Meeting and the EGM are set out at the end of this document. Entitlement to attend and vote at each meeting and the number of votes which may be cast at each meeting will be determined by reference to the register of members of Oglesby & Butler at the Voting Record Time.

4.1 ***Court Meeting***

The Court Meeting has been convened for 9.00 a.m. on 3 December 2010 to enable Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and not a show of hands and each holder of Oglesby & Butler Shares who is present in person or by proxy will be entitled to one vote for each Oglesby & Butler Share held. The approval required at the Court Meeting is that those voting to approve the Scheme should:

- (a) represent a simple majority in number of those Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) at the Voting Record Time present and voting in person or by proxy; and
- (b) also represent three-fourths in value of the Oglesby & Butler Shares held by those Oglesby & Butler Shareholders at the Voting Record Time present and voting in person or by proxy.

If you are the registered holder of any Oglesby & Butler Shares (but not a Grove Ventures Shareholder), you are encouraged to complete and return your BLUE Form of Proxy for the Court Meeting as soon as possible.

4.2 ***Extraordinary General Meeting***

In addition, the EGM has been convened for the same date at 9.30 a.m. (or as soon thereafter as the Court Meeting is concluded or adjourned) to consider and, if thought fit, pass the following resolutions (which in the case of special resolutions requires a vote in favour of not less than 75 per cent. of the votes cast and in respect of ordinary resolutions requires in excess of 50 per cent. of the votes cast):

Resolution 1 – Special Resolution

To approve the Scheme and to authorise the directors of Oglesby & Butler to take such action as they consider necessary or appropriate to carry the Scheme into effect;

Resolution 2 – Special Resolution

To approve the cancellation of Oglesby & Butler Shares pursuant to the Scheme;

Resolution 3 – Ordinary Resolution

To authorise the directors of Oglesby & Butler to issue relevant securities pursuant to Section 20 of the Companies (Amendment) Act 1983 and to apply the reserve in the books arising upon the cancellation described above in paying up in full at par ordinary shares.

4.3 ***Court Hearing***

The Court Hearing is expected to take place on or about 11.00 a.m. on 21 December 2010, although this will be subject to the receipt of all necessary regulatory approvals. Each Oglesby & Butler Shareholder is entitled to attend the Court Hearing in person or to be represented by counsel or a solicitor (at their own expense) to support or oppose the sanctioning of the Scheme.

4.4 ***Forms of Proxy***

Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) are strongly urged to complete and return their Forms of Proxy, as soon as possible. Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) have been sent a BLUE Form of Proxy for the Court Meeting and Oglesby & Butler Shareholders have been sent a PINK Form of Proxy for the EGM.

5. Structure of the Scheme

It is proposed that, under the Scheme, all the Oglesby & Butler Shares in issue prior to the Scheme Record Time, other than the Designated Shares, will be cancelled. New Oglesby & Butler Shares will be issued by

Oglesby & Butler to Grove Ventures (and/or its nominee(s)) by the capitalisation of the reserve arising from the cancellation of the Oglesby & Butler Shares so that Oglesby & Butler becomes a direct wholly-owned subsidiary of Grove Ventures.

Oglesby & Butler Shareholders who are on the register of Oglesby & Butler at the Scheme Record Time that is, 5.00 p.m. on the day immediately preceding the Court Hearing, will receive the Cash Consideration or the Convertible Loan Note Alternative, as appropriate.

It is expected that the Scheme will become effective and that the Acquisition will complete during the course of December 2010. The Scheme can only become effective if all the conditions to which the Scheme is subject have been satisfied or waived by no later than 31 January 2011 or such later date, if any, as Oglesby & Butler and Grove Ventures may agree and the High Court may allow. The Scheme will become effective upon a copy of the Court Order and the minute approved by the Court in respect of the capital reduction being registered by the Registrar of Companies and the issue of a certificate of registration of the Court Order. Once the Scheme becomes effective, the terms will be binding on all Oglesby & Butler Shareholders, irrespective of whether they attended the Court Meeting and irrespective of the manner in which they voted.

6. Implementation Agreement

Oglesby & Butler and Grove Ventures have entered into an Implementation Agreement dated 15 October 2010 which contains, amongst other things, certain obligations and commitments in relation to the implementation of the Acquisition and provisions in relations to the conduct of Oglesby & Butler's business up to the Effective Date.

Under the terms of the Implementation Agreement, the parties agree:

- (a) to take such steps as are within their powers necessary to implement the Resolutions;
- (b) to assist each other as required for the purposes of preparing documents for the Proposals and the Resolutions; and
- (c) to use all reasonable endeavours to achieve satisfaction of the Conditions as soon as practicable after publication of this document.

Conduct of Business

Under the Implementation Agreement, Oglesby & Butler has agreed that, from the date of the Implementation Agreement to the Effective Date, it and its subsidiaries have agreed not to take certain actions which fall outside the ordinary conduct of business, except to the extent that Grove Ventures consents in writing.

Termination of the Implementation Agreement

If between the date of the Implementation Agreement and the Effective Date, Grove Ventures becomes aware that any representation or warranty given by Oglesby & Butler was untrue, inaccurate or misleading at the time given, or that there has been a material breach by Oglesby & Butler of any other provision of the Implementation Agreement, Grove Ventures may at its option:

- (a) end the Implementation Agreement by notice in writing to Oglesby & Butler; or
- (b) proceed with implementing the Resolutions but without prejudice to its right to claim for breach of the Implementation Agreement.

Should the Implementation Agreement be terminated as set out at (a) or (b) above, or as a result of any material breach of the Implementation Agreement by Oglesby & Butler, the parties shall have no further liability or obligation under the Implementation Agreement except in respect of claims which arose before or gave rise to termination and those provisions of the Implementation Agreement which are expressed to survive termination of the Implementation Agreement and the relevant provisions of Clauses 11 to 14 of the Implementation Agreement.

7. Taxation

Irish Taxation

Your attention is drawn to paragraph 9 of Part IX (Additional Information) of this document, headed “Irish Taxation”. If you are in any doubt as to your own tax position, you should consult an independent financial adviser immediately.

8. Settlement, Listing And Dealings

The annual general meeting of Oglesby & Butler was held on 2 November 2010.

(i) Final Dividend

A resolution was passed by Oglesby & Butler Shareholders for the payment of a final dividend of 1.0 cent per Oglesby & Butler Share to Oglesby & Butler Shareholders on the register on 23 July 2010. This was paid on 5 November 2010.

(ii) Cancellation of Listing on Official List and authorisation to seek admission to trading on the Enterprise Securities Market of Irish Stock Exchange

A resolution was passed by Oglesby & Butler Shareholders approving the cancellation of Oglesby & Butler’s listing on the Official List and the cancellation of admission of Oglesby & Butler Shares to trading on the Main Market of the Irish Stock Exchange at the AGM. The cancellation will take effect from 8.00 a.m. on 1 December 2010.

Additionally, a resolution was passed by Oglesby & Butler Shareholders to authorise Oglesby & Butler to make an application to the Irish Stock Exchange for the admission of its ordinary shares to trading on the Enterprise Securities Market. Oglesby & Butler intends to use such authority to make such admission application to the Irish Stock Exchange, in the event that the Resolutions and the Proposals are not approved by Oglesby & Butler Shareholders at the Meetings or the Acquisition and the Scheme do not otherwise become effective.

No transfers of Oglesby & Butler Shares (other than transfers to any member or members of Grove Ventures Group) will be registered after the Scheme Record Time. Upon the Scheme becoming effective, share certificates in respect of Oglesby & Butler Shares will cease to be of value and should, if so requested by Oglesby & Butler or its agents, be sent to Oglesby & Butler for cancellation.

Subject to the Acquisition becoming effective, settlement of the consideration to which any Oglesby & Butler Shareholder is entitled under the Acquisition will be effected within 14 days of the Effective Date in the following manner:

8.1 *Cash Consideration – Oglesby & Butler Shares in uncertificated form (“CREST”)*

Where, at the Scheme Record Time, an Oglesby & Butler Shareholder holds Oglesby & Butler Shares in uncertificated form, the Cash Consideration to which such Oglesby & Butler Shareholder is entitled will, except in limited circumstances, be paid in Euro (€) by means of CREST by Grove Ventures procuring the creation of an assured payment obligation in favour of the relevant Oglesby & Butler Shareholder’s payment bank in respect of the cash consideration due, in accordance with the CREST assured payment arrangements. Grove Ventures reserves the right to settle all or any part of the consideration referred to in this paragraph 8.1 for all or any accepting Oglesby & Butler Shareholder(s) in the manner referred to in paragraph 8.2 below, if, for any reason, it wishes to do so.

8.2 *Cash Consideration – Oglesby & Butler Shares in certificated form*

Where, at the Scheme Record Time, an Oglesby & Butler Shareholder holds Oglesby & Butler Shares in certificated form, settlement of any Cash Consideration due will be despatched by ordinary prepaid post (or by such other manner as the Panel may approve). Such cash payments will be made in Euro (€) by cheque drawn on a branch of an Irish clearing bank. Any Oglesby & Butler Shareholders who have mandates in force relating to the payment of dividends or other distributions or who have given other instructions to Oglesby & Butler will be paid in accordance with such existing mandates.

8.3 *The Convertible Loan Note Alternative*

If an Oglesby & Butler Shareholder validly elects for the Convertible Loan Note Alternative, whether their Oglesby & Butler Shares are in certificated or uncertificated form, definitive certificates for any Convertible Loan Notes to which they are entitled will be despatched within 14 days of the Effective Date, by ordinary prepaid post (or by such other method as the Panel may approve). No certificates for Convertible Loan Notes will be despatched to addresses in a Restricted Jurisdiction. Please note all certificates are posted at the shareholder's own risk.

8.4 *General*

Except with the consent of the Panel, settlement of the consideration to which any Oglesby & Butler Shareholder is entitled under the Acquisition will be implemented in full in accordance with the terms of the Acquisition without regard to any lien, right of set-off, counterclaim or other analogous right.

All documents and remittances sent to Oglesby & Butler Shareholders (or in accordance with their directions) will be despatched at their own risk.

8.5 *The Oglesby & Butler Directors and the Effect of the Scheme on their Interests*

The interests of the Oglesby & Butler Directors in the share capital of Oglesby & Butler are set out in paragraph 4 of Part IX (Additional Information) of this document.

The total emoluments receivable by Oglesby & Butler Directors will not be varied automatically as a consequence of the Acquisition.

The effect of the Scheme on the interests of the Oglesby & Butler Directors does not differ from its effect on the like interests of other persons.

9. **Overseas Shareholders**

As regards persons resident in, or citizens of, jurisdictions outside Ireland ("**Overseas Shareholders**"), the Acquisition may be affected by the laws of the relevant jurisdictions. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of Overseas Shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

This document has been prepared for the purposes of complying with the laws of Ireland, the Takeover Rules (to the extent applicable) and the information disclosed may be different from that which would have been disclosed if this document had been prepared in accordance with the laws of the jurisdictions outside Ireland.

Overseas shareholders are encouraged to consult their local tax adviser.

10. **Action to be taken**

Your attention is drawn to the summary of the action to be taken on pages 8 and 9 of this document.

11. **Further information**

Your attention is drawn to the conditions and further terms of the Acquisition set out in the remaining parts of this document, all of which form part of this document.

Yours faithfully

Peter O'Carroll
for and on behalf of
Bloxham Stockbrokers

PART IV

THE SCHEME OF ARRANGEMENT

2010 No. 606 COS

THE HIGH COURT

IN THE MATTER OF OGLESBY & BUTLER GROUP PLC
AND IN THE MATTER OF THE COMPANIES ACTS, 1963 TO 2009

SCHEME OF ARRANGEMENT
(UNDER SECTION 201 OF THE COMPANIES ACT, 1963)

BETWEEN
OGLESBY & BUTLER GROUP PLC
AND
THE HOLDERS OF THE SCHEME SHARES

(AS HEREINAFTER DEFINED)

Preliminary

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

the “Act”	the Companies Act 1963 of Ireland, as amended
“Associate”	has the meaning given to it in paragraph 6.7 of Part IX of the Circular
“Business Day”	any day, other than a Saturday, Sunday or public or bank holiday, on which banks are generally open for business in Dublin and the Irish Stock Exchange is open for transaction of business
“Cash Consideration”	the cash consideration of €0.35 per Oglesby & Butler Share payable to Oglesby & Butler Shareholders who do not elect for the Convertible Loan Note Alternative
“certificated” or “in certificated form”	where a share or other security is not in uncertificated form (that is, not in CREST)
“Circular”	the document dated 10 November 2010 sent by the Company to the holders of its Ordinary Shares of which this Scheme forms part
“Company” or “Oglesby & Butler”	Oglesby & Butler Group plc, incorporated in Ireland with registered number 124871
“Convertible Loan Note” or “Convertible Loan Notes”	convertible loan notes which will be offered to Oglesby & Butler Shareholders pursuant to the Convertible Loan Note Alternative which will allow holders to elect to convert the convertible loan note prior to 4 January 2011, by giving a conversion notice which will be scheduled to the Convertible Loan Notes, into one ordinary share of €0.01 each in Grove Ventures and one Ten Year Loan Note of €0.34 per ordinary share in Grove Ventures

“Convertible Loan Note Alternative”	the alternative whereby under the Scheme, Oglesby & Butler Shareholders may elect to receive a Convertible Loan Note instead of all of the Cash Consideration to which they would otherwise be entitled pursuant to the Scheme
“Convertible Loan Note Election”	an election for the Convertible Loan Note Alternative
“Court”	the High Court of Ireland
“Court Meeting”	the meeting of the Oglesby & Butler Shareholders (other than Grove Ventures Shareholders) (and any adjournment thereof) convened by order of the High Court pursuant to Section 201 of the Act to consider and, if thought fit, approve this Scheme (with or without amendment)
“Court Order”	the order or orders of the High Court sanctioning this Scheme under Section 201 of the Act and confirming the reduction of share capital which forms part of it under Sections 72 and 74 of the Act
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“Euroclear”	Euroclear UK and Ireland Limited
“CREST Regulations”	the Companies Act 1990 (Uncertificated Securities) Regulations, 1996 (SI No. 68 of 1996 of Ireland) and the Companies Act 1990 (Uncertificated Securities) (Amendment) Regulations 2005 (SI No. 63 of 2005 of Ireland), as from time to time amended
“Designated Shares”	one Oglesby & Butler Share to be held by Grove Ventures and six other Oglesby & Butler Shares to be held by nominees of Grove Ventures
“Effective Date”	the date on which this Scheme becomes effective in accordance with its terms
“Election Return Time”	1.00 p.m. on the day immediately preceding the Court hearing at which the parties will seek the Court Order;
“Form of Election”	the form of election under which Oglesby & Butler Shareholders can elect for the Convertible Loan Note Alternative to the Cash Consideration
“Holder”	a registered holder, including any person(s) entitled by transmission
“Grove Ventures”	Grove Ventures plc, incorporated in Ireland with registered number 490186
“Grove Ventures Shareholders”	the holders of Grove Ventures Shares
“Grove Ventures Shares”	Oglesby & Butler Shares of which Grove Ventures, Mr. Kevin Anderson, Mr. Thomas Anderson and any Associate of Grove Ventures is a beneficial owner
“Irish Stock Exchange”	the Irish Stock Exchange Limited

“Members”	members of the Company on its register of members at any relevant date
“New Ordinary Shares”	the ordinary shares of EUR0.12 in the capital of Oglesby & Butler to be issued credited as fully paid up to Grove Ventures pursuant to the Scheme
“Oglesby & Butler Group” or “the Group”	Oglesby & Butler Group plc, its subsidiary and associated undertakings
“Oglesby & Butler Shareholders”	the holders of Oglesby & Butler Shares
“Ordinary Shares”	the ordinary shares of EUR0.12 in the capital of Oglesby & Butler
“Reduction of Capital”	the reduction of the share capital of Oglesby & Butler by the cancellation of the Scheme Shares to be effected as part of the Scheme
“Relevant Holders”	holders of Scheme Shares whose names appear in the register of members of Oglesby & Butler at the Scheme Record Time
“Restricted Overseas Persons”	a person (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organisation, trust, trustee, executor, administrator or other legal representative) in, or resident in, or any person whom Grove Ventures believes to be in, or resident in a Restricted Jurisdiction
“Restricted Jurisdiction”	any jurisdiction in relation to which Oglesby & Butler or Grove Ventures (as the case may be) is advised that the release, publishing or distribution of this document or any accompanying document or provision of a right to make a Convertible Loan Note Election or the issue of the Convertible Loan Note in whole or in part would or might infringe the laws of that jurisdiction or would or might require compliance with any governmental or other consent or any registration or other formality that Oglesby & Butler or Grove Ventures (as the case may be) is unable to comply with or regards as unduly onerous to comply with
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Section 201 of the Act and the capital reduction under Sections 72 and 74 of the Act with or subject to any modifications, addition or condition approved or imposed by the High Court and agreed by Grove Ventures and Oglesby & Butler
“Scheme Record Time”	means 5.00 p.m. on the day immediately preceding the Court hearing at which the parties will seek the Court Order
“Scheme Shares”	all of the Oglesby & Butler Shares in issue at the Scheme Record Time, other than the Designated Shares
“Scheme Shareholder”	a holder of Scheme Shares
“Ten Year Loan Note”	the unsecured 10 year loan note of €0.34 per ordinary share in Grove Ventures to be issued by Grove Ventures on conversion of the Convertible Loan Note

“TTE Instruction”	a TTE instruction to Euroclear making an election for the Convertible Loan Note Alternative
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
“Voting Record Time”	6.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the time set for any such adjourned meeting

and references to Clauses are to Clauses of this Scheme.

- (B) The authorised share capital of the Company at the date of this Scheme is €6,000,000 divided into 50,000,000 Ordinary Shares of 12 cents each which, as at the date hereof, 12,315,082 had been issued and are credited as fully paid and the remainder are unissued.
- (C) As at the date of this Scheme, Grove Ventures does not own any Oglesby & Butler Shares and the Grove Venture Shareholders own 6,295,752 Oglesby & Butler Shares. It is proposed that prior to the Scheme Record Time, one Oglesby & Butler Share will be issued to Grove Ventures and one Oglesby & Butler Shares will be issued to each of six nominees of Grove Ventures (the Designated Shares).
- (D) The authorised share capital of Grove Ventures as at 8 November 2010 is €1,000,000 divided into 100,000,000 ordinary shares of €0.01 each. As at the close of business on 8 November 2010, 6,032,817 ordinary shares in Grove Ventures have been issued and are credited as fully paid, with the remainder being unissued.
- (E) Grove Ventures and the Grove Ventures Shareholders have agreed to appear by Counsel on the hearing of the petition to sanction this Scheme and to submit thereto. Both Grove Ventures and the Grove Ventures Shareholders undertake to the Court to be bound by and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

THE SCHEME

1. CANCELLATION OR EXCHANGE OF THE SCHEME SHARES

- 1.1 The issued but not authorised capital of the Company shall be reduced by cancelling and extinguishing all of the Scheme Shares.
- 1.2 Forthwith and contingently upon the reduction of capital referred to in sub-Clause 1.1 taking effect:
 - (a) the issued share capital of Oglesby & Butler shall be increased to its former amount by the creation of such number of New Ordinary Shares in the capital of Oglesby & Butler as shall be equal to the number of Scheme Shares, with each such New Ordinary Share having the same rights as the Scheme Shares; and
 - (b) the reserve arising in the books of account of Oglesby & Butler as a result of the said reduction of capital shall be appropriated and applied in paying up in full at par the New Ordinary Shares created pursuant to Clause 1.2(a), which shall be allotted and issued credited as fully paid to Grove Ventures and/or its nominee(s) (to hold on bare trust for Grove Ventures) in consideration for the consideration to be paid by Grove Ventures as set out in Clause 2 below.

2. CONSIDERATION FOR THE SCHEME SHARES

- 2.1 In consideration for the cancellation of the Scheme Shares pursuant to Clause 1.1 and the allotment and issue of the New Ordinary Shares as provided in Clause 1.2, Grove Ventures shall issue the consideration (comprising the Cash Consideration and any Convertible Loan Notes to which the Holder is entitled) to each Holder appearing in the register of members of the Company at the Scheme Record Time as the registered holder of Scheme Shares in accordance with the provisions of Clause 4 below.
- 2.2 Neither Grove Ventures nor the Company shall be liable to any holder of Scheme Shares for any cash payment or dividends or distributions with respect to Scheme Shares delivered to a public official in compliance with any abandoned property, escheat or law permitting attachment of money or property or similar law.

3. CONVERTIBLE LOAN NOTE ELECTION

- 3.1 If any holder of Scheme Shares shall validly so elect in respect of all his Scheme Shares in respect of the Convertible Loan Note Alternative, then subject as hereinafter provided Grove Ventures shall allot and issue Convertible Loan Notes on the following basis:

1 Convertible Loan Note	For each Oglesby & Butler Share
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provided that the Convertible Loan Note Alternative shall not be available to Restricted Overseas Persons.

- 3.2 The Convertible Loan Note Alternative will not be available in the Restricted Jurisdictions and Oglesby & Butler Shareholders will not be permitted to make an election for the Convertible Loan Note Alternative from any of the Restricted Jurisdictions. No Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be posted to an address in any of the Restricted Jurisdictions and no Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be registered in his/her name with an address in any of the Restricted Jurisdictions.
- 3.3 Convertible Loan Note Elections will not affect the entitlements of Scheme Shareholders who do not make any such election. Convertible Loan Note Elections will only be accepted in respect of a whole number of Scheme Shares. The aggregate number of Convertible Loan Notes to be issued to Scheme Shareholders in accordance with Clause 2 will not be increased as a result of elections made pursuant to this Clause 3, and the aggregate amount of Cash Consideration to be paid to Scheme Shareholders in accordance with Clause 2 will not be increased as a result of elections made pursuant to this Clause 3.

- 3.4 For Scheme Shareholders who hold their Scheme Shares in certificated form, Convertible Loan Note Elections shall be made by completion of the Form of Election, which shall be executed as a deed by the Scheme Shareholder or his duly authorised agent (or, in the case of a body corporate, executed under seal or otherwise as a deed) and in the case of joint holders in like manner by or on behalf of all such holders. The instructions, terms, authorities and provisions contained in or deemed to be incorporated in the Form of Election constitute part of the terms of this Scheme. To be effective the Form of Election must be completed and returned in accordance with the instructions printed thereon so as to arrive by not later than the Election Return Time at Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18. Forms of Election so completed and lodged shall, unless otherwise agreed by the Company and Grove Ventures, be irrevocable.
- 3.5 If a Scheme Shareholder has made a valid Convertible Loan Note Election in respect of all of his Scheme Shares by writing “ALL” in the appropriate box on the Form of Election in accordance with the instructions printed thereon, then:
- (a) the validity of the Convertible Loan Note Election (as the case may be), shall not be affected by any alteration in the number of Scheme Shares held by the Scheme Shareholder at any time prior to the Scheme Record Time; and
 - (b) accordingly, the Convertible Loan Note Election will apply in respect of all of the Scheme Shares that the Scheme Shareholder holds immediately prior to the Scheme Record Time.
- 3.6 Scheme Shareholders who hold their Scheme Shares in uncertificated form through CREST and wish to elect for the Convertible Loan Note Alternative should send (or, if they are a CREST personal member, procure that their CREST sponsor sends) a transfer to escrow instruction (a “**TTE Instruction**”) to Euroclear. To be effective the TTE must be completed and returned in accordance with the instructions and terms contained in Part X of the Circular, which constitute part of this Scheme. The TTE Instruction must specify Computershare Investor Services (Ireland) Limited (in its capacity as a CREST participant) as the escrow agent, and must be sent as soon as possible and in event so as to be settled in CREST by the Election Return Time or such later time (if any) to which the right to make an election may be extended. CREST personal members should refer to their CREST sponsor before taking any action. Their CREST sponsor will be able to confirm details of their participant ID and the member account ID under which their Oglesby & Butler Shares are held. In addition, only their CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to their Oglesby & Butler Shares.
- 3.7 If a Form of Election or a TTE Instruction is received after the Election Return Time or is received before such time but is not, or is deemed not to be, valid or complete in all respects at such time, then such election shall be void unless Oglesby & Butler and Grove Ventures, in their absolute discretion, elect to treat as valid in whole or in part any such election.
- 3.8 A holder of Scheme Shares may make a Convertible Loan Note Election (whether through a Form of Election or a TTE Instruction) in respect of all of his Scheme Shares only. A partial Election for the Convertible Loan Note Alternative in respect of some but not all of a Scheme Shareholder’s Oglesby & Butler Shares, will be invalid.
- 3.9 The Convertible Loan Notes are constituted by an instrument adopted by Grove Ventures on 15 October 2010.
- 3.10 The provisions of this Clause 3 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any holder of Scheme Shares with a registered address outside Ireland or who is a citizen, resident or national of a jurisdiction outside Ireland, Grove Ventures is advised that the issue of Convertible Loan Notes pursuant to this Clause 3 would or may infringe the laws of any such jurisdiction, or would or may require Grove Ventures to observe any governmental or other consent or any registration, filing or other formality with which Grove Ventures is unable to comply or which Grove Ventures regards as unduly onerous, Grove

Ventures may determine that the Convertible Loan Note Alternative shall not be available in that jurisdiction and such holder will not be permitted to make an election for the Convertible Loan Note Alternative from such jurisdiction. Nor will such holder be entitled to require the Convertible Loan Notes to be posted to an address in such jurisdiction or to require the Convertible Loan Notes to be registered in his/her name with an address in such jurisdiction.

- 3.11 The Convertible Loan Notes shall be issued credited as fully paid and in amounts and integral multiples of €0.35 nominal value. The Convertible Loan Notes will be governed by the laws of Ireland, will be unsecured subordinated obligations of Grove Ventures and will not be guaranteed as to payment of principal. The Convertible Loan Notes will be non-transferable and no application will be made for them to be listed or dealt in on any stock exchange.
- 3.12 Grove Ventures shall be entitled, in determining whether a Form of Election or a TTE Instruction is valid or not, to exercise the powers and discretions provided for in Part X (Form of Election) of the Circular.
- 3.13 Upon execution and delivery by a holder of Scheme Shares of a valid Convertible Loan Note Election or the delivery of a TTE Instruction validly electing for the Convertible Loan Note Alternative such holder shall be bound by the terms and provisions contained in the Form of Election and in Part X of the Circular.

4. SETTLEMENT OF CONSIDERATION

- 4.1 Not later than 14 days after the Effective Date, Grove Ventures shall in the case of Scheme Shares which at the Scheme Record Time are in certificated form, despatch or procure the despatch of to the persons entitled thereto, or as they may direct, in accordance with the provisions of Clause 4.3 of this Scheme, cheques drawn on an Irish clearing bank for the Cash Consideration (if any) payable to them, respectively in accordance with Clause 2.1 of this Scheme or, in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, ensure that an assured payment obligation in respect of the Cash Consideration (if any) payable to the persons entitled thereto is created in accordance with the CREST assured payment arrangements, provided that Grove Ventures reserves the right to make payment of the said sums by cheque as aforesaid if, for any reason, it wishes to do so. All cash payments shall be made in Euro.
- 4.2 Not later than 14 days after the Effective Date, Grove Ventures shall despatch or procure the despatch of to the persons entitled thereto, or as they may direct, in accordance with the provisions of this Scheme, definitive certificates for any Convertible Loan Notes to which they are entitled.
- 4.3 All despatches of cheques and Convertible Loan Note certificates required to be made pursuant to this Scheme shall be effected by sending the same through the post in prepaid envelopes addressed to the persons entitled thereto at their respective registered addresses as appearing in the register of members of the Company at the Scheme Record Time (or, in the case of joint holders, at the registered address as appearing in the said register at such time of that one of the joint holders whose name then stands first in the said register in respect of such joint holding) or in accordance with any special instructions regarding communications, and neither the Company nor Grove Ventures shall be responsible for any loss or delay in the transmission of any cheques sent in accordance with this sub-Clause, which shall be sent at the risk of the persons entitled thereto.
- 4.4 All cheques shall be made payable to the holder or, in the case of joint holders, to the first named holder of the Scheme Shares concerned and the encashment of any such cheque shall be a complete discharge to the Company and Grove Ventures for the moneys represented thereby.
- 4.5 The provisions of this Clause shall take effect subject to any condition or prohibition imposed by law.

5. OVERSEAS SHAREHOLDERS

The provisions of Clauses 3 and 4 shall be subject to any prohibition or condition imposed by law. If in the case of any Scheme Shareholder the law of a jurisdiction outside Ireland precludes:

- 5.1 the allotment or issue to it of Convertible Loan Notes under Clause 3;
 - 5.2 the provision to it of the right to make an election for the Convertible Loan Note Alternative; or,
- in either case, precludes the same except after compliance by the Company or Grove Ventures (as the case may be) with any governmental or other consent or any registration, filing or other formality with which the Company or Grove Ventures (as the case may be) is unable to comply or which the Company or Grove Ventures (as the case may be) regards as unduly onerous, then Grove Ventures may in its sole discretion determine that the Convertible Loan Note Alternative will not be available in such jurisdiction and such Scheme Shareholder will not be permitted to make an election for the Convertible Loan Note Alternative from such jurisdiction. Nor will such holder be entitled to require the Convertible Loan Notes to be posted to an address in such jurisdiction or to require the Convertible Loan Notes to be registered in his/her name with an address in such jurisdiction. Instead such Scheme Shareholder will receive the Cash Consideration for all of his Scheme Shares, and the omission to send a form of election to such Scheme Shareholder shall not constitute a breach by the Company, or Grove Ventures (as the case may be) of any of their respective obligations under this Scheme.

6. CERTIFICATES AND CREST ENTITLEMENTS FOR SCHEME SHARES

With effect from the Effective Date:

- 6.1 All certificates representing Scheme Shares shall cease to have effect as documents of title to the shares comprised therein and every holder thereof shall be bound at the request of the Company to deliver up such certificate(s) to the Company or as it may direct;
- 6.2 Except for the assured payment obligations required to be made under Clause 3, Euroclear shall be instructed to disable the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form.

7. THE EFFECTIVE DATE

- 7.1 This Scheme shall become effective as soon as an office copy of the Court Order and a copy of the minute required by Section 75 of the Companies Act 1963 shall have been duly delivered by the Company to the Registrar of Companies for registration and registered by him, all of which deliveries shall be subject to Clause 9.3.
- 7.2 Unless this Scheme shall have become effective on or before 31 January 2011, or such later date, if any, as the Company and Grove Ventures may agree and the High Court may allow, it shall not proceed.
- 7.3 The Company and Grove Ventures have agreed that in certain circumstances the necessary action to seek sanction of this Scheme may not be taken.

8. MODIFICATION

The Company and Grove Ventures may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or any condition that the High Court may approve or impose.

9. COSTS

The Company is authorised and permitted to pay all the costs and expenses relating to the negotiation, preparation, approval and implementation of this Scheme.

10. GOVERNING LAW

The Scheme shall be governed by, and construed in accordance with the laws of Ireland and the Scheme Shareholders hereby agreed that the High Court shall have exclusive jurisdiction to hear and determine any suit, action or proceeding or to settle any dispute which may arise in relation thereto.

Dated: 10 November 2010

PART V

CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE ACQUISITION AND THE SCHEME

The Acquisition and the Scheme comply with the Takeover Rules and, where relevant, the rules and regulations of the Irish Stock Exchange, and are subject to the terms and conditions set out in this document and the accompanying Form of Election. The Acquisition and the Scheme are governed by the laws of Ireland and subject to the exclusive jurisdiction of the courts of Ireland, which exclusivity shall not limit the right to seek provisional or protective relief in the courts of another state during or after any substantive proceedings have been instituted in Ireland, nor shall it limit the right to bring enforcement proceedings in another state on foot of an Irish judgment.

1. The Acquisition will be conditional upon the Scheme becoming Effective by not later than 31 January 2011 (or such later date as Grove Ventures and Oglesby & Butler may, with (if required) the consent of the Panel, agree and (if required) the High Court may allow). The Scheme will be conditional upon:
 - (a) the approval of the Scheme by a majority in number of the Oglesby & Butler Shareholders representing three-fourths (75 per cent.) or more in value of the Oglesby & Butler Shares held by such holders, present and voting either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);
 - (b) such resolution(s) required to approve or implement the Scheme and set out in the notice convening the Extraordinary General Meeting being duly passed by the requisite majority at the Extraordinary General Meeting (or at any adjournment of such meeting);
 - (c) the sanction by the High Court (with or without modification) of the Scheme pursuant to Section 201 of the Act and the confirmation of the reduction of capital involved therein by the High Court; and
 - (d) office copies of the Court Order and the minute required by Section 75 of the Act in respect of the reduction referred to in paragraph 1(c), being delivered for registration to the Registrar of Companies in Ireland and registration of the Court Order and minute confirming the reduction of capital involved in the Scheme by the Registrar of Companies in Ireland.
2. Oglesby & Butler and Grove Ventures have agreed that, subject to paragraph 3 of this Part V the Acquisition will also be conditional upon the following matters having been satisfied or waived on or before the sanction of the Scheme by the High Court pursuant to Section 201 of the Act:
 - (a) no Irish or foreign, federal, state or local governmental commission, board, body, bureau, or other regulatory authority or agency, including courts and other judicial bodies, any competition, anti-trust or supervisory body or other governmental, trade or regulatory agency or body, securities exchange or any self-regulatory body or authority, including any instrumentality or entity designed to act for or on behalf of any of the foregoing, in each case, in any jurisdiction (each a “**Governmental Authority**”) having instituted or implemented any action, proceeding, investigation, enquiry, reference or suit or having made, enforced, enacted, issued or deemed applicable to the Acquisition any statute, regulation or order or having withheld any consent which would or would reasonably be expected to:
 - (i) make the Acquisition or its implementation, or the acquisition or proposed acquisition by Grove Ventures of any shares in, or control of, Oglesby & Butler, or any of the assets of Oglesby & Butler, void, illegal or unenforceable under the laws of any jurisdiction or otherwise, directly or indirectly, restrain, revoke, prohibit, restrict or delay the same or impose additional or different conditions or obligations with respect thereto;
 - (ii) result in a material delay in the ability of Grove Ventures, or render Grove Ventures unable, to acquire some or all of the Oglesby & Butler Shares or result in or effect any

divestiture of, or requirement to hold separate (including by establishing a trust or otherwise), or agree to restrict its ownership or operation of, any business or assets of Oglesby & Butler, or to enter into any settlement or consent decree, or agree to any undertaking, with respect to any business or assets of Oglesby & Butler;

- (iii) impose any limitation on or result in a material delay in the ability of Grove Ventures to acquire, or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership of shares, Oglesby & Butler Shares, (or the equivalent) in, or to exercise voting or management control over, Oglesby & Butler or any member of the Oglesby & Butler Group or on the ability of any member of the Oglesby & Butler Group to hold or exercise effectively, directly or indirectly, rights of ownership of shares (or the equivalent) in, or to exercise rights of voting or management control over, any member of the Oglesby & Butler Group;
- (iv) require any member of the Grove Ventures Group or any member of the Oglesby & Butler Group to acquire or offer to acquire any shares or other securities (or the equivalent) in, or any interest in any asset owned by, any member of the Oglesby & Butler Group owned by any third party;
- (v) except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole, impose any limitation on the ability of Grove Ventures or any member of its group to integrate or co-ordinate its business, or any part of it, with the businesses of any member of the Oglesby & Butler Group;
- (vi) except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole, result in any member of the Oglesby & Butler Group ceasing to be able to carry on business in any jurisdiction in which it currently does;
- (vii) except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole, cause any member of the Oglesby & Butler Group to cease to be entitled to any material authorisation, order, recognition, grant, consent, clearance, confirmation, licence, permission or approval used by it in the carrying on of its business in any jurisdiction; or
- (viii) except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole, otherwise adversely affect the business, profits, assets, liabilities, financial or commercial position of any member of the Oglesby & Butler Group;

for the purposes of this Part V, the effects referred to in the foregoing paragraphs (i) through (viii) are referred to as a “**Restraint.**”

- (b) having obtained (i) from any Governmental Authority any Clearances required to be obtained or made by the Oglesby & Butler Group or Grove Ventures in connection with the Acquisition (except, in each case, for any Clearance or additional instrument that does not impose a Restraint on Oglesby & Butler or Grove Ventures), and (ii) any third party Clearances required to be obtained to consummate the Acquisition, it being understood that neither Oglesby & Butler nor Grove Ventures shall be required to make any payments, other than filing or other fees payable to a Governmental Authority for seeking the relevant Clearance, all such Clearances remaining in full force and effect, there being no notified intention to revoke or vary or not to renew the same at the time at which the Acquisition becomes otherwise unconditional;
- (c) all applicable waiting periods and any other time periods during which any Governmental Authority could, in respect of the Acquisition or the acquisition or proposed acquisition of any shares or other securities (or the equivalent) in, or control of, Oglesby & Butler or any member

of the Oglesby & Butler Group by Grove Ventures, institute or implement any legal action, proceeding or suit under the laws of any jurisdiction having expired, lapsed or been terminated;

- (d) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, facility, lease or other instrument to which any member of the Oglesby & Butler Group is a party or by or to which any such member or any of its respective assets may be bound, entitled or be subject and which, in consequence of the Acquisition or the acquisition or proposed acquisition by Grove Ventures of any shares or other securities (or the equivalent) in or control of Oglesby & Butler or any member of the Oglesby & Butler Group or because of a change of control or management of Oglesby & Butler or otherwise, would or would be reasonably expected to result (except where, in any of the following cases, the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole:
- (i) any monies borrowed by, or any indebtedness or liability (actual or contingent) of, or any grant available to any member of the Oglesby & Butler Group becoming, or becoming capable of being declared, repayable immediately or prior to their or its stated maturity;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest wherever existing or having arisen over the whole or any part of the business, property or assets of any member of the Oglesby & Butler Group or any such mortgage, charge or other security interest becoming enforceable;
 - (iii) any such arrangement, agreement, licence, permit, franchise, facility, lease or other instrument or the rights, liabilities, obligations or interests of any member of the Oglesby & Butler Group thereunder, or the business of any such members with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated or adversely modified or any adverse action being taken or any obligation or liability arising thereunder;
 - (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Oglesby & Butler Group being or falling to be disposed of or charged, or ceasing to be available to any member of the Oglesby & Butler Group or any right arising under which any such asset or interest would be required to be disposed of or charged or would cease to be available to any member of the Oglesby & Butler Group otherwise than in the ordinary course of business;
 - (v) any member of the Oglesby & Butler Group ceasing to be able to carry on business, being prohibited from carrying on business or being subject to a restriction imposing a non-compete, exclusivity or similar restrictive covenant on the Oglesby & Butler Group, in each case, in any jurisdiction; or
 - (vi) the creation of any material liability or liabilities (actual or contingent) by any member of the Oglesby & Butler Group;

unless, if any such provision exists, such provision shall have been waived, modified or amended on terms satisfactory to Grove Ventures;

- (e) except to the extent Grove Ventures has given its prior written consent or where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole, the Oglesby & Butler Group conducting its business in the ordinary course consistent with past practice in all material respects and in compliance in all material respects with all applicable laws and regulations;

- (f) save as Disclosed and/or save as publicly disclosed by Oglesby & Butler by the delivery of an announcement to the Irish Stock Exchange at any time up to 15 October 2010 (being the date of the Announcement):
- (i) there not having arisen any adverse change or adverse deterioration in the business, assets, financial or commercial position or profits of Oglesby & Butler or any member of the Oglesby & Butler Group (save to an extent which would not have a material adverse effect (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole);
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Oglesby & Butler Group is a party (whether as plaintiff or defendant or otherwise) and no investigation by any Governmental Authority against or in respect of any member of the Oglesby & Butler Group having been instituted or remaining outstanding by, against or in respect of any member of the Oglesby & Butler Group (except where the consequences of such litigation, arbitration proceedings, prosecution or other legal proceedings would not have a material adverse effect (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole) and no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Oglesby & Butler Group or the Grove Ventures Group is a party having been instituted by a third party (other than a Governmental Authority) which makes the Acquisition or its implementation, or the acquisition or proposed acquisition by Grove Ventures of any shares in, or any of the assets of, Oglesby & Butler or control of, Oglesby & Butler, void, illegal or unenforceable under the laws of any jurisdiction or otherwise, directly or indirectly, restrains, revokes, prohibits, restricts or delays the same or imposes additional or different conditions or obligations with respect thereto (except where the consequences of such litigation, arbitration proceedings, prosecution or other legal proceedings would not have a material adverse effect (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole); and
 - (iii) no contingent or other liability existing or having arisen which would reasonably be expected to have a material adverse effect;
- (g) save as Disclosed, Grove Ventures not having discovered that any financial, business or other information concerning the Oglesby & Butler Group which has been publicly disclosed is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make the information contained therein not materially misleading; or
- (h) save as Disclosed, no member of the Oglesby & Butler Group being in default under the terms or conditions of any facility or agreement or arrangement for the provision of loans, credit or drawdown facilities, or of any security, surety or guarantee in respect of any facility or agreement or arrangement for the provision of loans, credit or drawdown facilities to any member of the Oglesby & Butler Group (save where such default is not or would not be material (in value terms or otherwise) in the context of the Oglesby & Butler Group taken as a whole).
- (i) for the purposes of the conditions set out above:
- (i) “**Act**” means the Companies Act 1963 of Ireland;
 - (ii) “**associated undertaking**” has the meanings given by the European Communities (Companies: Group Accounts) Regulations, 1992;
 - (iii) “**Disclosed**” means fairly disclosed in writing by or on behalf of Oglesby & Butler to Grove Ventures Group or its representatives at any time up to the date hereof;
 - (iv) “**Oglesby & Butler Group**” means Oglesby & Butler and its Subsidiaries or Subsidiary Undertakings from time to time;

- (v) “**Grove Ventures Group**” means Grove Ventures and its Subsidiaries or Subsidiary Undertakings from time to time, excluding the Oglesby & Butler Group;
 - (vi) “**material**” means material (in value terms or otherwise) in the context of the Wider Oglesby & Butler Group taken as a whole;
 - (vii) “**Subsidiary Undertaking**” means a subsidiary undertaking as defined in the European Communities (Companies: Group Accounts) Regulations, 1992;
 - (viii) “**Subsidiary**” means a subsidiary as defined in Section 155 of the Act;
 - (ix) “**substantial interest**” means an interest in 20 per cent. or more of the voting equity capital of an undertaking; and
 - (x) “**Wider Oglesby & Butler Group**” means the Oglesby & Butler Group, its associated undertakings and any entities in which any member of the Oglesby & Butler Group holds a substantial interest.
3. Subject to the requirements of the Panel, Grove Ventures reserves the right (but shall be under no obligation) to waive, in whole or in part, all or any of the conditions except for 1(a), (b), (c), (d), and 2(a).
4. The Acquisition will lapse unless all of the conditions set out above have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by Grove Ventures in its discretion to be or to remain satisfied on the Effective Date.

PART VI

PARTICULARS OF THE CONVERTIBLE LOAN NOTES

The Convertible Loan Notes have been created by a resolution of the board of directors of Grove Ventures on 14 October 2010 and are constituted by the Convertible Loan Note Instrument. The Convertible Loan Note Alternative will not be available in any Restricted Jurisdiction and Oglesby & Butler Shareholders will not be permitted to make an election for the Convertible Loan Note Alternative from any Restricted Jurisdiction. No Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be posted to an address in any Restricted Jurisdiction and no Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be registered in his/her name with an address in any Restricted Jurisdiction.

1. AMOUNT OF THE CONVERTIBLE LOAN NOTES

- 1.1 The principal amount of the Convertible Loan Notes shall not exceed €2,198,792.75 in aggregate nominal amount.
- 1.2 The Convertible Loan Notes shall be issued fully paid in amounts and integral multiples of €0.35 nominal value and shall not be transferable.

2. REPAYMENT

- 2.1 Unless previously repaid, redeemed, repurchased or converted the Convertible Loan Notes will be redeemed or repaid in full at par on 31 January 2011 (subject to any deduction or withholding required by law).

3. PARI PASSU STATUS OF THE CONVERTIBLE LOAN NOTES

- 3.1 The Convertible Loan Notes when issued shall rank *pari passu* equally and rateably without discrimination or preference and as unsecured obligations of Grove Ventures.

4. CONVERSION OF THE CONVERTIBLE LOAN NOTES

- 4.1 Each holder of the Convertible Loan Notes (the “**Noteholders**”) may on or before 4 January 2011, by giving a conversion notice in the form set out in the Convertible Loan Note Instrument (the “**Conversion Notice**”) be entitled to convert each Convertible Loan Note held by such holder into:
 - (a) one ordinary share of €0.01 in the capital of Grove Ventures credited as fully paid; and
 - (b) one Ten Year Loan Note of €0.34 credited as fully paid up.
- 4.2 Once the Noteholder has converted the Convertible Loan Note in the manner described in clause 4.1, the Convertible Loan Notes of such Noteholder shall be deemed to be cancelled.
- 4.3 Following the service of a Conversion Notice together with a deposit of the certificate for the Convertible Loan Notes conversion shall take effect and be deemed effected from the date of receipt by Grove Ventures of the Conversion Notice and the certificate for the Convertible Loan Notes (the “**Conversion Date**”). Grove Ventures will issue and allot the appropriate number of new Grove Ventures ordinary shares, and Ten Year Loan Notes, credited as fully paid, to the Noteholders and such conversion, allotment and issue shall be in full and final satisfaction and discharge of the amount of the Convertible Loan Notes which are the subject of the Conversion Notice.
- 4.4 All ordinary shares of Grove Ventures to be issued by way of conversion to the Noteholders shall be credited as fully paid and shall rank for all dividends and other distributions paid after the Conversion Date and which are declared paid or payable in respect of the financial year of Grove Ventures in which the Conversion Date falls but not for any dividends or other distributions paid on or before the Conversion Date or which are in respect of any previous financial year.

- 4.5 Grove Ventures shall not make any payment, repayment, prepayment or redemption of the principal amount of the Ten Year Loan Notes until all sums due for payment of nominal value and interest due under the Five Year Loan Note Instrument has been paid and discharged in full.

5. CONDITIONS OF ISSUE

5.1 Repayment, Purchase and Redemption

Grove Ventures may at any time, upon giving to the Noteholders not less than 30 days' notice in writing, redeem all or some only of the Convertible Loan Notes and the Ten Year Loan Notes (the "Notes") then in issue at par together with accrued interest (subject to any requirement to deduct tax) calculated in accordance with paragraph 5.6 up to but excluding the date of redemption, provided that if some only of the Notes are redeemed then the Notes of each Noteholder shall be redeemed *pro rata* to all of the Notes in issue.

Grove Ventures may at any time purchase any Notes at any price by tender (available to all Noteholders alike), private treaty or otherwise by agreement with the relevant Noteholder(s) provided that the price for each Note to be purchased is not less than the par value of the Notes.

Unless previously repaid, redeemed or purchased by Grove Ventures the Convertible Loan Notes shall be redeemed or repaid in full at par on 31 January 2011 (subject to any requirement to deduct tax).

Unless previously repaid, redeemed or purchased by Grove Ventures and provided always that the Five Year Loan Notes together with any interest accrued thereon has been paid and discharged in full the Ten Year Loan Notes shall be repaid in full at par on 31 January 2021 together with accrued interest (subject to any requirement to deduct tax) calculated in accordance with paragraph 5.6 up to but excluding that date.

5.2 Events on which Notes become immediately repayable

Subject to the prior repayment of all sums (both for principal and interest) in respect of the Five Year Loan Notes, each Ten Year Loan Noteholder shall be entitled to require all or part of the Notes (being EUR0.34 nominal or any integral multiple thereof in respect of the Ten Year Loan Note) registered in his name (so far as not previously repaid and unless otherwise agreed by him) to be redeemed or repaid immediately at par, together with accrued interest (subject to any requirement to deduct income tax), in each of the following events:

- (a) any principal or interest payable on any of the Ten Year Loan Notes held by that Noteholder is not paid in full within 30 days after the due date for payment; or
- (b) the making of an order by a competent court or the passing of an effective resolution for the winding-up or dissolution of Grove Ventures or any subsidiary or subsidiary undertaking of Grove Ventures which accounts for greater than 40 per cent. of the Grove Venture Group's turnover or profits, (other than for the purposes of a solvent reconstruction, amalgamation, merger or members' voluntary winding-up); or
- (c) the taking of possession by an encumbrancer of, or the appointment or application for the appointment of a receiver over, any part or the whole of the undertaking or property of, or of an examiner over, Grove Ventures or any subsidiary or subsidiary undertaking of Grove Ventures which accounts for greater than 40 per cent. of the Grove Ventures Group's turnover or profits; or
- (d) if Grove Ventures (or any subsidiary or subsidiary undertaking of Grove Ventures which accounts for greater than 40 per cent. of the Grove Ventures Group's turnover or profits) ceases to be able to pay its debt when due or ceases or threatens to cease to carry on its business or a substantial part of its business, save where such business is transferred to another company in the Grove Venture's Group; or

- (e) if there is any material breach of a material term of the Ten Year Loan Notes, to the extent that, where such breach is capable of remedy, it is not remedied within 30 days after the occurrence of such breach.

Grove Ventures shall give the Noteholders notice of the happening of any of the foregoing events promptly after becoming aware of the same.

5.3 **Payment**

Payment of the principal or interest for the time being due and owing on the Notes, or any part thereof, may be made by electronic funds transfer, cheque or warrant and made payable to the registered holder or, in the case of joint holders, to the first named holder or to such person or persons as the registered holder or joint holders may in writing, received by Grove Ventures at least five Business Days prior to the date of such payment, have directed.

Every such electronic funds transfer, cheque or warrant may be electronically transferred or sent through the post (as applicable) no later than the Business Day preceding the due date for payment at the risk of the registered holder or joint holders and payment of any such electronic funds transfer, cheque or warrant shall be a good discharge by Grove Ventures. No payments of principal or interest will be paid in to an account or mailed to an address in the United States, Canada, Australia, the Republic of South Africa or Japan. Payments will be subject in all cases to any applicable fiscal and other laws and regulations.

5.4 **Surrender of Certificate and Prescription**

Without prejudice to any other provisions of the Convertible Loan Note Instrument, every Noteholder any part of whose Notes is due to be repaid or redeemed under any of the provisions of the conditions set out in the Convertible Loan Note Instrument shall, not later than five Business Days before the due date for such repayment or redemption, deliver up to Grove Ventures, at its registered office for the time being, the certificate for his Notes which are due to be repaid (or such indemnity and other documentation as the Directors may reasonably require under the conditions set out in the Convertible Loan Note Instrument in the case of a lost, defaced or destroyed certificate) in order that it may be cancelled. Unless payment of the amount due to be repaid has already been made in accordance with the provisions of the Convertible Loan Note Instrument (summarised at clause 5.3), upon such delivery and against a duly signed or authenticated receipt for the principal moneys payable in respect of the Notes to be repaid, Grove Ventures shall, on the due date for repayment, pay to the Noteholder the amount payable to him in respect of such repayment or redemption. If any certificate so delivered to Grove Ventures includes any Notes not then repayable or redeemed, a new Certificate for the balance of the Notes not then repayable or redeemed shall be issued free of charge to the Noteholder delivering such certificate to Grove Ventures.

If any Noteholder, any part of whose Notes is liable to be repaid or redeemed under the provisions of the Convertible Loan Note Instrument, fails or refuses to deliver up the certificate for such Notes (or such indemnity and other documentation as the Directors may reasonably require under the conditions set out in the Convertible Loan Note Instrument in the case of a lost, defaced or destroyed certificate) at the time and place fixed for repayment thereof, or fails or refuses to accept payment of the moneys payable in respect thereof, the moneys payable to such Noteholder shall be paid into a separate interest-bearing bank account. The payment of such moneys into a bank account shall not constitute Grove Ventures a trustee of such moneys but shall discharge Grove Ventures from all obligations in respect of the Note. Grove Ventures shall not be responsible for the safe custody of such moneys or for interest thereon except such interest (if any) as the said moneys may earn whilst on deposit, less any expenses incurred by Grove Ventures in connection therewith. Any such amount so paid or deposited which remains unclaimed after a period of twelve years from the making of the payment or deposit shall revert and belong to Grove Ventures, notwithstanding that in the intervening period the obligation to pay the same may have been provided for in the books, accounts and other records of Grove Ventures. Subject as aforesaid, any amount so paid or deposited will forthwith be paid directly to the Noteholder or his successors upon delivery of the relevant Certificate.

5.5 Cancellation

All Notes repaid, redeemed or purchased by Grove Ventures shall be cancelled and Grove Ventures shall not be at liberty to re-issue them.

5.6 Interest

- (a) Until such time as the Notes are repaid, redeemed or purchased by Grove Ventures in accordance with the provisions of the Convertible Loan Note Instrument, Grove Ventures shall calculate, and notify to the Noteholders, interest (subject to any deduction or withholding required by law) at the rate of (i) 5 per cent. per annum until 31 December 2016 and (ii) thereafter at 1.5 per cent. per annum over the interest rate at which the Irish Government will have last issued bonds with a term of 5 years prior to 1 February 2016 (and this annual coupon will subsist for so long as the Notes remain in issue (the “**Interest Rate**”) on the outstanding principal amount of the Notes plus the sum of all interest accrued on the Notes in all previous Interest Periods (as defined below) annually in arrears on 31 January in respect of the Ten Year Loan Notes in each year or, if such a day is not a Business Day, on the immediately preceding Business Day or in respect of the Convertible Loan Notes annually on 31 January (the “**Interest Calculation Dates**”). The accumulated interest on the Ten Year Loan Notes shall be paid to the respective Noteholders of such Notes together with the principal amount of the Ten Year Loan Notes whenever such Notes are repaid, redeemed or purchased.
- (b) The period from and including the date of Convertible Loan Note Instrument up to but excluding the first Interest Calculation Date and the period from and including that or any subsequent Interest Calculation Date up to but excluding the next following Interest Calculation Date is called an “**Interest Period**”. On or as soon as practicable following each Interest Calculation Date, Grove Ventures shall deliver to each Noteholder a certificate as to the gross amount of the relevant interest accrual and the amount of any tax deducted.
- (c) Interest shall be calculated by applying the Interest Rate to the aggregate principal amount of Notes (plus the sum of all interest accrued on such Notes in all previous Interest Periods) held by each Noteholder (or Noteholders in the case of joint holders), multiplying such product by the actual number of days elapsed in the relevant Interest Period divided by 365 and rounding the resulting figure to the nearest eurocent (rounding upwards).
- (d) Interest on any Notes becoming liable to repayment or redemption shall cease to accrue as from the due date for repayment or redemption of the Notes unless (and subject to compliance by the Noteholder with the provisions set out in paragraph 5.4) payment of the moneys is not made by Grove Ventures (in which case interest will continue to accrue until, but excluding, the date of actual repayment or redemption).

All payments of interest in respect of the Ten Year Loan Notes only are subject to all sums then due for payment under the Five Year Loan Note Instrument having been first paid and discharged in full.

5.7 Transfer of Notes

Save for a transfer to a Permitted Transferee (as defined below) or as permitted by the Directors of Grove Ventures, the Ten Year Loan Notes are only transferable in conjunction with the transfer of the Ordinary Shares which were allotted to the Noteholder at the time of issue of the Ten Year Loan Notes and then only by instrument in writing in the usual or common form (or in such other form as the Directors of Grove Ventures may approve) in nominal amounts or integral multiples of EUR0.34, upon and subject to the conditions set out in the Convertible Loan Note Instrument. There shall not be included in any instrument of transfer any securities other than the Ten Year Loan Notes constituted by the Convertible Loan Note Instrument.

Save for a transfer to a Permitted Transferee or as otherwise agreed by the board of Directors of Grove Ventures, Noteholders of Ten Year Loan Notes shall only be entitled to transfer Ten Year Loan Notes

(in whole) to a purchaser of ordinary shares of Grove Ventures held by such Noteholder where the number of Ten Year Loan Notes and the number of ordinary shares of Grove Ventures are the same.

Every instrument of transfer must be signed by the transferor (or by a person authorised to sign on behalf of the transferor) and the transferor shall be deemed to remain the owner of the Ten Year Loan Notes to be transferred until the name of the transferee is entered in the register of the Noteholders to be maintained by Grove Ventures in respect thereof.

Every instrument of transfer must be sent for registration to Grove Ventures accompanied by the certificate(s) for the Ten Year Loan Notes to be transferred together with such other evidence as Grove Ventures may reasonably require to prove the title of the transferor or his right to transfer the Ten Year Loan Notes and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so. All instruments of transfer which are registered may be retained by Grove Ventures. No transfer of Ten Year Loan Notes shall be registered in respect of which a notice requiring repayment has been given. No transfer will be registered at any time when the Register is closed.

No fee shall be charged for the registration of any transfer or for the registration of any probate, letters of administration, certificate of confirmation, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Ten Year Loan Notes.

For the purpose of paragraph 5.7, “**Permitted Transferee**” in respect of any Noteholder means:

- (a) A Privileged Relation; or
- (b) The trustees of a Family Trust, or
- (c) A company or other corporate entity under the Control of that Noteholder (provided that, if any such company or corporate entity ceases to be under the Control of that Noteholder, that Noteholder will, on or prior to such cessation of Control, procure the transfer of the Notes to that Noteholder or another Permitted Transferee, and, if that Noteholder fails to effect such a transfer, the Notes will automatically re-transfer to that Noteholder immediately on any such cessation of Control without any requirement to undertake any action or execute or deliver any document to give effect to that transfer.)

Where,

“**Civil Partner**” means in relation to a Noteholder a person living in the same household as the Noteholder as his or her wife or husband or life partner;

“**Control**” has the meaning given in section 11 of the Taxes Consolidation Act;

“**Family Trust**” means a trust which only permits the settled property or the income from the settled property to be applied for the benefit of:

- (a) the named beneficiaries or class of beneficiaries as set out in the trust deed constituting the trust;
- (b) the Noteholder and/or a Privileged Relation of the Noteholder; or
- (c) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities); or
- (d) and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the Noteholder or the Privileged Relations of the Noteholder. For purposes of this definition “Noteholder” includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased Noteholder;

“**Privileged Relation**” means in relation to a Noteholder who is an individual or a deceased Noteholder, a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child of their issue).

5.8 **Death or Bankruptcy of Noteholders**

The executors or administrators of a deceased registered Noteholder of Ten Year Loan (not being one of several joint holders) and, in the case of the death of one or more of several joint registered holders, the survivor or survivors of such joint registered holders, shall be the only person or persons recognised by Grove Ventures as having any title to such Notes.

Any person becoming entitled to Ten Year Loan Notes in consequence of the death or bankruptcy of a holder of such Notes or of any other event giving rise to the transmission of such Notes by operation of law may, upon producing such evidence in respect of which he proposes to act under the provisions of the Convertible Loan Note Instrument or of his title to such Notes as Grove Ventures shall reasonably require, be registered himself as the holder of such Notes or may transfer such Notes.

5.9 **Modification**

The provisions of the Convertible Loan Note Instrument or of the Ten Year Loan Notes and the rights of the Noteholders thereof may from time to time be modified, abrogated or compromised or any arrangement or amendment agreed in any respect with the prior sanction of a resolution passed at a meeting of the Ten Year Loan Noteholders by a majority of not less than three-fourths or by written resolution of the holders of at least 75 per cent. in nominal amount of the Ten Year Loan Notes then in issue provided further that no modification to the *pari passu* ranking and *pro rata* entitlement between such Noteholders shall be made without the unanimous consent of 100 per cent. in nominal amount of the Ten Year Loan Notes) subject, in either case, to the prior consent of Grove Ventures, such consent not to be unreasonably withheld or delayed.

Any such modification, abrogation, compromise or arrangement effected in this manner shall be binding on all Noteholders of Ten Year Loan Notes.

5.10 **Dealings**

The Notes shall not be capable of being dealt in on any stock exchange in Ireland or elsewhere and no application has been or is intended to be made to any stock exchange for the Notes to be listed or otherwise traded.

The Convertible Loan Note Instrument and the Notes are governed by, and will be construed in accordance with Irish law.

6. DETAILS OF ORDINARY SHARE CAPITAL OF GROVE VENTURES PLC

6.1 **Authorised and issued share capital**

The authorised share capital of Grove Ventures is €1,000,000 divided into 100,000,000 ordinary shares of €0.01 each of which 6,032,817 ordinary shares are in issue.

Please see paragraph 4 of Part VII (Information on Grove Ventures) for details of the rights attaching to the ordinary share capital of Grove Ventures plc.

PART VII

INFORMATION ON GROVE VENTURES

1. Incorporation and Registered Office

Grove Ventures was incorporated on 13 October as a public limited company.

The registered office of Grove Ventures is 36 Fitzwilliam Square, Dublin 2 and its registered number is 490186. A certificate to commence trading was issued on 15 October 2010.

2. Directors

The directors of Grove Ventures are:

Thomas Anderson; and

Kevin Anderson.

3. Share capital

3.1 Initial Share Capital

- (a) On incorporation on 13 October 2010 the authorised share capital of Grove Ventures was €1,000,000 comprised of 100,000,000 ordinary shares of €0.01 each and of which €38,092.15 was fully paid up in respect of 3,809,215 ordinary shares of €0.01 each (“**Grove Ventures Ordinary Shares**”).
- (b) On 15 October 2010 1,111,801 ordinary shares of €0.01 each were allotted to each of Mr. Kevin Anderson and Mr. Thomas Anderson, credited as fully paid up.
- (c) Since incorporation, Grove Ventures has not redeemed or purchased any of its own shares.
- (d) details of any person with a direct or indirect interest in 5 per cent. or more of the relevant securities of Grove Ventures.

<i>Name</i>	<i>Address</i>	<i>%</i>
Kevin Anderson	C/o McEvoy Partners, Connaught House, Burlington Road, Dublin 4	50
Thomas Anderson	C/o McEvoy Partners, Connaught House, Burlington Road, Dublin 4	50

3.2 Share Capital following Completion

- (a) Following completion of the Acquisition it is intended that the authorised and issued share capital of Grove Ventures will be as follows:

Authorised Share Capital: 1,000,000 divided into 100,000,000 ordinary shares of €0.01 each.

Issued Share Capital: 8,909,005* ordinary shares of €0.01 each.

- (b) Immediately following completion of the Acquisition, and assuming no Oglesby & Butler Shareholders (other than Mr. Peter Oglesby) elect for the Convertible Loan Note Alternative, it is expected that the following persons will have a direct or indirect interest of 5 per cent. or more of the relevant securities of Grove Ventures:

<i>Name</i>	<i>Address</i>	<i>%</i>
Kevin Anderson	C/o McEvoy Partners, Connaught House, Burlington Road, Dublin 4	33.858
Thomas Anderson	C/o McEvoy Partners, Connaught House, Burlington Road, Dublin 4	33.858
Peter Oglesby*	Castlehill, Carlingford, Co. Louth	32.284

* This assumes that Peter Oglesby has converted the Convertible Loan Notes to be issued to him pursuant to the Scheme and that no other Oglesby & Butler Shareholder converts the Convertible Loan Notes issued to them pursuant to the Scheme.

4. Summary of Articles of Association of Grove Ventures

The Articles of Association of Grove Ventures were amended by special resolution on 14 October 2010 (the “**Grove Ventures Articles**”).

4.1 *Income Rights*

Subject to the provisions of the Companies Acts, Grove Ventures may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by its directors.

The Directors may, subject to approval by Grove Ventures at any general meeting in respect of any dividend declared or proposed to be declared at that general meeting or declared or paid at any time prior to or at the next following annual general meeting (and provided that an adequate number of unissued Grove Ventures Ordinary Shares are available for the purpose), offer holders of Grove Ventures Ordinary Shares the right, prior to or contemporaneously with their announcement of the dividend in question and any related information as to Grove Venture’s profits for such financial period or part thereof, to elect to receive in lieu of such dividend (or part thereof) an allotment of additional Grove Ventures Ordinary Shares credited as fully paid.

Subject to the provisions of the Companies Acts, the Directors may pay interim dividends if it appears to them that they are justified by the profits of Grove Ventures available for distribution. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. Subject as aforesaid the Directors may also pay at intervals settled by them any dividend payable at a mixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion on or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. No amount paid on a share in advance of calls shall be treated as paid on a share.

If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other monies payable on or in respect of the share.

4.2 *Capital Rights*

If Grove Venture shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the assets shall be distributed so that, as nearly as maybe, the losses shall be borne by the members in proportion to the capital paid up or credited as

paid up at the commencement of the winding up on the share held by them respectively. If on a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the share capital paid up or credited as paid up at the commencement of the winding up, the excess shall be distributed among the members in proportion to the capital at the commencement of the winding up paid up or credited as paid up on the said shares held by them respectively. Provided that this shall not affect the rights of the holders of shares issued upon special terms and conditions.

4.3 *Voting Rights*

The Grove Ventures Ordinary Shares shall entitle holders to receive notice of and attend and vote at any general meeting of Grove Ventures.

4.4 *Transfer*

A member may transfer all or any of his shares by an instrument of transfer in writing in any usual form or in any form which the Directors of Grove Ventures may approve. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The Directors of Grove Ventures have the power to implement any arrangements they think fit for such evidencing and transfer which accord with such regulations and in particular, shall, where appropriate, be entitled to dis-apply all or part of the provisions of the articles of association of Grove Ventures with respect to the requirement for written instruments of transfer and share certificates, in order to give effect to such regulations.

The Directors of Grove Ventures may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share, or any renunciation of any allotment made in respect of a share, which is not fully paid provided in the case of any partly paid share which is listed or dealt in on the Stock Exchange, this restriction shall not be so as to prevent dealings in such shares from taking place on an open and proper basis.

The Directors of Grove Ventures may also refuse to register any transfer (whether or not it is in respect of a fully paid share) unless:

- (a) it is accompanied by the relevant certificate and such other evidence as the Directors of Grove Ventures may reasonably require to show the right of the transferor to make the transfer save where the transferor is a Stock Exchange nominee;
- (b) it is in respect of only one class of shares;
- (c) it is in favour of not more than four transferees; and
- (d) it is lodged at the registered office of Grove Ventures or at such other place as the Directors of Grove Ventures may appoint.

4.5 *Dealings*

The Grove Ventures Ordinary Shares are not admitted to trading on a regulated market and no application has been or will be made for the Grove Ventures Ordinary Shares to be listed or dealt in on any stock exchange.

5. **Financing of the Acquisition**

The total amount of funds required by Grove Ventures to purchase, pursuant to the terms of the Acquisition, all of the issued and to be issued share capital of Grove Ventures is estimated to be approximately €3.3 million. This assumes all the Oglesby & Butler Shareholders receive the Cash Consideration except for Mr. Peter Oglesby who has irrevocably committed to elect for the Convertible Loan Note Alternative in respect of his entire beneficial holding of Oglesby & Butler Shares amounting to 2,876,118 Oglesby & Butler Shares.

The Cash Consideration payable by Grove Ventures under the terms of the Acquisition will be financed from the existing financial resources of Grove Ventures which in turn is being financed by Mr. Thomas Anderson by way of the 5 Year Loan Note, and by Mr. Kevin Anderson.

Full payment of the Cash Consideration would involve a maximum cash payment of approximately €3.3 million. Davy Corporate Finance, financial adviser to Grove Ventures, is satisfied that sufficient resources are available to Grove Ventures to satisfy in full the Cash Consideration payable under the Acquisition.

6. Financial Information and Activities

Grove Ventures has not traded or held any assets at any time since it was incorporated, nor has it entered into any obligations other than in connection with the Acquisition and the financing thereof. The financial and trading prospects of Grove Ventures after the Acquisition completes will depend on the strength of Oglesby & Butler's business and the sector in general.

PART VIII

FINANCIAL INFORMATION RELATING TO OGLESBY & BUTLER GROUP PLC

The Financial information in this Part VIII do not constitute full accounts within the meaning of Regulation 40(2) of the European Communities (Companies: Group Accounts) Regulations, 1992. The financial information in Sections A and B of this Part VIII is extracted without material adjustment and has been reproduced from the published audited consolidated financial statements of Oglesby & Butler Group plc (the “**Group**”) for the financial period ended 31 March 2010, 31 March 2009 and 2008. The financial information in this Part VIII does not constitute statutory accounts within the meaning of section 4 of the Companies (Amendment) Act 1986. Unless otherwise stated, in this Part VIII, “Group” or “group” refers to Oglesby & Butler Group plc and its subsidiary undertakings and “Company” refers to Oglesby & Butler Group plc. All other terms defined in this Part VIII are defined for the purposes of this Part VIII only.

SECTION A: CONSOLIDATED ACCOUNTS OF OGLESBY & BUTLER GROUP PLC GROUP FOR THE YEARS ENDED 31 MARCH 2010 AND 31 MARCH 2009

Consolidated statement of comprehensive income for the year ended 31 March 2010

		2010	2009
	Notes	€	€
Revenue	1	6,993,013	4,911,314
Operating costs	2	(6,442,201)	(5,716,291)
		550,812	(804,977)
Other operating income	3	212,248	285,483
Operating profit/(loss) before finance costs		763,060	(519,494)
Finance income	4	–	397
Financial expenses	4	(24,549)	(16,023)
Profit/(loss) before income tax		738,511	(535,120)
Income tax (credit)/charge	7	172,752	(216,557)
Profit/(loss) for the year	24	911,263	(751,677)
Total comprehensive income/(expense) attributable to equity holders of the Group	24	911,263	(751,677)
Basic profit/(loss) per share	9	7.40c	(6.10c)
Diluted profit/(loss) per share	9	7.40c	(6.10c)

**Consolidated statement of financial position
as at 31 March 2010**

	<i>Notes</i>	<i>2010</i> €	<i>2009</i> €
Assets			
Non-current assets			
Intangible assets	10	733,946	738,804
Property, plant and equipment	12	3,208,086	3,195,642
Total non-current assets		<u>3,942,032</u>	<u>3,934,446</u>
Current assets			
Inventories	14	1,146,295	943,024
Trade and other receivables	15	1,030,634	1,041,749
Cash and cash equivalents	25	768,622	373,138
Total current assets		<u>2,945,551</u>	<u>2,357,911</u>
Total assets		<u>6,887,583</u>	<u>6,292,357</u>
Equity			
Capital and reserves attributable to the company's equity holders			
Called up share capital	20	1,477,808	1,477,808
Share premium	21	1,066,503	1,066,503
Other reserves	22	857,423	868,626
Retained earnings	24	2,240,725	1,318,259
Total equity		<u>5,642,459</u>	<u>4,731,196</u>
Liabilities			
Non-current liabilities			
Finance lease obligations	17	69,113	124,908
Deferred government grants	18	124,365	128,479
Deferred tax liabilities	19	69,961	242,713
Total non-current liabilities		<u>263,439</u>	<u>496,100</u>
Current liabilities			
Finance lease obligations	17	112,252	88,443
Trade and other payables	16	869,433	976,618
Total current liabilities		<u>981,685</u>	<u>1,065,061</u>
Total liabilities		<u>1,245,124</u>	<u>1,561,161</u>
Total equity and liabilities		<u>6,887,583</u>	<u>6,292,357</u>

**Consolidated statement of cash flows
for the year ended 31 March 2010**

	<i>Notes</i>	2010 €	2009 €
Cash flows from operating activities			
Profit/(loss) after taxation		911,263	(751,677)
<i>Adjusting items:</i>			
Income tax (credit)/charge		(172,752)	216,557
Amortisation of intangible assets		65,703	62,660
Depreciation of property, plant and equipment		337,649	333,447
Amortisation of government grants		(4,114)	(4,114)
Finance income and expenses		24,549	16,023
Decrease in trade and other receivables		11,115	517,141
Increase in inventories		(203,271)	(5,851)
Decrease in derivatives		–	13,556
(Decrease)/increase in trade and other payables		(107,185)	106,281
Total cash flow from operating activities		<u>862,957</u>	<u>504,023</u>
Net interest paid		(24,549)	(16,023)
Income tax received/(paid)		–	8,362
Net cash provided by operating activities		<u>838,408</u>	<u>496,362</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(279,136)	(230,358)
Purchase of intangible assets		(60,845)	(99,024)
Net cash used in investing activities		<u>(339,981)</u>	<u>(329,382)</u>
Cash flows from financing activities			
Payment of finance lease liabilities		(102,943)	(50,241)
Net cash used in financing activities		<u>(102,943)</u>	<u>(50,241)</u>
Net increase in cash and cash equivalents	25	395,484	116,739
Cash and cash equivalents at beginning of year	25	<u>373,138</u>	<u>256,399</u>
Cash and cash equivalents at end of year	25	<u>768,622</u>	<u>373,138</u>

**Consolidated statement of changes in equity
for the year ended 31 March 2010**

	<i>Share Capital</i> €	<i>Capital reserves</i> €	<i>Share premium</i> €	<i>Retained earnings</i> €	<i>Capital redemption reserve</i> €	<i>Revaluation reserve</i> €	<i>Total equity</i> €
Balance at 31 March 2008	1,477,808	170,415	1,066,503	2,058,733	50,903	658,511	5,482,873
Loss for the year	–	–	–	(751,677)	–	–	(751,677)
Transfers	–	–	–	11,203	–	(11,203)	–
Balance at 31 March 2009	1,477,808	170,415	1,066,503	1,318,259	50,903	647,308	4,731,196
Profit for the year	–	–	–	911,263	–	–	911,263
Transfers	–	–	–	11,203	–	(11,203)	–
Balance at 31 March 2010	<u>1,477,808</u>	<u>170,415</u>	<u>1,066,503</u>	<u>2,240,725</u>	<u>50,903</u>	<u>636,105</u>	<u>5,642,459</u>

**Company statement of financial position
at 31 March 2010**

	<i>Notes</i>	<i>2010</i> €	<i>2009</i> €
Assets			
Non-current			
Investment in subsidiaries	11	1,327,261	1,327,261
Total non-current assets		<u>1,327,261</u>	<u>1,327,261</u>
Current			
Trade and other receivables	15	3,196,207	3,196,207
Total current assets		<u>3,196,207</u>	<u>3,196,207</u>
Total assets		<u>4,523,468</u>	<u>4,523,468</u>
Equity			
Called-up share capital	20	1,477,808	1,477,808
Share premium	21	1,066,503	1,066,503
Other reserves	23	136,788	136,788
Retained earnings	24	186,309	186,309
Total equity attributable to equity shareholders of parent		<u>2,867,408</u>	<u>2,867,408</u>
Liabilities			
Current liabilities			
Trade and other payables	16	1,656,060	1,656,060
Total liabilities		<u>1,656,060</u>	<u>1,656,060</u>
Total equity and liabilities		<u>4,523,468</u>	<u>4,523,468</u>

**Company statement of cash flows
for the year ended 31 March 2010**

	2010 €	2009 €
Cash flows from operating activities		
Increase in trade and other receivables	–	(50,791)
Net cash outflow from operating activities	–	(50,791)
Net decrease in cash and cash equivalents	–	(50,791)
Cash and cash equivalents at beginning of year	–	50,791
Cash and cash equivalents at end of year	–	–

**Company statement of changes in equity
for the year ended 31 March 2010**

	<i>Share Capital</i> €	<i>Capital reserves</i> €	<i>Share premium</i> €	<i>Retained earnings</i> €	<i>Capital redemption reserve</i> €	<i>Total equity</i> €
Balance at						
31 March 2008						
31 March 2009, and 31 March 2010	1,477,808	85,885	1,066,503	186,309	50,903	2,867,408

Statement of accounting policies for the year ended 31 March 2010

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements. Oglesby & Butler Group plc is a Company domiciled in Ireland. The address of the Company's registered office is Industrial Estate, O'Brien Road, Carlow. The Group financial statements for the year ended 31 March 2010 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as "the Group").

The Company and Group financial statements were authorised for issue by the Directors on 7 July 2010.

The accounting policies applied in the preparation of the financial statements for the year ended 31 March 2010 are set out below. These have been applied consistently except for the adoption of the two new standards which have been adopted in the current year as set out on page 66.

Basis of preparation

(a) *Statement of compliance*

As required by European Union (EU) law from 1 January 2005, the Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU. The individual financial statements of the Company ('Company financial statements') have been prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Acts 1963 to 2009 which permits a company, that publishes its company and group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act 1963 from presenting to its members its company statement of comprehensive income and related notes that form part of the approved company financial statements.

The IFRSs adopted by the EU applied by the Company and the Group in the preparation of these financial statements are those that were effective for accounting periods beginning on or before 1 April 2009.

(b) *Basis of measurement*

The financial statements have been prepared under the historical cost convention, except in the case of derivatives which are carried at fair value.

(c) *Use of estimates and judgments*

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 10 – measurement of the recoverable amounts of patents
- Note 12 – measurement of the recoverable amounts of property, plant and equipment
- Note 13 – measurement of the recoverable amounts of cash generating units
- Note 14 – inventory
- Note 15 – trade receivables
- Note 19 – measurement of the recoverable amount of deferred tax assets

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Group financial statements include the financial statements of the holding company and all its Group undertakings made up to the end of the financial year. Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Revenue

Revenue represents the fair value of goods and services supplied to external customers and is recognised to the extent that it is subject to reliable measurement, that it is probable economic benefits will flow to the Group and that the significant risks and rewards of ownership have passed to the buyer. It excludes sales related taxes and intra-group transactions. No revenue is recognised if there is uncertainty regarding recovery of the consideration due at the outset of the transaction, associated costs or the possible return of goods. Development income represents the fair value of development services supplied and is recognised to the extent that it is subject to reliable measurement, that it is probable economic benefits will flow to the Group and that the significant risks and rewards have passed to the buyer.

Government grants

A government grant relating to a non-current asset is recognised in the statement of financial position initially as deferred income when there is reasonable assurance that it will be received and that the Group will comply with the conditions attaching to it. Grants that compensate the Group for expenses incurred are recognised as revenue in the statement of comprehensive income on a systematic basis in the same period in which the expenses are incurred. Grants that compensate the Group for the cost of the asset are recognised in the statement of comprehensive income as other operating income on a systematic basis over the useful life of the asset. Grants in relation to the employment subsidy scheme operated by Enterprise Ireland are recognised as other operating income on a receipts basis.

Leases

Finance lease payments

Leases under the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The equipment acquired by way of a finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating lease payments

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives paid are recognised in the statement of comprehensive income as an integral part of the total lease expense over the term of the lease.

Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. On transition to IFRS as adopted by the EU, freehold land and buildings previously carried at a revalued amount, continued to be carried at that amount as their deemed cost at that date. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Depreciation is calculated to write-off the cost less estimated residual value of property, plant and equipment on the straight-line basis over their expected useful lives. The remaining useful lives of the assets are reviewed on a regular basis.

Depreciation is provided on additions with effect from the first day of the month following commissioning and on disposals up to the end of the month prior to retirement, at the following annual rates:

<i>Land</i>	<i>Not depreciated</i>
Buildings	2%
Plant and machinery	7–20%
Fixtures and fittings	10–15%
Motor vehicles	20%

Inventories

Inventories are valued, on the first-in, first-out basis, at the lower of cost and estimated net realisable value. Cost includes all expenditure which has been incurred in the normal course of business in bringing the products to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business (net of trade discounts) of inventories on hand, less all further costs to completion and selling expenses.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment provision is recorded in the statement of comprehensive income.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group financial statements are presented in Euro, which is the functional and presentation currency of the Company and all its operating subsidiaries.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Share capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction from equity.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares, details of which can be found in note 9.

Finance income and expense

Finance income includes interest income which is recognised in the statement of comprehensive income as it accrues, using the effective interest rate method, and changes in fair value of financial assets at fair value through profit or loss. Finance expenses include interest expense on borrowings and unwinding of discount

on provisions, and are recognised in the statement of comprehensive income using the effective interest rate method.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less provisions for impairment.

Advertising and promotional expenditure

Advertising and promotional expenditure is written-off to the statement of comprehensive income in full in the financial year in which the costs are incurred.

Patents

Direct costs associated with taking out patents are capitalised and are amortised, on the straight-line basis, over their expected useful lives (20 years) from the date the costs are incurred. Provisions for impairment are made as required.

Dividends

Dividend distributions to the Company's shareholders are recognised in the financial statements as they are paid or if they have been approved by the shareholders before the end of the financial period. Dividends approved but unpaid before the end of the financial period are recognised as a liability in the Group's financial statements.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the statement of comprehensive income as an expense incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products or processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the statement of comprehensive income as an expense incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Pensions

The pension obligations of the Group are met by payments to a defined contribution pension plan, the annual contributions to which are dealt with in the statement of comprehensive income in the financial year to which they relate.

Income tax

Income tax expenses on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws that have been enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. If the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting nor taxable profit or loss, it is not recognised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Other income

Other operating income in the statement of comprehensive income represents development income and income received under an employment subsidy scheme and is recognised on a receipts basis.

Derivative financial instruments

Derivatives are entered into in order to economically hedge recognised foreign currency monetary assets or liabilities and are not accounted for under hedge accounting but rather any gains or losses arising are recognised in the statement of comprehensive income in financial income.

The fair value of trade and other receivables is considered to equal the carrying value. The Group's exposure to credit risk, currency risk and impairment losses related to trade and other receivables are disclosed in note 26.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables and payables

Trade and other receivables and payables are initially recorded at fair value, and thereafter at amortised cost, which approximates their fair value given the short-term nature of these assets and liabilities. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original term of the receivables.

Cash and cash equivalents

Cash and cash equivalents, comprise cash balances and call deposits, including bank deposits of less than three months maturity. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Loans and borrowings

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest rate method.

Determination of fair values

Certain of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. To the extent that they are receivable within 6 months, the carrying value is assumed to approximate fair value.

Derivatives

The fair value of forward contracts is based on their listed market price, if available.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

Financial risk management

The Group has exposure to the various risks from its use of financial instruments, mainly being:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The financial risks with which the Group is faced are managed by the Finance Manager, within parameters defined formally and regularly reviewed by the Board of Directors. Consistent with Group policy, the Group does not engage in speculative activity. Financial instruments, if required, are used to raise finance and to manage the financial risks resulting from the Group's operations. The main financial risks that the Group is exposed to from time to time include credit risk, liquidity risk and market risk. The Board reviews and agrees policies for managing these risks and these are summarised below.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Management oversees compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk.

Credit risk arises due to the Group's policy to extend credit terms to its customers. Group policy is that all customers are assigned credit limits, with all accounts also reviewed on a regular basis by the Group credit control function. Where credit defaults arise in relation to individual accounts, it is Group policy to provide in full for all impaired debts. In addition, credit risk results from the placement of Group funds with its banking counterparties. Group policy is to place excess funds on deposit with major banking groups only.

Guarantees

The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. It is Group policy to maintain, at all times, access to sufficient liquid resources capable of meeting all foreseeable short-term financial obligations. At 31 March 2010 the Group had net cash balances of €768,622 (2009: €373,138).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk

In relation to transactional exposures, Group policy is to assess the use of forward foreign exchange contracts where appropriate to hedge cash flows denominated in foreign currencies, where these cash flows are deemed to be of sufficient magnitude to give rise to significant foreign currency risk.

Interest rate risk

Details of the Group's exposure to interest rate risk is set out in note 26. The Group has minimal borrowings therefore is not exposed to significant interest rate risk.

Capital management

The Group considers that its capital comprises of share capital, share premium and other reserves.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business as a going concern. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Adoption of new standards and interpretations

- IFRS 8 – Operating Segments
- Revised IAS 1 – Presentation of Financial Statements

These standards and interpretations are considered relevant to the Group and were effective for the first time in the current financial year. Their implementation had no significant impact on the results or financial position of the Group. The first time adoption of IFRS 8 resulted in a change in the presentation of segmental information from previous financial periods. As a result of the revised IAS 1, the Group income statement has been renamed as the consolidated statement of comprehensive income. Also the consolidated balance sheet has been renamed as the consolidated statement of financial position.

The financial information is presented in Euro.

Standards and interpretations not yet adopted

There are a number of new standards, amendments to standards and interpretations published but not yet effective, and not applied in preparing these consolidated financial statements. These new standards and interpretations are IFRS 3: Business Combinations (2008), Amended IAS 27: Consolidated and Separate Financial Statements (2008), IAS 39: Eligible Hedged Items, IFRIC 17: Distribution of Non-cash Assets to Owners and IFRIC 18: Transfers of Assets from Customers. These new standards and interpretations are not expected to have a material impact on the Group financial statements.

Segment information

The Group has two reportable segments, as described below, which are the Group's strategic business units. For each of the strategic business units, the Group's Managing Director reviews internal management reports on at least a monthly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on revenues of each segment, which are derived from the same cost base, and overall profit for the Group before income tax, as included in the internal management reports that are reviewed by the Managing Director. Material items of income and expense are disclosed within note 2 to the Annual Report. Segment results, assets and liabilities include items directly attributable to the Group.

The following describes the operations of the Group's reportable segments:

Consumer products:

These products are sold to end consumers who do not use them to earn income.

Industrial products:

These products are sold to professionals who work in the service and repair industries and use them to generate income.

1. Segment information

	<i>Republic of Ireland</i> €	<i>United Kingdom</i> €	<i>Rest of Europe</i> €	<i>North America</i> €	<i>Rest of World</i> €	<i>Total</i> €
Business segments for the year ended 31 March 2010						
Consumer products revenue	97,059	102,197	410,393	2,206,184	352,959	3,168,792
Industrial products revenue	50,528	691,901	1,194,418	1,239,184	648,190	3,824,221
Total segment revenue	<u>147,587</u>	<u>794,098</u>	<u>1,604,811</u>	<u>3,445,368</u>	<u>1,001,149</u>	<u>6,993,013</u>
Operating costs						(6,442,201)
Other operating income						212,248
Finance expenses						(24,549)
Income tax credit						172,752
Profit after income tax						<u>911,263</u>
As at 31 March 2010						
Reportable segment assets	<u>6,783,402</u>	<u>–</u>	<u>–</u>	<u>104,181</u>	<u>–</u>	<u>6,887,583</u>
Total assets						<u>6,887,583</u>
As at 31 March 2010						
Reportable segment liabilities	<u>1,245,124</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,245,124</u>
Total liabilities						<u>1,245,124</u>
Business segments for the year ended 31 March 2009						
Consumer products revenue	17,643	54,384	81,857	366,683	57,220	577,787
Industrial products revenue	77,177	776,544	1,633,567	1,299,468	546,771	4,333,527
Total segment revenue	<u>94,820</u>	<u>830,928</u>	<u>1,715,424</u>	<u>1,666,151</u>	<u>603,991</u>	<u>4,911,314</u>

	<i>Republic of Ireland</i>	<i>United Kingdom</i>	<i>Rest of Europe</i>	<i>North America</i>	<i>Rest of World</i>	<i>Total</i>
	€	€	€	€	€	€
Unallocated income and expense						
Operating costs						(5,716,291)
Other operating income						285,483
Finance income						397
Finance expenses						(16,023)
Income tax charge						(216,557)
Loss after income tax						<u>(751,677)</u>
As at 31 March 2010						
Reportable segment assets	6,292,357	–	–	–	–	6,292,357
Total assets						<u>6,292,357</u>
As at 31 March 2010						
Reportable segment liabilities	1,561,161	–	–	–	–	1,561,161
Total liabilities						<u>1,561,161</u>

2. Operating costs

	2010	2009
	€	€
Expenses by function		
Cost of sales	4,356,150	3,056,056
Distribution costs	742,155	410,845
Administration costs	1,343,896	2,249,390
	<u>6,442,201</u>	<u>5,716,291</u>
Expenses by nature		
Raw materials recognised as an expense	1,321,498	1,129,714
Operating lease rentals – equipment	20,631	11,892
Auditors remuneration – audit related services	52,400	50,500
– other services	20,250	22,500
Amortisation of intangible assets	65,703	62,660
Depreciation of property, plant and equipment	337,649	333,447
Marketing costs	34,146	18,504
Amortisation of government capital grants	(4,114)	(4,114)
Foreign exchange gain	(16,947)	(32,407)
Light and heating	94,117	133,194
Professional fees/consultancy	89,766	102,434
Repairs and renewals	160,870	134,788
Staff costs	3,020,074	2,751,911
Research and development costs	73,912	167,949
Carriage	65,462	52,203
Insurance	92,583	78,174
Consumables	92,599	49,975
Sales/marketing expenses	101,344	21,652
Freight out	134,093	97,615
Other costs	686,165	533,700
	<u>6,442,201</u>	<u>5,716,291</u>

3. Other operating income

Other operating income represents development income and reimbursement of expenses in relation to a contract with a major international company of a heat (not burn) smoking device. It also includes grant income received from Enterprise Ireland in respect of an employment subsidy scheme.

4. Finance income and expenses

	2010	2009
	€	€
Finance income		
Fair value movement in derivatives	–	(397)
Finance expenses		
Interest on bank overdraft	8,695	8,432
Interest on finance lease	15,854	7,591
	<u>24,549</u>	<u>16,023</u>
Net finance expenses	<u>24,549</u>	<u>15,626</u>

All interest is dealt with in the statement of comprehensive income. No interest was capitalised during the year.

5. Employees and remuneration

The average number of persons employed by the Group (including executive directors) during the year, analysed by category, was as follows:

	2010	2009
	<i>Numbers</i>	<i>Numbers</i>
Administration and management	10	10
Selling and distribution	5	4
Production	66	65
Research and development	2	2
	<u>83</u>	<u>81</u>

The aggregate payroll costs of these employees were as follows:

	2010	2009
	€	€
Wages and salaries	2,681,424	2,477,763
Social welfare costs	265,592	204,457
Other pension costs	73,058	69,691
	<u>3,020,074</u>	<u>2,751,911</u>

6. Statutory and other information

Report on directors' remuneration:

Executive directors

	<i>Total</i>		<i>Salaries</i>		<i>Benefits in kind</i>		<i>Fees</i>	
	2010	2009	2010	2009	2010	2009	2010	2009
	€	€	€	€	€	€	€	€
A.P. Oglesby	192,479	188,880	188,715	181,964	3,764	6,916	–	–
J. Oglesby	106,249	79,463	104,391	78,553	1,858	910	–	–
	<u>298,728</u>	<u>268,343</u>	<u>293,106</u>	<u>260,517</u>	<u>5,622</u>	<u>7,826</u>	<u>–</u>	<u>–</u>

	<i>Total</i>		<i>Salaries</i>		<i>Benefits in kind</i>		<i>Fees</i>	
	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>
	€	€	€	€	€	€	€	€
Number of executive directors	2	2						
<i>Non-executive directors</i>								
N.O. Dowling	27,571	27,571	20,950	20,950	–	–	6,621	6,261
T.P. Byrne	–	18,000	–	–	–	–	–	18,000
	<u>27,571</u>	<u>45,571</u>	<u>20,950</u>	<u>20,950</u>	<u>–</u>	<u>–</u>	<u>6,621</u>	<u>24,261</u>
Number of non-executive directors	1	2						

7. Income tax credit

Analysis of credit in period

	<i>2010</i>	<i>2009</i>
	€	€
<i>Current tax:</i>		
Corporation tax	–	–
<i>Total current tax</i>	<u>–</u>	<u>–</u>
<i>Deferred tax:</i>		
Origination and reversal of temporary differences (note 19)	(172,752)	216,557
<i>Total deferred tax</i>	<u>(172,752)</u>	<u>216,557</u>
Tax (credit)/charge on loss on ordinary activities	<u>(172,752)</u>	<u>216,557</u>

Factors affecting tax credit for year

The tax credit assessed for the year is different than the standard rate of corporation tax in the Republic of Ireland. The differences are explained below:

	<i>2010</i>	<i>2009</i>
	€	€
Profit/(loss) before tax	<u>738,511</u>	<u>(535,120)</u>
Profit/(loss) for year multiplied by the standard rate of tax of 12.5%	92,314	(66,890)
<i>Effects of:</i>		
Income not taxable for tax purposes	(28,175)	(55,332)
Expenses not allowable for tax purposes	8,123	7,667
Other differences	–	57,560
Other items	3,199	–
Unrecognised losses used during the year	(65,135)	–
Unrecognised current year deferred tax asset	–	–
Release of prior period deferred tax assets	–	273,552
Prior year losses recognized	(181,383)	–
Release of derivatives	(1,695)	–
Total tax (credit)/charge for year	<u>(172,752)</u>	<u>216,557</u>

8. Dividends

The Group or Company has not paid any dividends during the year (2009: €Nil).

9. Profit/(loss) per share

	2010	2009
	€	€
Profit/(loss) attributable to ordinary shareholders	911,263	(751,677)
Weighted average number of ordinary shares in issue during the year	12,315,082	12,315,082
Basic profit/(loss) per share	<u>7.40c</u>	<u>(6.10c)</u>
Fully diluted profit/(loss) per share	<u>7.40c</u>	<u>(6.10c)</u>

The calculation of fully diluted loss per share is based on the profit attributable to ordinary shareholders of €911,263 (2009: loss of €751,677) and the weighted average number of ordinary shares of 12,315,082 (2009: 12,315,082).

10. Intangible assets

	2010	2009
	€	€
Patents – Group		
<i>Cost</i>		
At beginning of year	1,253,207	1,154,183
Additions	<u>60,845</u>	<u>99,024</u>
At end of year	<u>1,314,052</u>	<u>1,253,207</u>
<i>Amortisation</i>		
At beginning of year	514,403	451,743
Charged during year	<u>65,703</u>	<u>62,660</u>
At end of year	<u>580,106</u>	<u>514,403</u>
Net book value		
At 31 March	<u>733,946</u>	<u>738,804</u>

11. Investment in subsidiaries

	2010	2009
	€	€
Company		
Shares at cost	1,327,515	1,327,515
Less: provisions for impairment in value	<u>(254)</u>	<u>(254)</u>
	<u>1,327,261</u>	<u>1,327,261</u>

In the opinion of the Directors, the value of the investments is at least equal to their carrying amount. Details of Group undertakings are set out in note 30.

12. Property, plant and equipment

	<i>Freehold land & buildings</i> €	<i>Plant equipment & motor vehicles</i> €	<i>Total</i> €
2010			
Group			
<i>Cost</i>			
At beginning of year	2,462,989	6,719,544	9,182,533
Additions	–	350,093	350,093
At end of year	<u>2,462,989</u>	<u>7,069,637</u>	<u>9,532,626</u>
<i>Depreciation</i>			
At beginning of year	382,046	5,604,845	5,986,891
Charged during year	57,735	279,914	337,649
At end of year	<u>439,781</u>	<u>5,884,759</u>	<u>6,324,540</u>
Net book value			
At 31 March 2010	<u>2,023,208</u>	<u>1,184,878</u>	<u>3,208,086</u>
At 31 March 2009	<u>2,080,943</u>	<u>1,114,699</u>	<u>3,195,642</u>
2009			
Group			
<i>Cost</i>			
At beginning of year	2,462,989	6,489,186	8,952,175
Additions	–	230,358	230,358
At end of year	<u>2,462,989</u>	<u>6,719,544</u>	<u>9,182,533</u>
<i>Depreciation</i>			
At beginning of year	341,472	5,311,972	5,653,444
Charged during year	40,574	292,873	333,447
At end of year	<u>382,046</u>	<u>5,604,845</u>	<u>5,986,891</u>
Net book value			
At 31 March 2009	<u>2,080,943</u>	<u>1,114,699</u>	<u>3,195,642</u>
At 31 March 2008	<u>2,121,517</u>	<u>1,177,214</u>	<u>3,298,731</u>

Security

At 31 March 2010 and 31 March 2009 a charge was registered over the Group's interest in land based in Carlow in relation to the overdraft facility in place of which the balance was €Nil (2009: €Nil).

Other

The depreciable element of freehold land and buildings, namely buildings, amounted to €1,755,018 (2009: €1,755,018).

Assets held under finance leases, at cost less accumulated depreciation, included in plant equipment and motor vehicles, amounted to €418,694 (2009: €388,777). The depreciation charge during the year on such assets amounted to €69,883 (2009: €46,532).

On 18 March 2010, the freehold and long leasehold land and buildings were valued by Southern Real Estate Alliance (formerly Southern Auctioneers Limited) M.I.A.I. of 37 Dublin Street, Carlow, using an existing open market basis. The freehold and long leasehold land and building are stated at not more than their recoverable amounts.

13. Impairment of intangible and other fixed assets

Given the current economic climate and prior years operating results, the directors conducted a formal review on the carrying value of intangible assets, and property, plant and equipment, in accordance with IFRS.

An impairment loss is recognised for the amount, if any, by which an assets carrying amount exceeds its recoverable amount. The recoverable amount is based on the discounted present values of the future cash flows expected to arise from the cash generating unit to which the asset relates or from the individual asset or asset group. A cash generating unit is based on locations of assets within the Group.

The cash flow forecasts employed are extracted from the budget for 2011 and cash flows for the subsequent four years are projected based on a current assessment of anticipated market conditions over that period.

This involves making assumptions concerning growth and cost saving assumptions and also margins. Cash flows beyond this five year period are estimated, in accordance with IFRS, into perpetuity using a terminal growth rate of 2 per cent. The recoverable amount resulting from this exercise represents the present value of future cash flows, including terminal value, discounted at a weighted average cost of capital of 15.0 per cent.

Key assumptions used in the impairment tests are as follows:

Growth rates years 2 to 5: 1–2%

Terminal value growth rate 2%

Cost based synergies 1.5%

Discount rate (post tax) 15.0%

The impairment test described above did not result in an impairment charge in the current year.

The Group performed a sensitivity analysis review and any reasonable changes to the inputs would not give rise to material impairment losses.

14. Inventories

	<i>2010</i>	<i>2009</i>
	€	€
Group		
Finished goods	115,603	21,566
Work in progress	578,052	470,705
Raw materials	452,640	450,753
	<u>1,146,295</u>	<u>943,024</u>

The replacement cost of inventories is not considered to be materially different from the stated value. The total movement on inventories has been recognised in operating costs.

15. Trade and other receivables

	<i>Group</i>	
	<i>2010</i>	<i>2009</i>
	€	€
<i>Amounts falling due within one year:</i>		
Trade receivables	878,670	671,319
Less: provisions for trade receivables	(102,877)	(75,358)
	<u>775,793</u>	<u>595,961</u>
Prepayments	254,841	264,591
Other receivables	–	181,197
	<u>1,030,634</u>	<u>1,041,749</u>
	<i>Company</i>	
	<i>2010</i>	<i>2009</i>
	€	€
Amounts owed by group undertakings	<u>3,196,207</u>	<u>3,196,207</u>

The fair value of trade and other receivables is considered to equal the carrying value above. The Group's exposure to credit risk, currency risk and impairment losses related to trade and other receivables are disclosed in note 26.

Amount owed by group undertakings are interest free and repayable upon demand.

16. Trade and other payables

	<i>Group</i>		<i>Company</i>	
	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>
	€	€	€	€
Trade payables	418,726	472,923	–	–
Accruals and other payables	450,707	503,695	–	–
Inter-group payables	–	–	1,656,060	1,656,060
	<u>869,433</u>	<u>976,618</u>	<u>1,656,060</u>	<u>1,656,060</u>
	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>
	€	€	€	€
<i>Total taxation and social welfare</i>				
<i>creditors included above</i>				
PAYE/PRSI	<u>35,420</u>	<u>33,392</u>	<u>–</u>	<u>–</u>

The carrying value of trade and other payables above approximate to their fair values. Inter-group payables are interest free and repayable upon demand.

17. Finance lease obligations

Finance lease liabilities are payable as follows:

	<i>Minimum lease payments</i>			<i>Minimum lease payments</i>		
	<i>2010</i>	<i>Interest 2010</i>	<i>Principal 2010</i>	<i>2009</i>	<i>Interest 2009</i>	<i>Principal 2009</i>
	€	€	€	€	€	€
Less than one year	125,206	12,954	112,252	100,011	11,568	88,443
Between one and five years	77,283	8,170	69,113	141,876	16,968	124,908
	<u>202,489</u>	<u>21,124</u>	<u>181,365</u>	<u>241,887</u>	<u>28,536</u>	<u>213,351</u>

18. Deferred government grants

	2010 €	2009 €
Group		
<i>Received and receivable</i>	524,484	524,484
<i>Amortisation</i>		
At beginning of year	396,005	391,891
Released during year	4,114	4,114
At end of year	400,119	396,005
Net book value	<u>124,365</u>	<u>128,479</u>

19. Deferred taxation

Recognised deferred tax assets and liabilities

	<i>Group</i>			<i>Group</i>		
	<i>Assets</i>	<i>Liabilities</i>	<i>Net (assets)/ liabilities</i>	<i>Assets</i>	<i>Liabilities</i>	<i>Net (assets)/ liabilities</i>
	2010 €	2010 €	2010 €	2009 €	2009 €	2009 €
Property, plant and equipment	–	251,344	251,344	–	241,018	241,018
Derivatives	–	–	–	–	1,695	1,695
Deferred government grants	–	–	–	–	–	–
Other payables	–	–	–	–	–	–
Other items	–	–	–	–	–	–
Tax value of losses	(181,383)	–	(181,383)	–	–	–
Tax (asset)/liability	<u>(181,383)</u>	<u>251,344</u>	<u>69,961</u>	<u>–</u>	<u>242,713</u>	<u>242,713</u>

Analysis of deferred tax liability

	<i>Group</i>			<i>Group</i>		
	<i>Balance at 1 April 2009 €</i>	<i>Recognised in income €</i>	<i>Balance at 31 March 2010 €</i>	<i>Balance at 1 April 2008 €</i>	<i>Recognised in income €</i>	<i>Balance at 31 March 2009 €</i>
	Property, plant and equipment	241,018	10,326	251,344	255,914	(14,896)
Derivative	1,695	(1,695)	–	1,695	–	1,695
Deferred government grants	–	–	–	(16,574)	16,574	–
Other payables	–	–	–	–	–	–
Other items	–	–	–	(10,304)	10,304	–
Tax value of losses	–	(181,383)	(181,383)	(204,575)	204,575	–
Tax liability/(asset)	<u>242,713</u>	<u>(172,752)</u>	<u>69,961</u>	<u>26,156</u>	<u>216,557</u>	<u>242,713</u>

20. Issued capital

	2010 €	2009 €
Group and Company		
<i>Authorised</i>		
50,000,000 (2009: 50,000,000) ordinary shares of 12c each	<u>6,000,000</u>	<u>6,000,000</u>

	2010 €	2009 €
Group and Company		
<i>Allotted, called up and fully paid</i>		
Ordinary shares of 12c each – 12,315,082 (2009: 12,315,082) ordinary shares	1,477,808	1,477,808

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

21. Share premium account

	2010 €	2009 €
Group and Company		
At beginning and end of year	1,066,503	1,066,503

22. Reserves

Capital reserve

The capital reserve includes €84,530 of a non-distributable reserve set up by a Group undertaking, under the terms of a government grant agreement.

Capital redemption reserve fund

This reserve arose on the redemption of shares in the Company in prior years.

Revaluation reserve fund

The revaluation reserve relates to the revaluation surplus arising on a revaluation of property, plant and equipment which took place on 31 March 1999. The freehold and long leasehold land and buildings were valued by independent valuers, Sothorn Auctioneers Ltd. M.I.A.V.I. of 37 Dublin Street, Carlow, using an existing use open market basis. The valuation resulted in a surplus over book amount of €1,383,763 which was then credited to other reserves. An annual amount of €11,203 is transferred from revaluation reserve to retained earnings to take account of the amortisation of the revaluation surplus in line with depreciation on the revalued property. At the date of transition to IFRS the valuation of land and buildings was considered at deemed cost.

23. Other reserves – Company

	<i>Capital redemption reserve</i> €	<i>Capital reserve</i> €	<i>Total</i> €
At beginning and end of year	50,903	85,885	136,788

24. Movement in retained earnings

	2010 €	2009 €
Group		
Balance at beginning of year	1,318,259	2,058,733
Profit/(loss) for the year	911,263	(751,677)
Transfer from revaluation reserve	11,203	11,203
Balance at end of year	<u>2,240,725</u>	<u>1,318,259</u>
Company		
Balance at beginning and end of year	<u>186,309</u>	<u>186,309</u>

25. Analysis of funds

	<i>At beginning of year</i> €	<i>Non-cash movements</i> €	<i>Cash flow</i> €	<i>At end of year</i> €
Cash at bank and in hand	373,138	–	395,484	768,622
Cash and cash equivalents	373,138	–	395,484	768,622
<i>Obligations under finance leases:</i>				
due within one year	(88,443)	(126,752)	102,943	(112,252)
due after one year	(124,908)	55,795	–	(69,113)
	<u>(213,351)</u>	<u>(70,957)</u>	<u>102,943</u>	<u>(181,365)</u>
Net funds	<u>159,787</u>	<u>–</u>	<u>427,470</u>	<u>587,257</u>

26. Financial instruments

	<i>Note</i>	<i>Loans & receivables</i> €	<i>Liabilities at amortised cost</i> €	<i>Total carrying amount</i> €	<i>Fair value</i> €
31 March 2010					
Trade receivables	15	878,670	–	878,670	878,670
Cash and cash equivalents	25	768,622	–	768,622	768,622
		<u>1,647,292</u>	<u>–</u>	<u>1,647,292</u>	<u>1,647,292</u>
Trade and other payables	16	–	(869,433)	(869,433)	(869,433)
Finance lease obligations	17	–	(181,365)	(181,365)	(179,048)
		<u>–</u>	<u>(1,050,798)</u>	<u>(1,050,798)</u>	<u>(1,048,481)</u>
31 March 2009					
Trade receivables	15	671,319	–	671,319	671,319
Cash and cash equivalents	25	373,138	–	373,138	373,138
		<u>1,044,457</u>	<u>–</u>	<u>1,044,457</u>	<u>1,044,457</u>
Trade and other payables	16	–	(976,618)	(976,618)	(976,618)
Finance lease obligations	17	–	(213,351)	(213,351)	(209,718)
		<u>–</u>	<u>(1,189,969)</u>	<u>(1,189,969)</u>	<u>(1,186,336)</u>

Exposure to credit risk – Group

The carrying amount of financial assets, net of impairment provisions represents the Group's maximum exposure, as follows:

	<i>Carrying Amount</i>	
	2010	2009
	€	€
Trade debtors and other receivables (excluding prepayments)	775,793	777,158
Cash and cash equivalents	768,622	373,138
	<u>1,544,415</u>	<u>1,150,296</u>

Impairment losses – Group

The ageing of trade debtors was as follows:

	<i>Gross</i> <i>2010</i> €	<i>Impairment</i> <i>2010</i> €	<i>Gross</i> <i>2009</i> €	<i>Impairment</i> <i>2009</i> €
Not past due	395,826	–	348,441	–
<i>Past due:</i>				
0–30 days	191,829	–	154,586	–
30–60 days	86,140	–	41,078	–
+60 days	204,875	102,877	127,214	75,358
	<u>878,670</u>	<u>102,877</u>	<u>671,319</u>	<u>75,358</u>

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	<i>2010</i> €	<i>2009</i> €
At 1 April	75,358	67,049
Utilised in the year	–	(12,642)
Charged to the statement of comprehensive income	27,519	20,951
At 31 March	<u>102,877</u>	<u>75,358</u>

A provision for impairment of trade receivables is established when there is evidence that the Group will not be able to collect all assets due according to the original term of the receivables.

Liquidity risk

The following are the contractual maturities of financial liabilities:

Group

	<i>Carrying</i> <i>amount</i> €	<i>Contractual</i> <i>cash flows</i> €	<i>Less than</i> <i>1 year</i> €	<i>1–2 years</i> €	<i>2–5 years</i> €
31 March 2010					
<i>Non-derivative financial liabilities</i>					
Finance lease liabilities	181,365	202,489	125,206	77,283	–
Trade and other payables	869,433	869,433	869,433	–	–
	<u>1,050,798</u>	<u>1,071,922</u>	<u>994,639</u>	<u>77,283</u>	<u>–</u>
31 March 2009					
<i>Non-derivative financial liabilities</i>					
Finance lease liabilities	213,351	241,887	100,011	89,108	52,768
Trade and other payables	946,863	946,863	946,863	–	–
	<u>1,160,214</u>	<u>1,188,750</u>	<u>1,046,874</u>	<u>89,108</u>	<u>52,768</u>

Liquidity risk is reviewed and managed by the Directors at Board meetings where expected cash inflows are reviewed in comparison to expected cash outflows. At 31 March 2010 the Group has an agreed overdraft facility with its bankers of €300,000 and has cash reserves of €768,622 (2009: €373,138).

Interest rate risk profile of interest bearing financial assets and liabilities

The Group holds both interest bearing assets and interest bearing liabilities. In general, the approach employed by the Group to manage its interest exposure is to maintain the majority of its cash, short term bank deposits and interest bearing borrowings on floating rates. Rates are generally fixed for relatively short periods in order to match funding requirements while being able to benefit from opportunities due to movement in longer term rates.

At year-end, the interest rate profile of the Group's interest-bearing financial instruments was:

	<i>Rate</i> <i>31 March</i> <i>2010</i>	<i>Carrying</i> <i>amount</i> <i>2010</i> €	<i>Fair value</i> <i>2010</i> €	<i>Carrying</i> <i>amount</i> <i>2009</i> €	<i>Fair value</i> <i>2009</i> €
<i>Fixed rate instruments:</i>					
Finance lease liabilities	10.8%	(181,365)	(179,048)	(213,351)	(209,718)
Period for which fixed rate		1.67 years	–	2.43 years	–
<i>Variable rate instruments:</i>					
Cash and cash equivalents		768,622	768,622	373,138	373,138
		<u>587,257</u>	<u>615,805</u>	<u>568,489</u>	<u>582,856</u>

Group

Foreign currency risk

The following table sets out the Group's exposure to foreign currency risk at the balance sheet date:

	<i>2010</i>		<i>2009</i>	
	<i>Sterling</i> €	<i>U.S. Dollar</i> €	<i>Sterling</i> €	<i>U.S. Dollar</i> €
Trade receivables	92,341	363,214	58,232	224,634
Cash and cash equivalents	3,727	26,742	20,613	76,023
Trade payables	(92,648)	(544)	(36,602)	–
	<u>3,420</u>	<u>389,412</u>	<u>42,243</u>	<u>300,657</u>

The majority of Group sales are denominated in foreign currencies while the Group sources raw materials from Ireland and the UK. The Group's policy is to eliminate any net currency exposure on its purchases and sales through forward currency contracts as appropriate. The Group has no forward currency contracts in place at year end.

Sensitivity analysis

A 10 per cent. strengthening of the Euro against the U.S. Dollar and Sterling, based on outstanding assets and liabilities at 31 March 2010 would have decreased profits and equity by €35,741 (2009: €24,664). This analysis assumes that all other variables, including interest rates, remain constant. A 10 per cent. weakening would have an equal but opposite effect.

27. Financial commitments

Capital commitments

Capital expenditure commitments existing at the balance sheet date which was not provided for in the financial statements amounted to €Nil (2009: €Nil).

Currency commitments

There were no forward rate currency commitments at the balance sheet date (2009: €Nil).

Finance leases

There were no commitments at the balance sheet date in respect of finance leases which had been entered into but which commenced after the year ended (2009: €Nil).

Operating leases

Total commitments under non-cancellable operating leases in respect of plant, fixtures and motor vehicles were as follows:

	2010	2009
	€	€
<i>Due:</i>		
Within one year	1,374	11,892
Between two and five years	–	1,374
	<u>1,374</u>	<u>13,266</u>

28. Pensions

Pensions for employees arise from a defined contribution scheme. These pensions are funded through an external pension scheme for the sole benefit of qualifying employees or their dependants. The pension fund charge for the period was €73,058 (2009: €69,691) and outstanding contributions at the balance sheet date amounted to €Nil (2009: €Nil).

29. Contingent liabilities

The Group is, in the ordinary course of business, involved in certain litigious matters at year end. The Directors are confident that the Group has taken steps to minimise potential exposure, are vigorously defending the Groups position in such matters, and are confident that all matters are appropriately provided for at 31 March 2010.

30. Group undertakings

The following are the Group undertakings of Oglesby & Butler Group plc, all of which are included in the consolidated financial statements, and which are incorporated and operating in the Republic of Ireland unless otherwise stated.

<i>Name and registered office</i>	<i>Principal activity</i>	<i>Percentage held by:</i>	
		<i>Company</i>	<i>Group undertaking</i>
Oglesby & Butler Limited Industrial Estate, O'Brien Road, Carlow	Manufacture and distribution of power tools	100%	–
Oglesby & Butler Technology Limited Industrial Estate, O'Brien Road, Carlow	Patent licensing	100%	–
Oglesby & Butler Ireland Industrial Estate, O'Brien Road, Carlow	Investment holding	100%	–
Oglesby & Butler Investments Industrial Estate, O'Brien Road, Carlow	Investment holding	100%	–
Portagas Limited Industrial Estate, O'Brien Road, Carlow	Non-trading	–	100%
Portasol Inc. (United States of America) Corporation Trust Centre, 1209 Orange Street, Wilmington, New Castle, Delaware, U.S.A.	Non-trading	100%	–
Oglesby & Butler Research & Development Limited Industrial Estate, O'Brien Road, Carlow	Non-trading	100%	–

All shareholdings in Group undertakings consist of ordinary shares.

31. Related party transactions

Under IAS 24 *Related party disclosures*, the Group has a related party relationship with its key management. The Group and Company has defined its key management as its directors and senior managers. Details of the compensation of key management are set out below:

Key management remuneration including non-executives

	<i>2010</i>	<i>2009</i>
	<i>Number</i>	<i>Number</i>
Number of individuals	<u>6</u>	<u>7</u>
	€	€
<i>Salaries and other short-term employee benefits</i>		
<i>charged to the statement of comprehensive income:</i>		
Short-term employee benefits	646,457	631,908
Post employment benefits	–	1,450
	<u>646,457</u>	<u>633,358</u>
<i>Comprising the following:</i>		
Directors	326,299	313,914
Other key management personnel	320,158	319,444
	<u>646,457</u>	<u>633,358</u>

**SECTION B: CONSOLIDATED ACCOUNTS OF OGLESBY & BUTLER GROUP PLC GROUP
FOR THE YEAR ENDED 31 MARCH 2009 AND 31 MARCH 2008**

**Group income statement
for the year ended 31 March 2009**

	<i>Notes</i>	2009 €	2008 €
Revenue	1	4,911,314	4,723,006
Operating costs	3	<u>(5,716,291)</u>	<u>(5,387,338)</u>
		(804,977)	(664,332)
Other operating income	4	<u>285,483</u>	<u>349,566</u>
Operating loss before finance costs		(519,494)	(314,766)
Finance income	5	397	15,516
Financial expenses	5	<u>(16,023)</u>	<u>(14,657)</u>
Loss before income tax		(535,120)	(313,907)
Income tax (charge)/credit	8	<u>(216,557)</u>	<u>71,757</u>
Loss after tax for the year attributable to equity holders of the Group	25	<u>(751,677)</u>	<u>(242,150)</u>
Basic loss per share	10	<u>(6.10c)</u>	<u>(1.97c)</u>
Diluted loss per share	10	<u>(6.10c)</u>	<u>(1.97c)</u>

**Group balance sheet
as at 31 March 2009**

	<i>Notes</i>	2009 €	2008 €
Assets			
Non-current assets			
Property, plant and equipment	13	3,195,642	3,298,731
Intangible assets	11	738,804	702,440
Total non-current assets		<u>3,934,446</u>	<u>4,001,171</u>
Current assets			
Inventories	15	943,024	937,173
Trade and other receivables	16	1,041,749	1,377,693
Corporation tax receivable		–	8,362
Derivatives and other financial instruments	27	–	13,556
Cash and cash equivalents	26	373,138	393,051
Total current assets		<u>2,357,911</u>	<u>2,729,835</u>
Total assets		<u>6,292,357</u>	<u>6,731,006</u>
Equity			
Capital and reserves attributable to the company's equity holders			
Called up share capital	21	1,477,808	1,477,808
Share premium	22	1,066,503	1,066,503
Other reserves	23	868,626	879,829
Retained earnings	25	1,318,259	2,058,733
Total equity		<u>4,731,196</u>	<u>5,482,873</u>
Liabilities			
Non-current liabilities			
Finance lease obligations	18	124,908	37,067
Deferred government grants	19	128,479	132,593
Deferred tax liabilities	20	242,713	26,156
Total non-current liabilities		<u>496,100</u>	<u>195,816</u>
Current liabilities			
Finance lease obligations	18	88,443	45,328
Bank overdraft	26	–	136,652
Trade and other payables	17	976,618	870,337
Total current liabilities		<u>1,065,061</u>	<u>1,052,317</u>
Total liabilities		<u>1,561,161</u>	<u>1,248,133</u>
Total equity and liabilities		<u>6,292,357</u>	<u>6,731,006</u>

**Group cash flow statement
for the year ended 31 March 2009**

	<i>Notes</i>	2009 €	2008 €
Cash flows from operating activities			
Loss after taxation		(751,677)	(242,150)
<i>Adjusting items:</i>			
Income tax charge/(credit)		216,557	(71,757)
Amortisation of intangible assets		62,660	34,297
Depreciation of property, plant and equipment		333,447	394,329
Amortisation of government grants		(4,114)	(4,114)
Finance income and expenses		16,023	(148)
Decrease/(increase) in trade and other receivables		517,141	1,270
(Increase)/decrease in inventories		(5,851)	38,632
Decrease in derivatives		13,556	1,960
Increase/(decrease) in trade and other payables		106,281	74,931
		<hr/>	<hr/>
Total cash flow from operating activities		504,023	227,250
Net interest paid		(16,023)	(14,657)
Income tax received/(paid)		8,362	(10,449)
		<hr/>	<hr/>
Net cash provided by operating activities		496,362	202,144
Cash flows from investing activities			
Purchase of property, plant and equipment		(230,358)	(116,325)
Purchase of intangible assets		(99,024)	(64,703)
		<hr/>	<hr/>
Net cash used in investing activities		(329,382)	(181,028)
Cash flows from financing activities			
Payment of finance lease liabilities		(50,241)	(86,003)
		<hr/>	<hr/>
Net cash used in financing activities		(50,241)	(86,003)
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	26	116,739	(64,887)
Cash and cash equivalents at beginning of year	26	256,399	321,286
		<hr/>	<hr/>
Cash and cash equivalents at end of year	26	373,138	256,399
		<hr/>	<hr/>

**Group statement of changes in equity
for the year ended 31 March 2009**

	<i>Share Capital</i> €	<i>Capital reserves</i> €	<i>Share premium</i> €	<i>Retained earnings</i> €	<i>Capital redemption reserve</i> €	<i>Revaluation reserve</i> €	<i>Total equity</i> €
Balance at 1 April 2007	1,477,808	170,415	1,066,503	2,289,680	50,903	669,714	5,725,023
Loss for the financial year	–	–	–	(242,150)	–	–	(242,150)
Transfers	–	–	–	11,203	–	(11,203)	–
Balance at 31 March 2008	1,477,808	170,415	1,066,503	2,058,733	50,903	658,511	5,482,873
Loss for the financial year	–	–	–	(751,677)	–	–	(751,677)
Transfers	–	–	–	11,203	–	(11,203)	–
Balance at 31 March 2009	1,477,808	170,415	1,066,503	1,318,259	50,903	647,308	4,731,196

**Company balance sheet
at 31 March 2009**

	<i>Notes</i>	2009 €	2008 €
Assets			
Non-current			
Investment in subsidiaries	12	1,327,261	1,327,261
Total non-current assets		<u>1,327,261</u>	<u>1,327,261</u>
Current			
Trade and other receivables	16	3,196,207	3,145,416
Cash and cash equivalents		–	50,791
Total current assets		<u>3,196,207</u>	<u>3,196,207</u>
Total assets		<u>4,523,468</u>	<u>4,523,468</u>
Equity			
Called-up share capital	21	1,477,808	1,477,808
Share premium	22	1,066,503	1,066,503
Other reserves	24	136,788	136,788
Retained earnings	25	186,309	186,309
Total equity attributable to equity shareholders of parent		<u>2,867,408</u>	<u>2,867,408</u>
Liabilities			
Current liabilities			
Trade and other payables	17	1,656,060	1,656,060
Total liabilities		<u>1,656,060</u>	<u>1,656,060</u>
Total equity and liabilities		<u>4,523,468</u>	<u>4,523,468</u>

**Company cash flow statement
for the year ended 31 March 2009**

	2009 €	2008 €
Cash flows from operating activities		
Increase in trade and other receivables	(50,791)	–
Net cash outflow from operating activities	<u>(50,791)</u>	<u>–</u>
Net decrease in cash and cash equivalents	(50,791)	–
Cash and cash equivalents at beginning of year	<u>50,791</u>	<u>50,791</u>
Cash and cash equivalents at end of year	<u>–</u>	<u>50,791</u>

**Company statement of changes in equity
for the year ended 31 March 2009**

	<i>Share Capital</i> €	<i>Capital reserves</i> €	<i>Share premium</i> €	<i>Retained earnings</i> €	<i>Capital redemption reserve</i> €	<i>Total equity</i> €
Balance at 1 April 2007						
31 March 2008, and						
31 March 2009	<u>1,477,808</u>	<u>85,885</u>	<u>1,066,503</u>	<u>186,309</u>	<u>50,903</u>	<u>2,867,408</u>

Statement of accounting policies

For the year ended 31 March 2009

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements. Oglesby & Butler Group is a Company domiciled in Ireland. The address of the Company's registered office is Industrial Estate, O'Brien Road, Carlow. The Group financial statements for the year ended 31 March 2009 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as "the Group").

The Company and Group financial statements of the Company were authorised for issue by the Directors on 15 July 2009.

The accounting policies applied in the preparation of the financial statements for the year ended 31 March 2009 are set out below. These have been applied consistently.

Basis of preparation

(a) *Statement of compliance*

As required by European Union (EU) law from 1 January 2005, the Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU. The individual financial statements of the Company ('Company financial statements') have been prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Acts 1963 to 2006 which permits a company, that publishes its company and group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act 1963 from presenting to its members its company income statement and related notes that form part of the approved company financial statements.

The IFRSs adopted by the EU applied by the Company and the Group in the preparation of these financial statements are those that were effective for accounting periods beginning on or before 1 April 2008.

(b) *Basis of measurement*

The financial statements have been prepared under the historical cost convention, except in the case of derivatives which are carried at fair value.

(c) *Use of estimates and judgments*

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 13 – measurement of the recoverable amounts of property, plant and equipment
- Note 11 – measurement of the recoverable amounts of patents
- Note 14 – measurement of the recoverable amounts of cash generating units
- Note 16 – trade receivables

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Group financial

statements include the financial statements of the holding company and all its Group undertakings made up to the end of the financial year. Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Revenue

Revenue represents the fair value of goods and services supplied to external customers and is recognised to the extent that it is subject to reliable measurement, that it is probable economic benefits will flow to the Group and that the significant risks and rewards of ownership have passed to the buyer. It excludes sales related taxes and intra-group transactions. No revenue is recognised if there is uncertainty regarding recovery of the consideration due at the outset of the transaction, associated costs or the possible return of goods. Development income represents the fair value of development services supplied and is recognised to the extent that it is subject to reliable measurement, that it is probable economic benefits will flow to the Group and that the significant risks and rewards have passed to the buyer.

Government grants

A government grant relating to a non-current asset is recognised in the balance sheet initially as deferred income when there is reasonable assurance that it will be received and that the Group will comply with the conditions attaching to it. Grants that compensate the Group for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same period in which the expenses are incurred. Grants that compensate the Group for the cost of the asset are recognised in the income statement as other operating income on a systematic basis over the useful life of the asset.

Leases

Finance lease payments

Leases under the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The owner-occupied equipment acquired by way of a finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives paid are recognised in the income statement as an integral part of the total lease expense over the term of the lease.

Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. On transition to IFRS as adopted by the EU, freehold land and buildings previously carried at a revalued amount, continued to be carried at that amount as their deemed cost at that date. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Depreciation is calculated to write-off the cost less estimated residual value of property, plant and equipment on the straight-line basis over their expected useful lives. The remaining useful lives of the assets are reviewed on a regular basis.

Depreciation is provided on additions with effect from the first day of the month following commissioning and on disposals up to the end of the month prior to retirement, at the following annual rates:

<i>Land</i>	<i>Not depreciated</i>
Buildings	2%
Plant and machinery	7–20%
Fixtures and fittings	10–15%
Motor vehicles	20%

Inventories

Inventories are valued, on the first-in, first-out basis, at the lower of cost and estimated net realisable value. Cost includes all expenditure which has been incurred in the normal course of business in bringing the products to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business (net of trade discounts) of inventories on hand, less all further costs to completion and selling expenses.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment provision is recorded in the income statement.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group financial statements are presented in Euro, which is the functional and presentation currency of the Company and all its subsidiaries.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Share capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction from equity.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares, details of which can be found in note 10.

Finance income and expense

Finance income includes interest income which is recognised in the income statement as it accrues, using the effective interest rate method, and changes in fair value of financial assets at fair value through the profit or loss. Finance expenses include interest expense on borrowings and unwinding of discount on provisions, and are recognised in the income statement using the effective interest rate method.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less provisions for impairment.

Advertising and promotional expenditure

Advertising and promotional expenditure is written-off to the income statement in full in the financial year in which the costs are incurred.

Patents

Direct costs associated with taking out patents are capitalised and are amortised, on the straight-line basis, over their expected useful lives (20 years) from the date the costs are incurred. Provisions for impairment are made as required.

Dividends

Dividend distributions to the Company's shareholders are recognised in the financial statements as they are paid or if they have been approved by the shareholders before the end of the financial period. Dividends approved but unpaid before the end of the financial period are recognised as a liability in the Group's financial statements.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products or processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Pensions

The pension obligations of the Group are met by payments to a defined contribution pension plan, the annual contributions to which are dealt with in the income statement in the financial year to which they relate.

Income tax

Income tax expenses on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws that have been enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. If the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting nor taxable profit or loss, it is not recognised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Other income

Other operating income in the income statement represents development income and is recognised as it is earned.

Derivative financial instruments

Derivatives are entered into to economically hedge recognised foreign currency monetary assets or liabilities and are not accounted for under hedge accounting but rather any gains or losses arising are recognised in the income statement in financial income.

The fair value of trade and other receivables is considered to equal the carrying value. The Group's exposure to credit risk, currency risk and impairment losses related to trade and other receivables are disclosed in note 27.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables and payables

Trade and other receivables and payables are initially recorded at fair value, and thereafter at amortised cost, which approximates their fair value given the short-term nature of these assets and liabilities. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original term of the receivables.

Cash and cash equivalents

Cash and cash equivalents, comprise cash balances and call deposits, including bank deposits of less than three months maturity. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Loans and borrowings

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Determination of fair values

Certain of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. To the extent that they are receivable within 6 months, the carrying value is assumed to approximate fair value.

Derivatives

The fair value of forward contracts is based on their listed market price, if available.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

Financial risk management

The Group has exposure to the various risks from its use of financial instruments, mainly being:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The financial risks with which the Group is faced are managed by the Finance Manager, within parameters defined formally and regularly reviewed by the Board of Directors. Consistent with Group policy, the Group does not engage in speculative activity. Financial instruments, if required, are used to raise finance and to manage the financial risks resulting from the Group's operations. The main financial risks that the Group is exposed to from time to time include credit risk, liquidity risk and market risk. The Board reviews and agrees policies for managing these risks and these are summarised below.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Management oversees compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk.

Credit risk arises due to the Group's policy to extend credit terms to its customers. Group policy is that all customers are assigned credit limits, with all accounts also reviewed on a regular basis by the Group credit control function. Where credit defaults arise in relation to individual accounts, it is Group policy to provide in full for all impaired debts. In addition, credit risk results from the placement of Group funds with its banking counterparties. Group policy is to place excess funds on deposits with major banking groups only.

Guarantees

The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. It is Group policy to maintain, at all times, access to sufficient liquid resources capable of meeting all

foreseeable short-term financial obligations. At 31 March 2009 the Group had net cash balances of €373,138 (2008: €256,399).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk

In relation to transactional exposures, Group policy is to assess the use of forward foreign exchange contracts where appropriate to hedge cash flows denominated in foreign currencies, where these cash flows are deemed to be of sufficient magnitude to give rise to significant foreign currency risk.

Interest rate risk

Details of the Groups exposure to interest rate risk is set out in note 27. The Group has minimal borrowings therefore is not exposed to significant interest rate risk.

Capital management

The Group considered that its capital comprises of share capital, share premium and other reserves.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business as a going concern. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Adoption of new standards and interpretations

IFRIC 11 IFRS 2 – Group and Treasury Share Transactions and IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction were effective for the first time in the current financial year. Their implementation did not have a material impact on the financial statements.

Standards and interpretations not yet adopted

The following is a list of standards and interpretations (relevant to the Group) in issue and adopted by the EU, but which are not yet effective for the year ended 31 March 2009, and have not been applied in preparing these consolidated financial statements:

- IFRS 8 Operating Segments introduces the “management approach” to segment reporting. IFRS 8, which becomes mandatory for the Group's 2010 financial statements, will require the disclosure of segment information based on the internal reports regularly reviewed by the Group's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. Currently the Group presents segment information in respect of its geographical segments (see note 2). Management have not yet fully assessed the implications for the Group of this change.
- Revised IAS 23 Borrowing Costs removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised IAS 23 will become mandatory for the Group's 2010 consolidated financial statements and will constitute a change in accounting policy for the Group. In accordance with the transitional provisions, the Group will apply the revised IAS 23 to qualifying assets for which capitalisation of borrowing costs commences on or after the effective date. Therefore, there will be no impact on prior periods in the Group's 2010 consolidated financial statements.

- IFRIC 13 Customer Loyalty Programmes addresses the accounting by entities that operate, or otherwise participate in, customer loyalty programmes under which the customer can redeem credits for awards such as free or discounted goods or services. IFRIC 13, which becomes mandatory for the Group's 2010 consolidated financial statements, is not expected to have any impact on the consolidated financial statements.
- Revised IAS 1 Presentation of Financial Statements (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement), or in an income statement and a separate statement of comprehensive income. Revised IAS 1, which becomes mandatory for the Group's 2010 consolidated financial statements, is expected to have a significant impact on the presentation of the consolidated financial statements. The Group plans to provide total comprehensive income in a single statement of comprehensive income for its 2010 consolidated financial statements.

Notes forming part of the Financial Statements

1. Revenue

	2009	2008
	€	€
The entire revenue of the Group consists of manufacture and sale of hand held tools and accessories, including the new herbal vapouriser products.	4,911,314	4,723,006

2. Geographical information

The Group considers that it has only one business segment. Analysis of revenue, all of which is sourced in the Republic of Ireland, by geographical area of destination is as follows:

	2009	2008
	€	€
Ireland	94,820	57,893
United Kingdom	830,928	775,770
Rest of Europe	1,715,424	1,707,085
North America	1,666,151	1,519,337
Rest of World	603,991	662,921
	<u>4,911,314</u>	<u>4,723,006</u>

All of the Group's profits are earned, and all of its assets are maintained, and all cash is generated in the Republic of Ireland.

3. Operating costs

	2009	2008
	€	€
<i>Expenses by function</i>		
Cost of sales	3,056,056	3,053,433
Distribution costs	410,845	344,545
Administration costs	2,249,390	1,989,360
	<u>5,716,291</u>	<u>5,387,338</u>
<i>Expenses by nature</i>		
Raw materials recognised as an expense	1,129,714	1,023,300
Operating lease rentals – equipment	11,892	16,451
Auditors remuneration – audit related services	50,500	62,500
– other services	22,500	24,200
Amortisation of intangible assets	62,660	34,297
Depreciation of property, plant and equipment	333,447	394,329
Marketing costs	18,504	245,710
Amortisation of government capital grants	(4,114)	(4,114)
Foreign exchange (gain)/loss	(32,407)	100,768
Light and heating	133,194	–
Professional fees/consultancy	102,434	–
Repairs and renewals	134,788	–
Staff costs	2,751,911	2,498,418
Research and development costs	167,949	95,825
Other costs	833,319	895,654
	<u>5,716,291</u>	<u>5,387,338</u>

4. Other operating income

Other operating income represents development income and reimbursement of expenses in relation to a contract with a major international company of a heat (not burn) smoking device.

5. Finance income and expenses

	2009 €	2008 €
Finance income		
Fair value movement in derivatives	(397)	(15,516)
Finance expenses		
Interest on bank overdraft	8,432	5,914
Interest on finance lease	7,591	8,743
	<u>16,023</u>	<u>14,657</u>
Net finance expenses/(income)	<u>15,626</u>	<u>(859)</u>

All interest is dealt with in the income statement. No interest was capitalised during the year.

6. Employees and remuneration

The average number of persons employed by the Group (including executive directors) during the year, analysed by category, was as follows:

	2009 <i>Numbers</i>	2008 <i>Numbers</i>
Administration and management	10	11
Selling and distribution	4	2
Production	65	63
Research and development	2	2
	<u>81</u>	<u>78</u>

The aggregate payroll costs of these employees were as follows:

	2009 €	2008 €
Wages and salaries	2,477,763	2,280,902
Social welfare costs	204,457	155,822
Other pension costs	69,691	61,694
	<u>2,751,911</u>	<u>2,498,418</u>

7. Statutory and other information

Report on directors' remuneration:

	<i>Total</i>		<i>Salaries</i>		<i>Benefits in kind</i>		<i>Pension contributions</i>		<i>Fees</i>	
	2009 €	2008 €	2009 €	2008 €	2009 €	2008 €	2009 €	2008 €	2009 €	2008 €
Executive directors										
A.P. Oglesby	188,880	168,677	181,964	154,511	6,916	14,166	-	-	-	-
J.P. Oglesby	-	136,201	-	90,679	-	8,602	-	36,920	-	-
J. Oglesby	79,463	34,422	78,553	33,775	910	647	-	-	-	-
	<u>268,343</u>	<u>339,300</u>	<u>260,517</u>	<u>278,965</u>	<u>7,826</u>	<u>23,415</u>	<u>-</u>	<u>36,920</u>	<u>-</u>	<u>-</u>

Number of executive directors

2 3

	<i>Total</i>		<i>Benefits Salaries</i>		<i>Pension in kind</i>		<i>contributions</i>		<i>Fees</i>	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	€	€	€	€	€	€	€	€	€	€
Non-executive directors										
N.O. Dowling	27,571	27,571	20,950	20,950	–	–	–	–	6,261	6,261
T.P. Byrne	18,000	24,000	–	–	–	–	–	–	18,000	24,000
	<u>45,571</u>	<u>51,571</u>	<u>20,950</u>	<u>20,950</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>24,261</u>	<u>30,261</u>
Number of non-executive directors	2	2								

8. Income tax credit

<i>Analysis of credit in period</i>	2009	2008
	€	€
<i>Current tax:</i>		
Corporation tax on (losses)/profits for the year	–	–
Under provision in prior year	–	(2,087)
<i>Total current tax</i>	<u>–</u>	<u>(2,087)</u>
<i>Deferred tax:</i>		
Origination and reversal of temporary differences (note 20)	(216,557)	70,308
Under provision in prior year	–	3,536
<i>Total deferred tax</i>	<u>(216,557)</u>	<u>73,844</u>
Tax (charge)/credit on loss on ordinary activities	<u>(216,557)</u>	<u>71,757</u>

Factors affecting tax credit for year

The tax credit assessed for the year is different than the standard rate of corporation tax in the Republic of Ireland. The differences are explained below:

	2009	2008
	€	€
Loss before tax	<u>(535,120)</u>	<u>(313,907)</u>
Loss for year multiplied by the standard rate of tax of 12.5%	(66,890)	(39,238)
<i>Effects of:</i>		
Income not taxable for tax purposes	(55,332)	(45,806)
Expenses not allowable for tax purposes	7,667	17,799
Other differences	57,560	(3,063)
Under provision of current tax in prior year	–	2,087
Under provision of deferred tax in prior year	–	(3,536)
Unrecognised current year deferred tax asset	42,099	–
Release of prior period deferred tax asset	231,453	–
Total tax charge/(credit) for year	<u>216,557</u>	<u>(71,757)</u>

9. Dividends

The Group or Company has not paid any dividends during the year (2008: €Nil).

10. Loss per share

	2009	2008
	€	€
Loss attributable to ordinary shareholders	(751,677)	(242,150)
Weighted average number of ordinary shares in issue during the year	12,315,082	12,315,082
Basic loss per share	<u>(6.10c)</u>	<u>(1.97c)</u>
Fully diluted loss per share	<u>(6.10c)</u>	<u>(1.97c)</u>

The calculation of fully diluted loss per share is based on the loss attributable to ordinary shareholders of €751,677 (2008: €242,150) and the weighted average number of ordinary shares of 12,315,082 (2008: 12,315,082).

11. Intangible assets

	2009	2008
	€	€
Patents – Group		
<i>Cost</i>		
At beginning of year	1,154,183	1,089,480
Additions	99,024	64,703
At end of year	<u>1,253,207</u>	<u>1,154,183</u>
<i>Amortisation</i>		
At beginning of year	451,743	417,446
Charged during year	62,660	34,297
At end of year	<u>514,403</u>	<u>451,743</u>
Net book value		
At 31 March	<u>738,804</u>	<u>702,440</u>

12. Investment in subsidiaries

	2009	2008
	€	€
Company		
Shares at cost	1,327,515	1,327,515
Less: provisions for impairment in value	(254)	(254)
	<u>1,327,261</u>	<u>1,327,261</u>

In the opinion of the Directors, the value of the investments is at least equal to their carrying amount. Details of Group undertakings are set out in note 31.

13. Property, plant and equipment

	<i>Freehold land & buildings</i> €	<i>Plant equipment & motor vehicles</i> €	<i>Total</i> €
2009			
Group			
<i>Cost</i>			
At beginning of year	2,462,989	6,489,186	8,952,175
Additions	–	230,358	230,358
At end of year	<u>2,462,989</u>	<u>6,719,544</u>	<u>9,182,533</u>
<i>Depreciation</i>			
At beginning of year	341,472	5,311,972	5,653,444
Charged during year	40,574	292,873	333,447
At end of year	<u>382,046</u>	<u>5,604,845</u>	<u>5,986,891</u>
Net book value			
At 31 March 2009	<u>2,080,943</u>	<u>1,114,699</u>	<u>3,195,642</u>
At 31 March 2008	<u>2,121,517</u>	<u>1,177,214</u>	<u>3,298,731</u>
2008			
Group			
<i>Cost</i>			
At beginning of year	2,460,989	6,374,861	8,835,850
Additions	2,000	114,325	116,325
At end of year	<u>2,462,989</u>	<u>6,489,186</u>	<u>8,952,175</u>
<i>Depreciation</i>			
At beginning of year	305,085	4,954,030	5,259,115
Charged during year	36,387	357,942	394,329
At end of year	<u>341,472</u>	<u>5,311,972</u>	<u>5,653,444</u>
Net book value			
At 31 March 2008	<u>2,121,517</u>	<u>1,177,214</u>	<u>3,298,731</u>
At 31 March 2007	<u>2,155,904</u>	<u>1,420,831</u>	<u>3,576,735</u>

Security

At 31 March 2009 and 31 March 2008 a charge was registered over the Group's interest in land based in Carlow in relation to the overdraft facility in place of which balance was €Nil (2008: €136,652).

Other

The depreciable element of freehold land and buildings, namely buildings, amounted to €1,873,836 (2008: €1,908,223).

Assets held under finance leases, at cost less accumulated depreciation, included in plant equipment and motor vehicles, amounted to €388,777 (2008: €255,582). The depreciation charge during the year on such assets amounted to €46,532 (2008: €45,840).

14. Impairment of intangible and other fixed assets

Given the current economic climate and recent years operating results, it was deemed necessary to conduct a formal review on the carrying value of intangible assets, and property, plant and equipment, in accordance with IFRS.

An impairment loss is recognised for the amount, if any, by which an assets carrying amount exceeds its recoverable amount. The recoverable amount is based on the discounted present values of the future cash flows expected to arise from the cash generating unit to which the asset relates or from the individual asset or asset group. A cash generating unit is based on locations of assets within the Group.

The cash flow forecasts employed are extracted from the budget for 2010 and cash flows for the subsequent four years are projected based on a current assessment of anticipated market conditions over that period.

This involves making assumptions concerning growth and cost saving assumptions and also margins. Cash flows beyond this five year period are estimated, in accordance with IFRS, into perpetuity using a terminal growth rate of 2 per cent. The recoverable amount resulting from this exercise represents the present value of future cash flows, including terminal value, discounted at a weighted average cost of capital of 16.6 per cent.

Key assumptions used in the impairment tests are as follows:

Growth rates years 2 to 5: 1–2%

Terminal value growth rate 2%

Cost based synergies 1.5%

Discount rate (post tax) 16.6%

The impairment test described above did not result in an impairment charge in the current year.

The Group performed a sensitivity analysis review and any reasonable changes to the inputs would not give rise to material impairment losses.

15. Inventories

	2009	2008
	€	€
Group		
Finished goods	21,566	8,438
Work in progress	470,705	443,795
Raw materials	450,753	484,940
	<u>943,024</u>	<u>937,173</u>

The replacement cost of inventories is not considered to be materially different from the stated value. The total movement on inventories has been recognised in Operating Costs.

16. Trade and other receivables

	<i>Group</i>	
	2009	2008
	€	€
<i>Amounts falling due within one year:</i>		
Trade receivables	671,319	1,139,038
Less: provisions for trade receivables	<u>(75,358)</u>	<u>(67,049)</u>
	595,961	1,071,989
Prepayments	264,591	305,704
Other receivables	181,197	–
	<u>1,041,749</u>	<u>1,377,693</u>

	<i>Company</i>	
	2009	2008
	€	€
Amounts owed by group undertakings	3,196,207	3,145,416

The fair value of trade and other receivables is considered to equal the carrying value above. The Group's exposure to credit risk, currency risk and impairment losses related to trade and other receivables are disclosed in note 27.

Amount owed by group undertakings are interest free and repayable upon demand.

17. Trade and other payables

	<i>Group</i>		<i>Company</i>	
	2009	2008	2009	2008
	€	€	€	€
Trade creditors	472,923	484,892	–	–
Accruals	503,695	385,445	–	–
Inter-group payables	–	–	1,656,060	1,656,060
	<u>976,618</u>	<u>870,337</u>	<u>1,656,060</u>	<u>1,656,060</u>
	2009	2008	2009	2008
	€	€	€	€
<i>Total taxation and social welfare creditors included above</i>				
PAYE/PRSI	<u>33,392</u>	<u>26,199</u>	<u>–</u>	<u>–</u>

The carrying value of trade and other payables above approximate to their fair values. Inter-group payables are interest free and repayable upon demand.

18. Finance lease obligations

Finance lease liabilities are payable as follows:

	<i>Minimum lease payments</i>			<i>Minimum lease payments</i>		
	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>
	2009	2009	2008	2008	2008	2008
	€	€	€	€	€	€
Less than one year	100,011	11,568	88,443	49,843	4,515	45,328
Between one and five years	141,876	16,968	124,908	43,324	6,257	37,067
	<u>241,887</u>	<u>28,536</u>	<u>213,351</u>	<u>93,167</u>	<u>10,772</u>	<u>82,395</u>

19. Deferred government grants

	2009	2008
	€	€
Group		
<i>Received and receivable</i>	<u>524,484</u>	<u>524,484</u>
<i>Amortisation</i>		
At beginning of year	391,891	387,777
Released during year	4,114	4,114
At end of year	<u>396,005</u>	<u>391,891</u>
Net book value	<u>128,479</u>	<u>132,593</u>

20. Deferred taxation

Recognised deferred tax assets and liabilities

	Group			Group		
	Assets	Liabilities	Net (assets)/ liabilities	Assets	Liabilities	Net (assets)/ liabilities
	2009	2009	2009	2008	2008	2008
	€	€	€	€	€	€
Property, plant and equipment	–	241,018	241,018	–	255,914	255,914
Derivatives	–	1,695	1,695	–	1,695	1,695
Deferred government grants	–	–	–	(16,574)	–	(16,574)
Other payables	–	–	–	–	–	–
Other items	–	–	–	(10,304)	–	(10,304)
Tax value of losses	–	–	–	(204,575)	–	(204,575)
Tax (asset)/liability	–	242,713	242,713	(231,453)	257,609	26,156

Analysis of deferred tax liability – Group

	Balance at		Recognised in income	Balance at		Balance at
	1 April	31 March		1 April	31 March	
	2008	2009		2007	2008	
	€	€	€	€	€	€
Property, plant and equipment	255,914	(14,896)	241,018	279,426	(23,512)	255,914
Derivative	1,695	–	1,695	88	1,607	1,695
Deferred government grants	(16,574)	16,574	–	(17,088)	514	(16,574)
Other payables	–	–	–	(3,867)	3,867	–
Other items	(10,304)	10,304	–	(21,053)	10,749	(10,304)
Tax value of losses	(204,575)	204,575	–	(137,506)	(67,069)	(204,575)
Tax (asset)/liability	26,156	216,557	242,713	100,000	(73,844)	26,156

At 31 March 2008, the recognition of deferred tax assets was supported by budgets, profitability and cash flow forecasts which, at that date, supported the expectation that sufficient future taxable profits would be available against which the tax losses carried forward could be utilised.

On review of trading results during the year, and in particular trading results in recent months, together with the financial outlook for the Group for the next 12 months in the current economic climate, the Directors have not recognised any deferred tax assets at 31 March 2009.

21. Issued capital

	2009	2008
	€	€
Group and Company		
<i>Authorised</i>		
50,000,000 (2008: 50,000,000) ordinary shares of 12c each	6,000,000	6,000,000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of 12c each – 12,315,082 (2008: 12,315,082) ordinary shares	1,477,808	1,477,808

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the company.

22. Share premium account

	2009 €	2008 €
Group and Company		
At beginning and end of year	<u>1,066,503</u>	<u>1,066,503</u>

23. Reserves

Capital reserve

The capital reserve includes €84,530 of a non-distributable reserve set up by a Group undertaking, under the terms of a government grant agreement.

Capital redemption reserve fund

This reserve arose on the redemption of shares in the company in prior years.

Revaluation reserve fund

The revaluation reserve relates to the revaluation surplus arising on a revaluation of property, plant and equipment which took place on 31 March 1999. The freehold and long leasehold land and buildings were valued by independent valuers, Sothern Auctioneers Ltd. M.I.A.V.I. of 37 Dublin Street, Carlow, using an existing use open market basis. The valuation resulted in a surplus over book amount of €1,383,763 which was then credited to other reserves. An annual amount of €11,203 is transferred from revaluation reserve to retained earnings to take account of the amortisation of the revaluation surplus in line with depreciation on the revalued property.

24. Other reserves – Company

	<i>Capital redemption reserve</i> €	<i>Capital reserve</i> €	<i>Total</i> €
At beginning and end of year	50,903	85,885	136,788

25. Movement in retained earnings

	2009 €	2008 €
Group		
Balance at beginning of year	2,058,733	2,289,680
Loss for the year	(751,677)	(242,150)
Transfer from revaluation reserve	11,203	11,203
Balance at end of year	<u>1,318,259</u>	<u>2,058,733</u>
Company		
Balance at beginning and end of year	<u>186,309</u>	<u>186,309</u>

26. Analysis of funds/(debt)

	<i>At beginning of year</i>	<i>Non-cash movements</i>	<i>Cash flow</i>	<i>At end of year</i>
	€	€	€	€
Cash at bank and in hand	393,051	–	(19,913)	373,138
Bank overdraft	(136,652)	–	136,652	–
Cash and cash equivalents	256,399	–	116,739	373,138
<i>Obligations under finance leases:</i>				
due within one year	(45,328)	(93,356)	50,241	(88,443)
due after one year	(37,067)	(87,841)	–	(124,908)
	(82,395)	(181,197)	50,241	(213,351)
Net funds	174,004	(181,197)	166,980	159,787

27. Financial instruments

	<i>Derivatives at fair value</i>	<i>Loans & receivables</i>	<i>Liabilities at amortised cost</i>	<i>Total carrying amount</i>	<i>Fair value</i>
<i>Notes</i>	€	€	€	€	€
31 March 2009					
Trade receivables	16	–	671,319	–	671,319
Cash and cash equivalents	26	–	373,138	–	373,138
		–	1,044,457	–	1,044,457
Trade and other payables	17	–	–	(976,618)	(976,618)
Finance lease obligations	18	–	–	(213,351)	(209,718)
		–	–	(1,189,969)	(1,186,336)
31 March 2008					
Trade receivables	16	–	1,139,038	–	1,139,038
Derivative assets	27	13,556	–	–	13,556
Cash and cash equivalents	26	–	393,051	–	393,051
		13,556	1,532,089	–	1,545,645
Trade and other payables	17	–	–	(484,892)	(484,892)
Finance lease obligations	18	–	–	(82,395)	(80,335)
Bank overdraft	26	–	–	(136,652)	(136,652)
		–	–	(703,939)	(701,879)

Exposure to credit risk – Group

The carrying amount of financial assets, net of impairment provisions represents the Groups maximum exposure, as follows:

	<i>Carrying Amount</i>	
	2009	2008
	€	€
Trade debtors and other receivables (excluding prepayments)	777,158	1,071,989
Cash and cash equivalents	373,138	394,636
Derivative financial instruments	–	13,556
	1,150,296	1,480,181

Impairment losses – Group

The ageing of trade debtors was as follows:

	<i>Gross</i> 2009 €	<i>Impairment</i> 2009 €	<i>Gross</i> 2008 €	<i>Impairment</i> 2008 €
Not past due	348,441	–	698,972	–
<i>Past due:</i>				
0–30 days	154,586	–	182,589	1,455
30–60 days	41,078	–	28,711	12,034
+60 days	127,214	75,358	228,766	53,560
	<u>671,319</u>	<u>75,358</u>	<u>1,139,038</u>	<u>67,049</u>

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2009 €	2008 €
At 1 April	67,049	–
Utilised in the year	(12,642)	–
Charged to the income statement	20,951	67,049
At 31 March	<u>75,358</u>	<u>67,049</u>

A provision for impairment of trade receivables is established when there is evidence that the group will not be able to collect all assets due according to the original term of the receivables.

Liquidity risk

The following are the contractual maturities of financial liabilities:

Group

	<i>Carrying</i> <i>amount</i> €	<i>Contractual</i> <i>cash flows</i> €	<i>Less than</i> <i>1 year</i> €	<i>1–2 years</i> €	<i>2–5 years</i> €
31 March 2009					
<i>Non-derivative financial liabilities</i>					
Finance lease liabilities	213,351	241,887	100,011	89,108	52,768
Trade and other payables	946,863	946,863	946,863	–	–
	<u>1,160,214</u>	<u>1,188,750</u>	<u>1,046,874</u>	<u>89,108</u>	<u>52,768</u>
31 March 2008					
<i>Non-derivative financial liabilities</i>					
Finance lease liabilities	82,395	93,167	49,843	43,324	–
Trade and other payables	870,337	870,337	870,337	–	–
Bank overdraft	136,652	136,652	136,652	–	–
<i>Derivative financial instruments</i>					
Forward contracts:					
– inflow	(13,556)	(267,154)	(267,154)	–	–
– outflow	–	253,598	253,598	–	–
	<u>1,075,828</u>	<u>1,086,600</u>	<u>1,043,276</u>	<u>43,324</u>	<u>–</u>

Liquidity risk is reviewed and managed by the Directors at Board meetings where expected cash inflows are reviewed in comparison to expected cash outflows. At 31 March 2009 the Group has an agreed overdraft facility with its bankers of €300,000 and has cash reserves of €373,138 (2008: €256,399).

Interest rate risk profile of interest bearing financial assets and liabilities

The Group holds both interest bearing assets and interest bearing liabilities. In general, the approach employed by the Group to manage its interest exposure is to maintain the majority of its cash, short term bank deposits and interest bearing borrowings on floating rates. Rates are generally fixed for relatively short periods in order to match funding requirements while being able to benefit from opportunities due to movement in longer term rates.

At year-end, the interest rate profile of the Group's interest-bearing financial instruments was:

	<i>Rate</i> <i>31 March</i> <i>2009</i>	<i>Carrying</i> <i>amount</i> <i>2009</i> €	<i>Fair value</i> <i>2009</i> €	<i>Carrying</i> <i>amount</i> <i>2008</i> €	<i>Fair value</i> <i>2008</i> €
<i>Fixed rate instruments:</i>					
Finance lease liabilities	10.8%	(213,351)	(213,351)	(82,395)	(80,335)
Period for which fixed rate		2.43 years		2.29 years	
<i>Variable rate instruments:</i>					
Cash and cash equivalents	0.025%	373,138	373,138	393,051	393,051
Bank overdrafts	6.125%	–	–	(136,652)	(136,652)
		<u>586,489</u>	<u>586,489</u>	<u>256,399</u>	<u>256,399</u>

Group

Foreign currency risk

The following table sets out the Group's exposure to foreign currency risk at the balance sheet date:

	<i>2009</i>		<i>2008</i>	
	<i>Sterling</i> €	<i>U.S. Dollar</i> €	<i>Sterling</i> €	<i>U.S. Dollar</i> €
Trade receivables	58,232	224,634	204,275	314,634
Cash and cash equivalents	20,613	76,023	24,157	50,832
Trade payables	(36,602)	–	(25,344)	(2,421)
Derivatives	–	–	–	13,556
	<u>42,243</u>	<u>300,657</u>	<u>203,088</u>	<u>376,601</u>

The majority of Group sales are denominated in foreign currencies while the Group sources raw materials from Ireland and the UK. The Group's policy is to eliminate any net currency exposure on its purchases and sales through forward currency contracts as appropriate. The Group has no forward currency contracts in place at year end.

Sensitivity analysis

A 10 per cent. strengthening of the Euro against the U.S. Dollar and Sterling, based on outstanding assets and liabilities at 31 March 2009 would have decreased profits and equity by €24,664 (2008: €64,321). This analysis assumes that all other variables, including interest rates, remain constant. A 10 per cent. weakening is assumed to have an equal but opposite effect.

Forward currency contracts

The fair value of total recognised gains on foreign currency forward contracts calculated at the forward rate prevailing at the balance sheet date was €Nil (2008: €13,556). Forward currency contracts are marked to market using quoted exchange rates at the balance sheet date.

28. Financial commitments

Capital commitments

Capital expenditure commitments existing at the balance sheet date which was not provided for in the financial statements amounted to €Nil (2008:€Nil).

Currency commitments

Forward rate currency commitments to hedge sales at the balance sheet date were as follows:

<i>Currency</i>	<i>2009</i>		<i>2008</i>	
	<i>Amount</i>	<i>Weighted average Rates</i>	<i>Amount</i>	<i>Weighted average Rates</i>
US dollars	–	–	400,000	1.4985

Finance leases

There were no commitments at the balance sheet date in respect of finance leases which had been entered into but which commenced after the year ended (2008: €Nil).

Operating leases

Total commitments under non-cancellable operating leases in respect of plant, fixtures and motor vehicles were as follows:

	<i>2009</i>	<i>2008</i>
	€	€
<i>Due:</i>		
Within one year	11,892	11,892
Between two and five years	1,374	13,266
	<u>13,266</u>	<u>25,158</u>

29. Pensions

Pensions for employees arise from a defined contribution scheme. These pensions are funded through an external pension scheme for the sole benefit of qualifying employees or their dependants. The pension fund charge for the period was €69,691 (2008: €61,694) and outstanding contributions at the balance sheet date amounted to €Nil (2008: €3,204).

30. Contingent liabilities

The Group is, in the ordinary course of business, involved in certain litigious matters at year end. The Directors are confident that the Group has taken steps to minimise potential exposure, are vigorously defending the Groups position in such matters, and are confident that all matters are appropriately provided for at 31 March 2009.

31. Group undertakings

The following are the Group undertakings of Oglesby & Butler Group plc, all of which are included in the consolidated financial statements, and which are incorporated and operating in the Republic of Ireland unless otherwise stated.

<i>Name and registered office</i>	<i>Principal activity</i>	<i>Percentage held by:</i>	
		<i>Company</i>	<i>Group undertaking</i>
Oglesby & Butler Limited Industrial Estate, O'Brien Road, Carlow	Manufacture and distribution of power tools	100%	–
Oglesby & Butler Technology Limited Industrial Estate, O'Brien Road, Carlow	Patent licensing	100%	–
Oglesby & Butler Ireland Industrial Estate, O'Brien Road, Carlow	Investment holding	100%	–
Oglesby & Butler Investments Industrial Estate, O'Brien Road, Carlow	Investment holding	100%	–
Portagas Limited Industrial Estate, O'Brien Road, Carlow	Non-trading	–	100%
Portasol Inc. (United States of America) Corporation Trust Centre, 1209 Orange Street, Wilmington, New Castle, Delaware, U.S.A.	Non-trading	100%	–
Oglesby & Butler Research & Development Limited Industrial Estate, O'Brien Road, Carlow	Non-trading	100%	–

All shareholdings in Group undertakings consist of ordinary shares.

32. Related party transactions

Under IAS 24 *Related party disclosures*, the Group has a related party relationship with its key management. The Group and Company has defined its key management as its directors and senior managers. Details of the compensation of key management as set out below.

Key management remuneration including non-executives

	<i>2009</i>	<i>2008</i>
	<i>Number</i>	<i>Number</i>
Number of individuals	7	6
	€	€
Salaries and other short-term employee benefits charged to the income statement:		
Short-term employee benefits	631,908	508,941
Post employment benefits	1,450	36,920
	<u>633,358</u>	<u>545,861</u>
Comprising the following		
Directors	313,914	390,871
Other key management personnel	319,444	154,990
	<u>633,358</u>	<u>545,861</u>

SECTION C: INTERIM MANAGEMENT STATEMENT

Set out below is the text of the Interim Management Statement announced by Oglesby & Butler Group plc on 12 August 2010:

**“Oglesby & Butler Group plc
Interim Management Statement**

Dublin, 12 August 2010:

Oglesby & Butler Group plc (the ‘Group’) manufacturers and exporters of the Portasol gas-powered hand tools and consumer products is today issuing the following Interim Management Statement in line with the reporting requirements of the EU Transparency Directive.

REVENUE

As advised in the Annual Report for the period to 31 March 2010 new consumer products have contributed significantly to growth in Revenues for the year. This trend has continued and there has also been a recovery in sales of industrial products. As new consumer products had only just been launched they did not impact significantly on revenues reported for the first quarter to 30 June 2009. Revenues for the Quarter to 30 June 2010 which contain sales of consumer products and a recovery of sales of industrial products shows an increase of some 200 per cent. as compared to the same period last year. Research is on going with regard to alternative uses of our patented technology to be applied to additional consumer products and gas powered soldering and Agri. products. In this Quarter an additional 24 operatives were recruited bringing total employment to in excess of 100 people. The steps taken to strengthen the sales and marketing team have contributed significantly in ensuring the effective marketing and sales of all our products.

OUTLOOK

The Board is appreciative that there will continue to be uncertainty in the international markets in which we trade and that there is a threat of adverse currency fluctuations. Nevertheless we anticipate our products will be competitive and that the Group will continue to trade profitably.”

PART IX

ADDITIONAL INFORMATION

1. Responsibility

The directors of Oglesby & Butler, whose names appear in paragraph 2 of this Part IX of this document, accept responsibility for the information contained in this document, other than that relating to Grove Ventures, the directors of Grove Ventures and members of their immediate families, related trusts and persons connected with them and the directors of Oglesby & Butler take responsibility for the recommendation and related opinions of the Board of Oglesby & Butler. To the best of the knowledge and belief of the directors of Oglesby & Butler (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Grove Ventures, whose names appear in paragraph 2 of Part VII, accept responsibility for the information contained in this document relating to Grove Ventures, the directors of Grove Ventures, (solely in their capacity as such) and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of Grove Ventures (who have taken all reasonable care to ensure that such is the case), the information in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors and Registered Office

The names of the directors of Oglesby & Butler and their respective functions are as follows:

Nevin Dowling	Chairman
Peter Oglesby	Chief Executive Officer
Jacqueline Oglesby	Director

The registered office of Oglesby & Butler is Industrial Estate, O'Brien Road, Carlow.

3. Market Quotations

The following table shows the Closing Price of an Oglesby & Butler Share as derived from the Official List in each case on the first dealing day in each month from May inclusive, on 14 October 2010 (the last Business Day prior to the commencement of the Offer Period) and at the close of business on the Latest Practicable Date:

<i>Date</i>	<i>Closing Price of a Oglesby & Butler Share (€ cent)</i>
3 May 2010	19.0
1 June 2010	23.5
1 July 2010	27.0
2 August 2010	43.0
1 September 2010	35.0
1 October 2010	35.0
14 October 2010	35.0
8 November 2010 Latest Practicable Date	33.0

As the Convertible Loan Notes are not yet in issue and are not intended to become quoted, no market price quotations arise in relation to them.

4. Interests in Relevant Securities of Oglesby & Butler

4.1 At the close of business on the Latest Practicable Date, Grove Ventures did not have any interest in or hold a short position in any relevant securities of Oglesby & Butler.

4.2 The directors of Grove Ventures held the following interests (for the purposes of Part IV of the Companies Act 1990) in Oglesby & Butler Shares at the close of business on the Latest Practicable Date:

<i>Name</i>	<i>Number of Oglesby & Butler Shares</i>
Kevin Anderson	6,295,647
Thomas Anderson	105

At the close of business on the Latest Practicable Date, the directors of Grove Ventures did not hold a short position in any relevant securities of Oglesby & Butler.

4.3 At the close of business on the Latest Practicable Date, Davy Corporate Finance and persons controlling, controlled by or under the same control as Davy Corporate Finance had the following interests in relevant securities of Oglesby & Butler:

<i>Name</i>	<i>Number of Oglesby & Butler Shares</i>
J&E Davy (Discretionary clients)	40,000
J&E Davy (Own account)	41,407

At the close of business on the Latest Practicable Date, Davy Corporate Finance and persons controlling, controlled by or under the same control as Davy Corporate Finance did not hold a short position in any relevant securities of Oglesby & Butler.

4.4 At the close of business on the Latest Practicable Date, no partner or member of the professional staff of McEvoy Partners (legal advisers to Grove Ventures) professionally engaged in relation to the Acquisition or engaged in the affairs of Grove Ventures since incorporation had any interest in or held a short position in any relevant securities of Oglesby & Butler.

4.5 At the close of business on the Latest Practicable Date, no partner or member of the professional staff of Arthur Cox (legal advisers to Oglesby & Butler) actively engaged in relation to the Acquisition or otherwise customarily engaged in the affairs of Oglesby & Butler within the two years prior to 15 October 2010 had any interest in or held a short position in the relevant securities of Oglesby & Butler.

4.6 At the close of business on the Latest Practicable Date, no partner or member of the professional staff of KPMG (accountants to Oglesby & Butler) actively engaged in relation to the Acquisition or otherwise customarily engaged in the affairs of Oglesby & Butler within a period of two years prior to 15 October 2010 had any interest in or held a short position in the relevant securities of Oglesby & Butler.

4.7 At the close of business on the Latest Practicable Date, no partner or member of the professional staff of Knowles, O'Dowd, Carrig (accountants to Grove Ventures) professionally engaged in relation to the Acquisition or engaged in the affairs of Grove Ventures since incorporation had any interest in or held a short position in the relevant securities of Oglesby & Butler.

4.8 Save as disclosed in this document, at the close of business on the Latest Practicable Date, no director of Grove Ventures, nor any person or persons deemed or presumed to be acting in concert with Grove Ventures had any interest in or held a short position in the relevant securities of Oglesby & Butler, nor dealt for value in such securities during the Disclosure Period.

- 4.9 At the close of business on the Latest Practicable Date, persons who have irrevocably committed themselves to vote in favour of the Scheme had interests in the following relevant securities of Oglesby & Butler:

<i>Name</i>	<i>Number of Oglesby & Butler Shares</i>
Peter Oglesby	2,876,188
Kevin Anderson	6,295,647

At the close of business on the Latest Practicable Date, persons who have irrevocably committed themselves to vote in favour of the Scheme did not hold a short position in the relevant securities of Oglesby & Butler.

- 4.10 The directors of Oglesby & Butler held the following interests (for the purposes of Part IV of the Companies Act 1990) in relevant securities of Oglesby & Butler at the close of business on the Latest Practicable Date:

<i>Name</i>	<i>Number of Oglesby & Butler Shares</i>
Peter Oglesby	2,876,188
Jacqueline Oglesby*	9,000
Nevin Dowling**	210,000

* These shares held jointly with other relatives. Jacqueline Oglesby has the right to exercise the voting rights attaching to these shares.

** Shares held in Aurum Nominees Limited.

In addition Mr. John Bailey (Company Secretary) holds 22,530 Oglesby & Butler Shares.

At the close of business on the Latest Practicable Date, none of Peter Oglesby, Jacqueline Oglesby, Nevin Dowling or John Bailey held a short position in the relevant securities of Oglesby & Butler.

- 4.11 At the close of business on the Latest Practicable Date, Bloxham or persons controlling, controlled by or under the same control as Bloxham did not hold any interests in or a short position in the relevant securities of Oglesby & Butler.
- 4.12 Oglesby & Butler has not redeemed or purchased any of its relevant securities during the Disclosure Period.
- 4.13 At the Latest Practicable Date, no person with whom Grove Ventures or any person who is an associate of Grove Ventures by virtue of paragraphs (a) – (g) of the definition of associate in paragraph 6.7 below, has any Arrangement had any interest in or held a short position in any relevant securities of Oglesby & Butler during the Offer Period.
- 4.14 Except as disclosed in this paragraph 4 at the Latest Practicable Date:
- (a) no company which is an associate of Oglesby & Butler by virtue of paragraphs (a), (b) or (c) of the definition of “associate” in paragraph 6.7 below: nor
 - (b) any trustees of pension schemes (other than an industry-wide pension scheme) in which Oglesby & Butler or a subsidiary of Oglesby & Butler participates; nor
 - (c) any associate (within the meaning of any of paragraphs (d) or (e) of the definition of associate in paragraph 6.7 below, but excluding exempt market makers); nor
 - (d) any fund manager (other than an exempt fund manager) connected to Oglesby & Butler

had any interest in or held a short position in any of the relevant securities of Oglesby & Butler nor has any such persons dealt for value in the relevant securities of Oglesby & Butler during the Offer Period.

- 4.15 Except as disclosed in paragraph 4.9, at the Latest Practicable Date, no persons who provided an irrevocable commitment to vote in favour of the Scheme had any interest in the relevant securities of Oglesby & Butler nor dealt for value in such securities during the Disclosure Period.

5. Dealings in Relevant Securities of Oglesby & Butler

- 5.1 There were no dealings for value by Grove Ventures in relevant securities of Oglesby & Butler during the Disclosure Period.

- 5.2 Dealings for value in relevant securities of Oglesby & Butler by the directors of Grove Ventures during the Disclosure Period were as follows:

<i>Director</i>	<i>Date of Dealing</i>	<i>No. of Ordinary Shares</i>	<i>Transaction</i>	<i>Price paid (€ cent)</i>
Kevin Anderson	23/08/2010	2,344,685	Bought	31.0

- 5.3 No Directors of Oglesby & Butler dealt for value in relevant securities of Oglesby & Butler during the Disclosure Period.

- 5.4 Dealings for value in relevant securities of Oglesby & Butler by persons controlling, controlled by or under the same control as Davy Corporate Finance during the Disclosure Period were as follows:

Dealings by J&E Davy on behalf of discretionary clients

<i>Date of Dealing</i>	<i>No. of Ordinary Shares</i>	<i>Transaction</i>	<i>Price paid (€ cent)</i>
	NIL	NIL	NIL

Dealings by J&E Davy for own account

<i>Date of Dealing</i>	<i>No. of Ordinary Shares</i>	<i>Transaction</i>	<i>Price paid (€ cent)</i>
2/11/2009	1,000	Bought	11.0
2/11/2009	1,000	Bought	8.0
2/11/2009	1,000	Bought	6.0
2/11/2009	4,500	Bought	6.0
27/11/2009	35,000	Sold	12.0
27/11/2009	35,000	Sold	12.0
30/11/2009	1,000	Sold	13.5
27/04/2010	1,000	Sold	15.0
30/04/2010	1,000	Sold	19.0
5/05/2010	134	Bought	20.5
5/05/2010	134	Bought	20.5
5/05/2010	135	Bought	20.5
5/05/2010	135	Bought	20.5
13/05/2010	1,000	Bought	22.0
18/05/2010	1,000	Bought	26.0
18/05/2010	1,000	Bought	24.0
18/05/2010	2,000	Bought	25.0
27/05/2010	1,567	Bought	23.5
1/06/2010	10,720	Bought	23.5
1/06/2010	10,720	Bought	23.5
8/06/2010	269	Sold	26.5
8/06/2010	269	Sold	26.5
11/06/2010	1,000	Sold	27.0
11/06/2010	4,000	Sold	27.0
21/06/2010	5,000	Sold	27.0

<i>Date of Dealing</i>	<i>No. of Ordinary Shares</i>	<i>Transaction</i>	<i>Price paid (€ cent)</i>
21/06/2010	5,000	Sold	27.0
21/06/2010	5,000	Sold	27.0
2/07/2010	7,600	Bought	27.0
5/07/2010	1,600	Sold	30.5
13/07/2010	1,000	Sold	30.5
15/07/2010	1,000	Sold	36.5
16/07/2010	1,000	Sold	43.5
20/07/2010	20,000	Bought	45.0
20/07/2010	20,000	Bought	45.0
21/07/2010	1,000	Sold	48.0
21/07/2010	1,000	Sold	50.0
21/07/2010	5,000	Sold	45.0
2/08/2010	1,000	Bought	43.0
20/08/2010	1,000	Bought	36.0
24/08/2010	1,000	Bought	28.0
24/08/2010	1,000	Bought	26.0
24/08/2010	1,000	Sold	27.0
24/08/2010	30,000	Bought	29.0
24/08/2010	30,000	Bought	29.0

Except as disclosed above, entities controlled by or under the same control as Davy Corporate Finance have not dealt for value in relevant securities of Oglesby & Butler during the Disclosure Period.

- 5.5 As disclosed in 5.2 above, Mr. Kevin Anderson who has irrevocably committed to vote in favour of the Scheme, purchased 2,344,685 Oglesby & Butler Shares at a price of 31 cent per share on 23 August 2010. Except as disclosed in paragraph 5, there were no dealings for value in relevant securities of Oglesby & Butler by any persons who have irrevocably committed themselves to vote in favour of the Scheme during the Disclosure Period.
- 5.6 There were no dealings for value in relevant securities of Oglesby & Butler by any partner or member of the professional staff of McEvoy Partners (legal advisers to Grove Ventures) professionally engaged in relation to the Acquisition or engaged in the affairs of Grove Ventures since incorporation during the Disclosure Period.
- 5.7 There were no dealings for value in relevant securities of Oglesby & Butler by any partner or member of the professional staff of Arthur Cox (legal advisers to Oglesby & Butler) actively engaged in relation to the Acquisition or otherwise customarily engaged in the affairs of Oglesby & Butler within a period of two years prior to 15 October 2010 during the Disclosure Period.
- 5.8 There were no dealings for value in relevant securities of Oglesby & Butler by any partner or member of the professional staff of Knowles, O'Dowd, Carrig (Accountants to Grove Ventures) professionally engaged in relation to the Acquisition or engaged in the affairs of Grove Ventures since incorporation during the Disclosure Period.
- 5.9 There were no dealings for value in relevant securities of Oglesby & Butler by any partner or member of the professional staff of KPMG (Accountants to Oglesby & Butler) professionally engaged in relation to the Acquisition or engaged in the affairs of Oglesby & Butler within a period of two years prior to 15 October 2010 during the Disclosure Period.
- 5.10 During the Offer Period, there were no dealings for value by Bloxham or entities controlled by or under the same control as Bloxham in relevant securities of Oglesby & Butler during the Offer Period.

6. Interests in and dealings in Relevant Securities of Grove Ventures

6.1 The directors of Grove Ventures held the following interests (for the purposes of Part IV of the Companies Act 1990) in relevant securities of Grove Ventures at the close of business on the Latest Practicable Date:

<i>Name</i>	<i>Number of Grove Ventures Shares</i>
Kevin Anderson	3,016,411
Thomas Anderson	3,016,406

Neither Kevin Anderson nor Thomas Anderson held a short position in the relevant securities of Grove Ventures.

6.2 Except as disclosed in this document, no Director of Grove Ventures nor any person deemed or presumed to be acting in concert with Grove Ventures, nor any person who has given an irrevocable commitment to Grove Ventures or any of its associates (as defined in paragraph 6.7 below) had any interest in or held a short position in any relevant securities of Grove Ventures nor dealt for value on the relevant securities of Grove Ventures during the Disclosure Period.

6.3 Grove Ventures has not redeemed or purchased any of its relevant securities during the Disclosure Period.

6.4 As at the Latest Practicable Date, neither Oglesby & Butler, nor the directors of Oglesby & Butler, had any interest in or held a short position in any relevant securities of Grove Ventures nor has any such persons dealt for value in the relevant securities of Grove Ventures during the Disclosure Period.

6.5 As at the Latest Practicable Date:

- (a) no company which is an associate of Oglesby & Butler as defined in paragraph (a), (b) or (c) of the definition of “associate” in paragraph 6.7 below, nor
- (b) the trustees of a pension scheme (other than an industry-wide pension scheme) in which Oglesby & Butler or a subsidiary of Oglesby & Butler participates; nor
- (c) any associate (within the meaning of any of paragraphs (d) or (e) of the definition of ‘associate’ in the paragraph 6.7 below but excluding exempt market makers); nor
- (d) any person who has provided Oglesby & Butler or any of its associates with an irrevocable commitment; nor
- (e) any fund manager (other than exempt fund manager) connected with Oglesby & Butler had any interest in or held a short position in any relevant securities of Grove Ventures nor has any such persons dealt for value in the relevant securities of Grove Ventures during the Offer Period.

6.6 For the purposes of this section 6:

(A) relevant securities of Oglesby & Butler means:

- (a) Oglesby & Butler Ordinary Shares which are the subject of the Scheme and any other securities of Oglesby & Butler which confer voting rights;
- (b) equity share capital of Oglesby & Butler;
- (c) any securities or any other instrument of Oglesby & Butler conferring on their holders rights to convert into or to subscribe for new securities of any of the forgoing categories of security;

(B) relevant securities of Grove Ventures means:

- (a) equity share capital of Grove Ventures;

- (b) any securities of Grove Ventures which confer on their holders substantially the same rights as are conferred by any securities to be issued by Grove Ventures as a consideration under the Scheme;
- (c) any securities or any other instrument of Grove Ventures conferring on their holders rights to convert into or to subscribe for new securities of any of the forgoing categories of security;

(C) **relevant securities** means relevant securities of Oglesby & Butler or relevant securities of Grove Ventures, as appropriate.

6.7 For the purposes of this Part IX, a person shall be deemed to be an “associate” of Oglesby & Butler or Grove Ventures (as the case may be) if that person:

- (a) is the holding company, a subsidiary or a subsidiary of the holding company, of Grove Ventures or Oglesby & Butler;
- (b) is an associated company of Grove Ventures, of Oglesby & Butler or of an associate of Grove Ventures or Oglesby & Butler described in paragraph (a);
- (c) is a company of which Grove Ventures, Oglesby & Butler or an associate of Grove Ventures or Oglesby & Butler described in paragraph (a) or (b) is an associated company;
- (d) is a bank or a financial or other professional adviser (including a stockbroker) which is acting in relation to the Scheme for Grove Ventures or Oglesby & Butler or for an associate of Grove Ventures or Oglesby & Butler described in paragraph (a), (b) or (c) (not being a bank which is engaged only in the provision to Grove Ventures, Oglesby & Butler or such associate, as the case may be, of normal commercial banking services or in such activities in connection with the Scheme as handling acceptances and other registration work) provided that, in the case of an adviser which is a partnership, only those partners and professional staff who are actively engaged in relation to the Scheme or who are customarily engaged in the affairs of the relevant client or who have been engaged in those affairs within the period of two years prior to the commencement of the relative offer period shall be deemed to be associates of Grove Ventures or Oglesby & Butler (as the case may be);
- (e) is a person controlling, controlled by, or under the same control as, an associate of Grove Ventures or Oglesby & Butler described in paragraph (d);
- (f) is (i) a director of Grove Ventures, of Oglesby & Butler or of any associate of Grove Ventures or of Oglesby & Butler described in paragraph (a), (b) or (c); (ii) the spouse or a parent, brother, sister or child of any such director; (iii) a trustee of a trust (including a discretionary trust) of which any such director or any such member of his or her family is a beneficiary or a potential beneficiary; or (iv) a company controlled by any one or more of such directors, such members of their families and the trustees of all such trusts;
- (g) is a trustee of any pension scheme (other than an industry-wide scheme) in which Grove Ventures, Oglesby & Butler or any associate of Grove Ventures or Oglesby & Butler described in paragraph (a), (b) or (c) participates;
- (h) is a collective investment scheme or other person the investments of which Grove Ventures or Oglesby & Butler or any associate of Grove Ventures or Oglesby & Butler manages on a discretionary basis, in respect of the relevant investment accounts;
- (i) is interested, or together with one or more other persons acting in concert with him or her is interested in 5 per cent. or more of any class of relevant securities of Grove Ventures or Oglesby & Butler;
- (j) is a party to any indemnity or option arrangement, or any agreement or understanding, formal or informal, of whatever nature with Grove Ventures or with an associate of Grove Ventures,

relating to relevant securities which is or may be an inducement to deal or refrain from dealing in such securities or is a party to such an arrangement with Oglesby & Butler or with an associate of Oglesby & Butler in respect of relevant securities;

- (k) has a material business relationship with Grove Ventures or Oglesby & Butler; or
- (l) (not falling within paragraphs (a) to (k)) is interested or deals in relevant securities of Grove Ventures or Oglesby & Butler and has, in addition to his or her normal interest as an investor in securities, an interest or potential interest, whether commercial, financial or personal, in the outcome of the Scheme or possible offer concerned.

For the purposes of the paragraph 6.7, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status.

7. Material Contracts

7.1 *Oglesby & Butler*

Save as disclosed in this paragraph, Oglesby & Butler has not entered into any contracts (other than contracts entered into in the ordinary course of business) that are, or may be, material within the two years prior to the commencement of the Offer Period.

- (a) Implementation Agreement as described in paragraph 7.2(a) below.

7.2 *Grove Ventures*

Save as disclosed in this paragraph, Grove Ventures has not entered into any contracts (other than contracts entered into in the ordinary course of business) which are, or may be, material since incorporation:

- (a) *Implementation Agreement*

Oglesby & Butler and Grove Ventures entered into an implementation agreement on 15 October 2010 in relation to the Acquisition which governs their relationship during the period until the Acquisition becomes effective or lapses or is withdrawn or the agreement is otherwise terminated. The parties have agreed, amongst other things, to co-operate with regard to the process of implementing the Acquisition. The agreement contains certain assurances and confirmations between the parties (including terms regarding the conduct of business of the Oglesby & Butler Group pending completion of the Acquisition). Oglesby & Butler have provided certain warranties to Grove Ventures, the liability for which is limited to vouched third party costs and expenses reasonably incurred pursuant to the Scheme and the Acquisition which shall not exceed 1 per cent. of the value of the entire issued and to be issued share capital of the Company at €0.35 per share. The implementation agreement includes an undertaking from the Oglesby & Butler Group not to solicit, encourage, procure or otherwise seek any offer or agreement from any person with a view to any third party transaction. The Implementation Agreement terminates in certain circumstances, including:

- (i) the Company's board failing to unanimously recommend the Scheme and/or the Acquisition;
- (ii) the Scheme having been approved by the requisite majority at the Court Meeting;
- (iii) the Capital Reduction having been approved by the requisite majority at the EGM; or
- (iv) by a material breach of the implementation agreement by the Company.

- (b) *Convertible Loan Note Instrument*

On 15 October 2010 Grove Ventures entered into a convertible loan note instrument which constitutes the issue of the Convertible Loan Notes and the Ten Year Loan Notes (the terms of which are described in Part VI of this document).

(c) *Five Year Loan Note Instrument*

On 15 October 2010 the Company created a five year loan note instrument of an amount up to €1,192,126.95 to be repaid by the Company on the 31 January 2016 unless previously repaid, redeemed or repurchased which shall bear interest at 5 per cent. per annum. All sums due for payment of nominal value and interest due under the Five Year Loan Note Instrument shall be paid and discharged in full in priority to any payment, repayment, prepayment or redemption of the principal amount of the Ten Year Loan Notes. Save as set out herein, the notes to be issued pursuant to the Five Year Loan Note Instrument shall have the same terms and conditions as the Ten Year Loan Notes described in Part VI of this document.

8. Directors' Service Contracts

8.1 Details of the Directors' Service Contracts are as follows:

(a) *Jacqueline Oglesby*

Jacqueline Oglesby's contract of employment will expire on 31 March 2013. The fixed remuneration under this contract is €48,612 with an annual bonus of €37,740 which is payable in dividends by Oglesby & Butler Investments if circumstances permit. The variable remuneration is executive share options up to a level of 400,000 shares.

Jacqueline Oglesby's previous contract of employment, which was due to expire on 31 July 2011 had fixed remuneration of €48,612. The variable remuneration was dividends as declared from time to time by the Board of Oglesby & Butler Investments Limited, reviewable sales bonuses and executive share options up to a level of 400,000 shares.

(b) *Peter Oglesby*

Peter Oglesby's contract of employment will expire on 31 March 2013. The fixed remuneration is €66,681 and an annual bonus of a minimum of €108,022 which is payable in dividends by Oglesby & Butler Investments, if circumstances permit. His variable remuneration is executive share options up to a level of 400,000 shares.

Peter Oglesby's previous contract of employment, which was due to expire on 31 December 2011 had fixed remuneration of €60,610. His variable remuneration was dividends as declared from time to time by the Board of Oglesby & Butler Investments Limited and executive share options up to a level of 400,000 shares.

8.2 No proposal exists in connection with the Acquisition that any payment or other benefit shall be made or given by Grove Ventures to any director of Oglesby & Butler as compensation for loss of office or as consideration for or in connection with his retirement from office.

8.3 The total emoluments receivable by the current directors of Grove Ventures will not be affected as a result of the Acquisition.

9. Irish Taxation

The following is a general summary of the significant Irish tax considerations applicable to certain Irish holders in respect of the disposition of Oglesby & Butler Shares under the Acquisition. The comments are intended only as a general guide and do not constitute tax advice.

This summary is based on Irish taxation laws currently in force, regulations promulgated thereunder, proposals to amend any of the foregoing publicly announced prior to the date hereof, and the currently published administrative practices of the Irish Revenue Commissioners. Taxation laws are subject to change, from time to time, and no representation is or can be made as to whether such laws will change, or what impact, if any, such changes will have on the statements contained in this summary. No assurance is or can be given that legislative or judicial changes, or changes in administrative practice, will not modify or change the statements expressed herein. This summary is of a general nature only. It does not constitute tax or legal

advice and does not discuss all aspects of Irish taxation that may be relevant to a particular Irish holder of Oglesby & Butler Shares. **Holders of Oglesby & Butler Shares are advised to consult their own tax advisors with respect to the application of Irish taxation laws to their own particular circumstances in relation to the Scheme.**

This summary applies only to Oglesby & Butler Shareholders who hold their Oglesby & Butler Shares as investments (and not as securities to be realised in the course of a trade) and does not address special classes of holders of Oglesby & Butler Shares, including, but not limited to, dealers in securities, insurance companies, pension schemes, employee share ownership trusts, collective investment undertakings, charities, tax-exempt organisations, financial institutions, employees of Oglesby & Butler (or a connected company) and close companies, each of which may be subject to special rules not discussed below.

This section applies to holders of Oglesby & Butler Shares (“**Irish Holders**”) that (i) beneficially own the Oglesby & Butler Shares registered in their name; (ii) in the case of individual holders, are resident, ordinarily resident and domiciled in Ireland under Irish taxation laws; (iii) in the case of holders that are companies, are resident in Ireland under Irish taxation laws; and (iv) are not considered resident in any country other than Ireland for the purposes of any double taxation agreement entered into by Ireland.

Acceptance of Cash Consideration or Convertible Loan Note Alternative

Irish Holders who elect, under the Scheme, to dispose of their Oglesby & Butler Shares for cash or the Convertible Loan Note Alternative may depending on the particular circumstances of such Irish Holder (including the availability of exemptions, reliefs and allowable losses) be subject to Irish capital gains tax (**CGT**) (in the case of individuals) or Irish corporation tax on chargeable gains (in the case of companies) to the extent that the proceeds realised from such disposition exceed the indexed base cost (indexation may apply to increase the base cost of acquisitions of shares made prior to 1 January 2003) of the Oglesby & Butler Shares plus incidental selling expenses. The current rate of tax applicable to such chargeable gains is 25 per cent.

Irish Holders who are individuals are entitled to an annual exemption of €1,270, which may have the effect of reducing their CGT liability.

Irish Holders that realise a loss on the disposition of Oglesby & Butler Shares should generally be entitled to offset such capital losses against chargeable gains realised from other sources in determining their CGT or corporation tax liability in a year. Capital gains tax losses are restricted to the actual monetary loss suffered and would not be increased by an indexation allowances on the base cost of the shares. Capital losses that remain unrelieved in a year may generally be carried forward and applied against chargeable gains realised in future years.

Interest on the Convertible Loan Notes

The tax treatment of interest payable on the Convertible Loan Notes will depend on whether such interest can be recharacterised for Irish tax purposes as a distribution. Interest paid by a company in respect of securities convertible directly or indirectly into shares of the company can, unless certain conditions are met, be treated as a distribution out of the assets of the company.

In either case, Grove Ventures will, subject to the availability of certain exemptions, be required to withhold tax, at the standard rate of income tax (currently 20 per cent,) from interest payable on the Convertible Loan Note and Noteholders will, subject to the availability of various exemptions and credits, be subject (i) in the case of individuals, to income tax, levies and PRSI on the gross amount of interest received (i.e. the net amount received plus any withholding tax deducted at source) or (ii) in the case of body corporates, to corporation tax.

Future Conversion or Disposal of Convertible Loan Notes

The tax treatment of a future conversion or disposal by a Noteholder of his or her Convertible Loan Notes will depend on the facts and circumstances at the time of conversion or disposal. A gift or inheritance of the Convertible Loan Notes will, subject to certain exemptions and tax free thresholds give rise to a charge to Irish capital acquisitions tax.

Stamp Duty

No Irish stamp duty should be payable by a holder of Oglesby & Butler Shares on either the disposal of Oglesby & Butler Shares under the cash or Convertible Loan Note Alternative.

10. Material Changes

- 10.1 Save as disclosed in Section C of Part VIII of this document, the directors of Oglesby & Butler are not aware of any material change in the financial or trading position of Oglesby & Butler since 31 March 2010 (the date to which the last published audited accounts of Oglesby & Butler were prepared).
- 10.2 Save as disclosed in this document there has been no material change in the information previously published by Oglesby & Butler or Grove Ventures in connection with the Acquisition since the commencement of the Offer Period.

11. Consents

- 11.1 Davy Corporate Finance has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.
- 11.2 Bloxham Stockbrokers has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.
- 11.3 McEvoy Partners has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.
- 11.4 Arthur Cox has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.
- 11.5 KPMG has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.
- 11.6 Knowles, O'Dowd, Carrig has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.

12. Other Information

12.1 *Persons Deemed to Be Acting in Concert with Oglesby & Butler or Grove Ventures*

Each of the following persons and entities are regarded as acting in concert with Oglesby & Butler in connection with the Acquisition:

- (i) the directors of Oglesby & Butler;
- (ii) Bloxham Stockbrokers;
- (iii) KPMG;
- (iv) Partners and Members of the Professional Staff of Arthur Cox actively engaged in relation to the Scheme or otherwise customarily engaged in the affairs of Oglesby & Butler within a period of two years prior to 15 October 2010.

Each of the following persons and entities are regarded as acting in concert with Grove Ventures in connection with the Acquisition:

- (i) the directors of Grove Ventures;
- (ii) Davy Corporate Finance, a wholly-owned subsidiary of J&E Davy, trading as Davy;
- (iii) Knowles, O'Dowd, Carrig;

- (iv) Partners and Members of the Professional Staff of McEvoy Partners actively engaged in relation to the Scheme or otherwise customarily engaged in the affairs of Grove Ventures since incorporation.
- 12.2 Save as otherwise disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) having any connection with or dependence upon the Acquisition exists between Grove Ventures or any person acting in concert with Grove Ventures or any of its associates and any of the directors or recent directors, shareholders or recent shareholders or any persons interested in or recently interested in the relevant securities of Oglesby & Butler. In this 12.2, “**recent**” means within the Disclosure Period.
- 12.3 No agreement, arrangement or understanding exists whereby ownership of any Oglesby & Butler Shares acquired in pursuance of the Acquisition will be transferred to any other person, but Grove Ventures reserves the right to transfer any Oglesby & Butler Shares to any other member of the Grove Ventures Group, and the right to assign any such Oglesby & Butler Shares by way of security, or grant any other security interest over such Oglesby & Butler Shares in favour of any or all of the parties to any of the financial facilities described in paragraph 5 of Part A of Part VII (Information on Grove Ventures) of this document.
- 12.4 No Arrangement exists between Grove Ventures, or any person acting in concert with Grove Ventures, and any other person. So far as the directors of Grove Ventures and Davy Corporate Finance are aware, there are no Arrangements between other associates of Grove Ventures and any other person.
- 12.5 No Arrangement exists between Oglesby & Butler, or any person who is an associate of Oglesby & Butler (within the meaning of paragraphs (a) to (g) of the definition of associate in paragraph 6.7 of this Part IX of this document), and any other person. So far as the directors of Oglesby & Butler and Bloxham are aware, there are no Arrangements between other associates of Oglesby & Butler and any other person.
- 12.6 Each of Oglesby & Butler and Grove Ventures will pay its own expenses in connection with the Acquisition.

13. Documents Available for inspection

Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until the Effective Date at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2:

- 13.1 the announcement made on 15 October 2010 initiating the Offer Period;
- 13.2 this document dated 10 November 2010 and the Form of Election;
- 13.3 the memorandum and articles of association of Grove Ventures;
- 13.4 the memorandum and articles of association of Oglesby & Butler;
- 13.5 Oglesby & Butlers’ annual report and accounts for the year ended 31 March 2010;
- 13.6 Oglesby & Butlers’ annual report and accounts for the year ended 31 March 2009;
- 13.7 Copies of the Director’s Service Contracts set out in Paragraph 8 of Part IX;
- 13.8 the letter of valuation of the Convertible Loan Note Instrument from Davy Corporate Finance dated 9 November 2010;
- 13.9 Implementation Agreement, the details of which are set out in paragraph 6 of Part III;
- 13.10 Convertible Loan Note Instrument, the details of which are set out in Part VI;
- 13.11 Five Year Loan Note Instrument, the details of which are set out in paragraph 7 of Part IX;
- 13.12 the letters of consent referred to in paragraph 11 of this Part IX;
- 13.13 the irrevocable commitments described in paragraph 5 of Part II of this document.

PART X

FORM OF ELECTION

1. **Deadline for Completion of a Form of Election**

- 1.1 If you hold Scheme Shares and you wish to elect for the Convertible Loan Note Alternative you must complete and sign (in the presence of a witness) a WHITE Form of Election in accordance with the instructions printed thereon and return it to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, so as to be received by no later than 1.00 p.m. on 20 December 2010 or such later time (if any) to which the right to make an election may be extended.
- 1.2 If any WHITE Form of Election is either received after 1.00 p.m. on 20 December 2010 or such later time (if any) to which the right to make an election may be extended, or is received before such time and date but is not valid or complete in all respects at such time and date, such election shall, for all purposes, be void and the holder of Scheme Shares purporting to make such election shall receive the Cash Consideration upon the Scheme becoming effective and shall not, for any purpose, be entitled to receive any consideration under the Convertible Loan Note Alternative.
- 1.3 Without prejudice to any other provision of this Part X or the WHITE Form of Election or otherwise, Oglesby & Butler and Grove Ventures reserve the right in their absolute discretion to treat as valid in whole or in part any Form of Election which is not entirely in order.

2. **To Make a Convertible Loan Note Election**

- 2.1 Convertible Loan Note Elections will only be accepted in respect of all Scheme Shares which you hold. If you make a partial Election for the Convertible Loan Note Alternative in respect of some but not all of your Oglesby & Butler Shares, such Election will be invalid.
- 2.2 A Convertible Loan Note Election will be irrevocable once it has been made.
- 2.3 The number of Scheme Shares in respect of which a Convertible Loan Note Election is made represents all of the Scheme Shares held by a Scheme Shareholder, as consideration under the Scheme. Oglesby & Butler Shareholders should be aware that, if they buy or sell Oglesby & Butler Shares after having made a Convertible Loan Note Election, then the number of Oglesby & Butler Shares to which their Convertible Loan Note Election applies may be affected as set out below:
 - (a) If an Oglesby & Butler Shareholder makes a Convertible Loan Note Election in respect of all of their Oglesby & Butler Shares by writing "ALL" in the appropriate box on the WHITE Form of Election and, prior to the Scheme Record Time, they acquire additional Oglesby & Butler Shares or sell or otherwise transfer some of their Oglesby & Butler Shares, then their election will be treated as applying to all of the Oglesby & Butler Shares which they hold immediately prior to the Scheme Record Time, notwithstanding that such number of Oglesby & Butler Shares may be greater or less than the number of Oglesby & Butler Shares they held at the time they submitted their Form of Election.
- 2.4 *For Oglesby & Butler Shares in certificated form*
 - (a) Oglesby & Butler Shareholders who hold Scheme Shares in certificated form and wish to make a Convertible Loan Note Election must complete the WHITE Form of Election, in accordance with the instructions set out thereon and return it to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, so as to be received by no later than 1.00 p.m. on 20 December 2010 or such later time (if any) to which the right to make an election may be extended.

- (b) Oglesby & Butler Shareholders must check that the details in Section A of the Form of Election are correct (and, if their details have changed, update them where indicated).
- (c) Oglesby & Butler Shareholders wishing to receive Convertible Loan Notes must write “ALL” in the Box in Section 2.
- (d) Oglesby & Butler Shareholders must then (if they are an individual) sign Section D of the Form of Election in the presence of a witness who should also sign in accordance with the instructions printed on it. A company may affix its common seal in Section 3, which should be affixed and witnessed in accordance with its articles of association or other regulations.

2.5 *For Oglesby & Butler Shares in uncertificated form*

- (a) Oglesby & Butler Shareholders who hold Scheme Shares in uncertificated form through CREST and wish to elect for the Convertible Loan Note Alternative should send (or, if they are a CREST personal member, procure that their CREST sponsor sends) a transfer to escrow instruction (a “**TTE Instruction**”) to Euroclear.
- (b) The TTE Instruction must specify Computershare Investor Services (Ireland) Limited (in its capacity as a CREST participant under the participant ID referred to below) as the escrow agent, and must be sent as soon as possible and in event so as to be settled in CREST by no later than 1.00 p.m. on 20 December 2010 or such later time (if any) to which the right to make an election may be extended.
- (c) CREST personal members should refer to their CREST sponsor before taking any action. Their CREST sponsor will be able to confirm details of their participant ID and the member account ID under which their Oglesby & Butler Shares are held. In addition, only their CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to their Oglesby & Butler Shares.
- (d) The TTE Instruction must be properly authenticated in accordance with Euroclear’s specifications and must contain, in addition to the other information that is required for a TTE Instruction to settle in CREST, the following details:
 - (i) The number of Oglesby & Butler Shares to be transferred to an escrow balance. This is all of the Scheme Shares which you hold, in respect of which you wish to elect for the Convertible Loan Note Alternative.
 - (ii) Your member account ID.
 - (iii) Your participant ID.
 - (iv) The participant ID of the escrow agent, which is RA80.
 - (v) The member account ID of the escrow agent, which is GROVE.
 - (vi) The intended settlement date, which should be as soon as possible and in any event not later than 1.00 p.m. on 20 December 2010.
 - (vii) The corporate action ISIN number for the Acquisition, which is IE006575363.
 - (viii) The TTE Instruction should be inputted with CREST standard delivery instruction priority of 80.
 - (ix) A contact name and telephone number should be inserted in the shared note field.
- (e) After settlement of the TTE Instruction, Oglesby & Butler Shareholders will not be able to access the Oglesby & Butler Shares concerned in CREST for any transaction or for charging purposes. If the Scheme becomes effective in accordance with its terms, the entitlements of the Scheme Shareholders who have given a TTE Instruction will be disabled in CREST. Oglesby

& Butler Shareholders are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

- (f) Oglesby & Butler Shareholders should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. Oglesby & Butler Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST sponsor) to enable a TTE Instruction relating to their Oglesby & Butler Shares to settle prior to 1.00 p.m. on 20 December 2010. In this connection Oglesby & Butler Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (g) Please note that, if Oglesby & Butler Shareholders make a Convertible Loan Note Election in respect of Oglesby & Butler Shares which are held in CREST and fail to give the TTE Instruction to settle prior to 1.00 p.m. on 20 December 2010 in accordance with the instruction set out above, the Convertible Loan Note Election will to that extent be invalid and the relevant Oglesby & Butler Shareholders will receive the Cash Consideration as if they had not made a Convertible Loan Note Election.
- (h) If any Convertible Loan Note Election is received or where applicable, a TTE Instruction settles after 1.00 p.m. on 20 December 2010 or is received or settles before such time and date but is not valid or complete in all respects (save as described in paragraph 1.3 above) as at such time and date, such election shall, for all purposes, be void and the person purporting to make such election shall not be entitled to receive any Convertible Loan Notes under the Convertible Loan Note Alternative but will instead receive the Cash Consideration pursuant to the Scheme.

3. Overseas Shareholders

- 3.1 The availability of the Convertible Loan Note Alternative to Overseas Shareholders may be affected by the laws of jurisdictions other than the laws of Ireland. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.
- 3.2 The Convertible Loan Note Alternative will not be available in the Restricted Jurisdictions and Oglesby & Butler Shareholders will not be permitted to make an election for the Convertible Loan Note Alternative from any of the Restricted Jurisdictions. No Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be posted to an address in any of the Restricted Jurisdictions and no Oglesby & Butler Shareholder will be entitled to require Convertible Loan Notes to be registered in his/her name with an address in any of the Restricted Jurisdictions.
- 3.3 If the issue of Convertible Loan Notes to any Scheme Shareholder would or may infringe the laws of any jurisdiction outside Ireland or necessitate compliance with any registration or other special requirement, the Scheme provides that such Convertible Loan Notes will not be issued to the relevant Scheme Shareholder unless Grove Ventures otherwise agrees.
- 3.4 Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.
- 3.5 Any Convertible Loan Notes that may be issued pursuant to the Acquisition have not been and will not be registered under the relevant securities laws of any jurisdiction and any relevant clearances and registrations have not been and will not be obtained from the securities commission or regulator of any jurisdiction. No prospectus in relation to the Convertible Loan Notes has been, or will be, published, approved, by or lodged with, or registered with any securities commission or regulator of

any jurisdiction. Accordingly, unless otherwise determined by Grove Ventures and permitted by applicable law and regulation, the Convertible Loan Notes may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly in or into any Restricted Jurisdiction.

- 3.6 A Form of Election contained in an envelope postmarked in any Restricted Jurisdiction appearing to Grove Ventures or any of its agents to have been sent from any Restricted Jurisdiction or on behalf of a Restricted Overseas Person will not constitute a valid election for the Convertible Loan Note Alternative.

4. General

- 4.1 The instructions printed on or deemed incorporated in the WHITE Form of Election will be deemed to form part of the terms of the Scheme.
- 4.2 Oglesby & Butler Shareholders who hold Oglesby & Butler Shares in both certificated and uncertificated form must complete a WHITE Form of Election in relation to the certificated holding(s) only and make an electronic election in respect of all those Oglesby & Butler Share held in uncertificated form in accordance with the instructions contained in Paragraph 2.5 of this Part X.
- 4.3 Oglesby & Butler Shareholders should complete a separate WHITE Form of Election for Oglesby & Butler Shares held under different member account references within CREST and for Oglesby & Butler Shares held in certificated form but under different designations.
- 4.4 No acknowledgements of receipt of any WHITE Form of Election or other documents will be given. All communications, notices other documents and remittances to be delivered by or to or sent to or from holders of Scheme Shares (or their designated agent(s)) or as otherwise directed will be delivered by or to or sent to or from such holders of Scheme Shares (or their designated agents(s)) at their risk.
- 4.5 The WHITE Form of Election and all elections thereunder or pursuant thereto and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with the laws of Ireland and subject to the exclusive jurisdiction of the courts of Ireland, which exclusivity shall not limit the right to seek provisional or protective relief in the courts of another State during or after any substantive proceedings have been instituted in Ireland, nor shall it limit the right to bring enforcement proceedings in another State on foot of an Irish judgment. Execution by or on behalf of a holder of Scheme Shares of a Form of Election will constitute his submission, in relation to all matters arising out of or in connection with the Scheme and the WHITE Form of Election, to the jurisdiction of the courts of Ireland and his agreement that nothing shall limit the rights of Oglesby & Butler to bring any action, suit or proceeding arising out of or in connection with the Scheme and the WHITE Form of Election in any other manner permitted by law or in any court of competent jurisdiction.
- 4.6 If the Scheme does not become effective in accordance with its terms, any Election made shall cease to be valid.
- 4.7 All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from any Scheme Shareholders (or their designated agents) in respect of the Convertible Loan Note Alternative will be delivered by or sent to or from them (or their designated agents) at their own risk.
- 4.8 Neither Grove Ventures nor any of its respective advisers nor any person acting on its or their behalf shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of elections under the Convertible Loan Note Alternative on any of the bases set out in this Part X or otherwise in connection therewith.
- 4.9 If the Scheme does not become effective by 31 January 2011, the Registrars will (in relation to the Scheme Shares in respect of which Elections have been made) as soon as possible following that date: (i) return share certificates and/or other documents of title relating to such Scheme Shares by post (or

such other method as may be approved by the Panel); and (ii) give TTE Instructions to Euroclear to transfer all such Scheme Shares which are held in escrow balances and in relation to which it is the escrow agent for the purposes of the Scheme to the original stock accounts of the holders of Scheme Shares concerned. All documents sent to holders of Scheme Shares or their appointed agents in these circumstances will be sent at their own risk.

5. Helpline

If you have any questions relating to this document or the completion and return of the Forms of Proxy or the Form of Election or you require further copies of the Form of Election, please call Computershare Investor Services (Ireland) Limited, on 01 447 5503 between 8.30 a.m. and 5.30 p.m. Monday to Friday. Please note that calls to this number may be monitored or recorded and that Computershare Investor Services (Ireland) Limited cannot provide advice on the merits of the Scheme or the Acquisition or give any financial or tax advice.

APPENDIX I

ILLUSTRATIVE FINANCIAL EFFECTS OF ACCEPTANCE OF THE SCHEME

If the Acquisition is approved and the Scheme becomes effective Oglesby & Butler Shareholders will realise either (i) cash amounting to the Cash Consideration of 35 cent or (ii) one Convertible Loan Note, if validly elected, for each Oglesby & Butler Share held. The following tables set out for illustrative purposes only and on the basis set out below, the financial effects of acceptance of the Scheme on the capital position and the gross income for an accepting Oglesby & Butler Shareholder who holds 100 Oglesby & Butler Shares if the Scheme become effective.

(a) *Capital Position*

	<i>Acceptance of Cash Consideration (Note 1) €</i>	<i>Election of Convertible Loan Note Alternative (Note 2) €</i>
Cash Consideration for 100 Oglesby & Butler Shares	35.00	–
Estimated value of 100 Convertible Loan Notes (Note 3)	–	29.00
Total Consideration for 100 Oglesby & Butler Shares	35.00	29.00
Market value of 100 Oglesby & Butler Shares (Note 4)	35.00	35.00
Increase/(Decrease) in capital value	0.0	(6.00)
% Increase/(Decrease) in capital value	0.0%	(17.14)%

(b) *Gross Income Position (Note 5)*

	<i>Acceptance of Cash Consideration (Note 1) €</i>	<i>Election of Convertible Loan Note Alternative (Note 2) €</i>
Estimated gross income arising from reinvestment of the Cash Consideration from 100 Oglesby & Butler Shares (Note 6)	2.33	–
Gross income from 100 Convertible Loan Note (Note 7)	–	1.70
Total Estimated gross income	2.33	1.70
Estimated gross income from 100 Oglesby & Butler Shares (Note 8)	1.00	1.00
Increase in gross income	1.33	0.70
% Increase in gross income	133%	70.0%

Notes:

1. It is assumed that an Oglesby and Butler Shareholder validly receives the Cash Consideration under the Scheme and does not elect for the Convertible Loan Note Alternative.
2. It is assumed that a valid election is made under the Convertible Loan Note Alternative by an Oglesby & Butler Shareholder. It is also assumed that the holder subsequently serves a valid notice to convert the Convertible Loan Notes on or before 4 January 2011 and following this receives 100 Grove Venture ordinary shares of 1.0 cent each and 100 Ten Year Loan Notes of 34 cent nominal for the 100 Convertible Loan Notes held.
3. The value of the 100 Convertible Loan Notes is based on the estimated valuation by Davy Corporate Finance of each Convertible Loan Note as being not less than 29.0 cent per Convertible Loan Note, assuming the holder elects for conversion prior to 4 January 2011, as set out in paragraph 3 of Part II of this document.
4. The market value shown in respect of Oglesby & Butler Shares is based on 35 cent per Oglesby & Butler Share, the last dealt price on 14 October 2010 as shown in the Daily Official List of 14 October 2010, being the latest date prior to the commencement of the Offer Period on 15 October 2010.
5. It is assumed that the Cash Consideration is paid on 31 December 2010 and the Convertible Loan Notes are issued on and accrue interest from 31 December 2010.
6. The Cash Consideration proceeds are assumed to be re-invested so as to yield 6.66 per cent. per annum, being the gross redemption yield as quoted for the 4 year Irish Government Bond 4 per cent. January 2014 on 8 November 2010, the Latest Practicable Date.
7. The gross income from 100 Convertible Loan Notes is based on the aggregate coupon interest payable on these securities for a period of 1 year from 31 December 2010 (being the assumed date of issue of the Convertible Loan Notes) up to 31 December 2011 and assumes full conversion on 31 January 2011. Accordingly, this gross income assumes the holder receives aggregate coupon interest of:
 - 7.1 5 per cent. payable on 100 Convertible Loan Notes from the issue date (31 December 2010) up until 31 January 2011; and
 - 7.2 post conversion, a coupon of 5 per cent. on 100 Ten Year Loan Notes of 34 cent nominal each for a period of 11 months from 31 January 2011 until 31 December 2011.
8. The gross income from Oglesby and Butler Shares is based on the final dividend of 1.0 cent per Oglesby & Butler Share paid to Shareholders in respect of the financial year ended 31 March 2010. It is also assumed that such dividends are paid free of tax, which has been the case in relation to historic dividends paid by Oglesby & Butler.
9. No account has been taken of any potential liability to taxation.

PART XI

DEFINITIONS

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

“Acquisition”	the proposed acquisition by Grove Ventures of Oglesby & Butler by means of the Scheme as described in this document;
the “Act”	the Companies Act 1963 of Ireland, as amended from time to time;
“Andersons”	Mr Kevin Anderson and Mr. Thomas Anderson;
“Announcement”	the announcement of the Acquisition dated 15 October 2010;
“Arrangement”	any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature between two or more persons, relating to relevant securities of Grove Ventures or Oglesby & Butler which is or may be an inducement to one or more such persons to deal or refrain from dealing in such securities;
“Associate”	has the meaning given to it in paragraph 6.7 of Part IX of this document;
“Bloxham” or “Bloxham Stockbrokers”	Bloxham Stockbrokers, which is regulated by the Central Bank of Ireland under the Investment Intermediaries Act 1995;
“Board”	the board of directors of Oglesby & Butler or Grove Ventures, as the context requires;
“Business Day”	any day, other than a Saturday, Sunday or public or bank holiday, on which banks are generally open for business in Dublin and the Irish Stock Exchange is open for transaction of business;
“Cash Consideration”	the cash consideration of 35 cent per Oglesby & Butler Share payable to Oglesby & Butler Shareholders who do not elect for the Convertible Loan Note Alternative;
“CAT”	capital acquisitions tax;
“Central Bank of Ireland”	the Central Bank of Ireland established pursuant to the Central Bank Acts 1942 to 2010;
“CGT”	capital gains tax;
“certificated” or “in certificated form”	where a share or other security is not in uncertificated form (that is, not in CREST);
“Closing Price”	the closing price of an Oglesby & Butler Share as derived from the daily Official List of the Irish Stock Exchange;
“Companies Acts”	the Companies Acts 1963 to 2005, Parts 2 and 3 of the Investment Funds, Companies and Miscellaneous Provisions Act 2006 and the Companies (Amendment) Act 2009;
“Convertible Loan Notes”	The convertible unsecured loan note constituted by the Convertible Loan Note Instrument to be issued fully paid in amounts and integral multiples of €0.35 nominal value;

“Convertible Loan Note Alternative”	the alternative whereby Oglesby & Butler Shareholders may elect to receive a Convertible Loan Note instead of all of the Cash Consideration to which they would otherwise be entitled;
“Convertible Loan Note Instrument”	the instrument constituting the Convertible Loan Notes and the Ten Year Loan Notes;
“Convertible Loan Note Election”	an election for the Convertible Loan Note Alternative;
“Court Hearing”	the hearing or hearings by the High Court of the petition to sanction the Scheme, confirm the associated reduction of capital of Oglesby & Butler and grant the Court Order;
“Court Meeting”	the meeting of the Oglesby & Butler Shareholders (other than the Grove Ventures Shareholders) (and any adjournment thereof) convened by order of the High Court pursuant to Section 201 of the Act to consider and, if thought fit, approve the Scheme (with or without amendment);
“Court Order”	the order or orders of the High Court sanctioning the Scheme under Section 201 of the Act and confirming the reduction of share capital which forms part of it under Sections 72 and 74 of the Act;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Companies Act 1990 (Uncertificated Securities) Regulations, 1996 (SI No 68 of 1996) as from time to time amended;
“Davy”	Davy Corporate Finance;
“Directors of Oglesby & Butler” or “Oglesby & Butler Directors”	the board of directors of Oglesby & Butler Group plc;
“Directors of Grove Ventures” or “Grove Ventures Directors”	the board of directors of Grove Ventures plc;
“Disclosure Period”	the period commencing on 15 October 2009 and ending on the Latest Practicable Date;
“DWT”	Dividend Withholding Tax;
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms;
“Election”	election for the Convertible Loan Note by Oglesby & Butler Shareholders;
“Election Return Time”	1.00 p.m. on the day immediately preceding the Court hearing at which the parties will seek the Court Order;
“Euroclear”	Euroclear UK & Ireland Limited;
“euro” or “€” or “EUR” or “cent” or “c”	the currency unit of participating member states of the European Union as defined in Recital (2) of Council Regulation 974/98/EC on the introduction of the euro;
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Oglesby & Butler Shareholders to be convened in connection with the Scheme,

	expected to be held as soon as the preceding Court Meeting shall have been concluded or adjourned (and any adjournment thereof);
“Five Year Loan Note Instrument”	a five year loan note instrument created by Grove Ventures on 15 October 2010 of an amount up to €1,192,126.95 to be repaid by the Company on 31 January 2016 unless previously repaid, redeemed or repurchased;
“Form of Election”	the WHITE form of election under which Oglesby & Butler Shareholders can elect for the Convertible Loan Note Alternative to the Cash Consideration;
“Forms of Proxy”	the BLUE form of proxy for the Court Meeting, and the PINK form of proxy for the EGM, as the context may require;
“Grove Ventures”	Grove Ventures plc, a public limited company with registered number 490186;
“Grove Ventures Articles”	the articles of association of Grove Ventures;
“Grove Ventures Group”	Grove Ventures and its parent undertaking and its subsidiaries and subsidiary undertakings and any other subsidiary or subsidiary undertaking of its parent undertaking;
“Grove Ventures Ordinary Shares”	the ordinary shares of €0.01 each of Grove Ventures;
“Grove Ventures Shares”	Oglesby & Butler Shares of which Grove Ventures, the Offeror and any Associate of Grove Ventures, including Kevin Anderson and Thomas Anderson, is a beneficial owner;
“Grove Ventures Shareholders”	the holders of Grove Ventures Shares;
“Hearing Date”	the date on which the Court Order is made;
“High Court”	the High Court of Ireland;
“Implementation Agreement”	the implementation agreement entered into between Oglesby & Butler and Grove Ventures dated 15 October 2010, a summary of which is set out in paragraph 6 of Part III of this document;
“interest in a relevant security” or “interested in relevant securities”	means a person who has a long position in a relevant security, and a person who has a short position in a relevant security shall be deemed not to have an interest, nor to be interested, in that security, and “interests in” and “interested in” shall be construed accordingly;
“Ireland” or “Republic of Ireland”	Ireland excluding Northern Ireland and the word “Irish” shall be construed accordingly;
“Irish Holders”	holders of Oglesby & Butler Shares that (i) beneficially own the Oglesby & Butler Shares registered in their name; (ii) in the case of individual holders, are resident, ordinarily resident and domiciled in Ireland under Irish taxation laws; (iii) in the case of holders that are companies, are resident in Ireland under Irish taxation laws; and (iv) are not considered resident in any country other than Ireland for the purposes of any double taxation agreement entered into by Ireland;
“Irish Stock Exchange”	the Irish Stock Exchange Limited;

“Latest Practicable Date”	8 November 2010;
“Listing Rules”	the listing rules of the Irish Stock Exchange;
“Meetings”	the Court Meeting and the Extraordinary General Meeting;
“New Oglesby & Butler Shares”	the ordinary shares of EUR0.12 in the capital of Oglesby & Butler to be issued credited as fully paid up to Grove Ventures pursuant to the Scheme;
“Northern Ireland”	the counties of Antrim, Armagh, Derry, Down, Fermanagh and Tyrone on the island of Ireland;
“Offer Period”	the period commencing on 15 October 2010, the date of the Announcement, and ending on the earlier of the date on which the Scheme becomes effective and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide);
“Official List”	the Official List of the Irish Stock Exchange;
“Oglesby & Butler” or the “Company”	Oglesby & Butler Group plc;
“Oglesby & Butler Group” or the “Group”	Oglesby & Butler Group plc, its subsidiary and associated undertakings;
“Oglesby & Butler Shareholders” or “Shareholders”	holders of Oglesby & Butler Shares;
“Oglesby & Butler Share” or “Oglesby & Butler Shares”	shares in the share capital of Oglesby & Butler (each such Share comprising one ordinary share of €0.12);
“Overseas Shareholders”	persons resident in, or citizens of, jurisdictions outside Ireland;
“Panel”	the Irish Takeover Panel;
“Participant ID”	the identification code or membership number used in CREST to identify a particular member of CREST or other participant in CREST;
“person who has a long position in a relevant security”	<p>a person who, in respect of a relevant security, directly or indirectly:</p> <ul style="list-style-type: none"> (i) owns that security; or (ii) has the right or option to acquire that security or to call for its delivery; or (iii) is under an obligation to take delivery of that security; or (iv) has the right to exercise or control the exercise of the voting rights (if any) attaching to that security; or, <p>to the extent that none of paragraphs (i) to (iv) above applies to that person, if he or she:</p> <ul style="list-style-type: none"> (v) will be economically advantaged if the price of that security increases; or (vi) will be economically disadvantaged if the price of that security decreases,

irrespective of:

- (A) how any such ownership, right, option, obligation, advantage or disadvantage arises and including, for the avoidance of doubt and without limitation, where it arises by virtue of an agreement to purchase, option or derivative; and
- (B) whether any such ownership, right, option, obligation, advantage or disadvantage is absolute or conditional and, where applicable, whether it is in the money or otherwise;

provided that a person who has received an irrevocable commitment to accept an offer (or to procure that another person accept an offer) shall not, by virtue only of sub-paragraph (ii) or (iii) above, be treated as having an interest in the relevant securities that are the subject of the irrevocable commitment;

“person who has a short position in a relevant security”

means a person who, in respect of a relevant security, directly or indirectly:

- (i) has the right or option to dispose of that security or to put it to another person; or
- (ii) is under an obligation to deliver that security to another person; or
- (iii) is under an obligation either to permit another person to exercise the voting rights (if any) attaching to that security or to procure that such voting rights are exercised in accordance with the directions of another person, other than pursuant to an irrevocable undertaking given in connection with the Scheme and the Acquisition, or,

to the extent that none of sub-paragraphs (i) to (iii) above applies to that person, if he or she:

- (iv) will be economically advantaged if the price of that security decreases; or
- (v) will be economically disadvantaged if the price of that security increases,

irrespective of:

- (A) how any such right, option, obligation, advantage or disadvantage arises and including, for the avoidance of doubt and without limitation, where it arises by virtue of an agreement to sell, option or derivative; and
- (B) whether any such right, option, obligation, advantage or disadvantage is absolute or conditional and, where applicable, whether it is in the money or otherwise;

“Proposals”

the Scheme and other matters relevant thereto to be considered by Oglesby & Butler Shareholders at the Meetings;

“Receiving Agent”

Computershare Investor Services (Ireland) Limited;

“Registrars”

Computershare Investor Services (Ireland) Limited;

“Registrar of Companies”

the Registrar of Companies in Dublin, Ireland;

“Resolutions”	the resolutions to be proposed at the Meetings to give effect to the Scheme, which will be set out in full in the Notices of the Meetings contained in this document;
“Restricted Jurisdiction”	any jurisdiction in relation to which Oglesby & Butler or Grove Ventures (as the case may be) is advised that the release, publishing or distribution of this document or the Forms of Proxy or Form of Election or provision of a right to make an Election or the issue of the Convertible Loan Note in whole or in part would or might infringe the laws of that jurisdiction or would or might require compliance with any governmental or other consent or any registration or other formality that Oglesby & Butler or Grove Ventures (as the case may be) is unable to comply with or regards as unduly onerous to comply with;
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Section 201 of the Act and between Oglesby & Butler and the Oglesby & Butler Shareholders, subject to any addition, modification or condition which the Court may impose or the parties may agree, including and for the purpose of implementing the Acquisition;
“Scheme Document”	this document, dated 10 November 2010;
“Scheme Record Time”	5.00 p.m. on the day immediately preceding the Court hearing at which the parties will seek the Court Order;
“short position”	<p>means, in respect of a relevant security, directly or indirectly:</p> <ul style="list-style-type: none"> (i) the right or option to dispose of that security or to put it to another person; or (ii) the obligation to deliver that security to another person; or (iii) the obligation either to permit another person to exercise the voting rights (if any) attaching to that security or to procure that such voting rights are exercised in accordance with the directions of another person, other than pursuant to an irrevocable undertaking given in connection with the Scheme and the Acquisition, or, <p>to the extent that none of sub-paragraphs (i) to (iii) above applies to a person who such position, if he or she:</p> <ul style="list-style-type: none"> (iv) will be economically advantaged if the price of that security decreases; or (v) will be economically disadvantaged if the price of that security increases, <p>irrespective of:</p> <ul style="list-style-type: none"> (A) how any such right, option, obligation, advantage or disadvantage arises and including, for the avoidance of doubt and without limitation, where it arises by virtue of an agreement to sell, option or derivative; and (B) whether any such right, option, obligation, advantage or disadvantage is absolute or conditional and, where applicable, whether it is in the money or otherwise;

“Scheme Shares”	all Oglesby & Butler Shares ordinary shares in issue at the Scheme Record Time;
“Specified Shares”	the share or shares referred to in a Restriction Notice;
“Takeover Rules”	the Irish Takeover Panel Act 1997, Takeover Rules, 2007 (as amended);
“Ten Year Loan Note(s)”	Unsecured ten year loan notes(s) constituted pursuant to the Convertible Loan Note Instrument;
“TTE Instruction”	a transfer to escrow instruction (as defined in the CREST manual issued by Euroclear);
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and any other territory subject to its jurisdiction;
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share or security concerned as being in uncertificated form in CREST and title to which may be transferred by means of CREST;
“Voting Record Time”	6.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the time set for any such adjourned meeting.

All amounts contained within this document referred to by “€” and “c” refer to the euro and cent.

Any reference to any provision of any legislation shall include any provision in any legislation that amends, modifies, consolidates, re-enacts, extends or replaces the same.

Words importing the singular shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine or neutral gender.

All times referred to are Dublin times unless otherwise stated.

NOTICE OF COURT MEETING

IN THE HIGH COURT

2010 No. 606 COS

IN THE MATTER OF OGLESBY & BUTLER GROUP PLC

– and –

IN THE MATTER OF THE COMPANIES ACTS

NOTICE IS HEREBY GIVEN that by an Order dated 8 November 2010 made in the above matters, the High Court has directed a meeting to be convened of the holders of the Scheme Shares (as defined in the proposed scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement pursuant to Section 201 of the Companies Act 1963 proposed to be made between Oglesby & Butler Group plc (the “Company”) and the holders of the Scheme Shares (as defined in the said scheme of arrangement) and that such meeting will be held at The Royal Marine Hotel, Marine Road, Dun Laoghaire, County Dublin, Ireland on 3 December 2010, at 9.00 a.m. at which place and time all holders of the said shares are invited to attend.

A copy of the said scheme of arrangement and a copy of the explanatory statement required to be furnished pursuant to Section 202 of the above-mentioned Act are incorporated in the document of which this notice forms part.

Shareholders may vote in person at the said meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend, speak and vote in their stead. A BLUE Form of Proxy for use at the said meeting is enclosed with this Notice. Completion and return of a Form of Proxy will not preclude a shareholder from attending and voting in person at the said meeting, or any adjournment thereof, if that shareholder wishes to do so.

It is requested that forms appointing proxies be lodged with the Company’s Registrars, Computershare Investor Services (Ireland) Limited, at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 not less than 48 hours before the time appointed for the said meeting but if forms are not so lodged they may be handed to the Chairman of the meeting before the start of the meeting and will still be valid.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

Entitlement to attend and vote at the meeting, or any adjournment thereof, and the number of votes which may be cast thereat, will be determined by reference to the register of members of the Company at 6.00 p.m. on the day which is two days before the date of the meeting or in the event that this meeting is adjourned, in the register of members at 6.00 p.m. on the day which is two days before the date of the adjourned meeting. In each case, changes to the register of members of the Company after such time shall be disregarded.

By the said order, the High Court has appointed Nevin Dowling or, failing him, Peter Oglesby or, failing him, Jacqueline Oglesby, to act as Chairman of the said meeting and has directed the Chairman to report the result thereof to the High Court.

The said scheme of arrangement will be subject to the subsequent sanction of the High Court.

Dated: 10 November 2010

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2
Solicitors for the Company

Notes:

1. A member entitled to attend, speak, ask questions and vote is entitled to appoint one or more proxies to attend, speak, ask questions and vote on his or her behalf. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending, speaking, asking questions and voting at the meeting should the member subsequently wish to do so. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Should you wish to appoint more than one proxy, please read carefully the notes accompanying the Form of Proxy.
2. As a member, you have several ways to exercise your right to vote:
 - (a) By attending the Court Meeting in person;
 - (b) By appointing (either electronically or by returning a completed Form of Proxy) the Chairman or another person as a proxy to vote on your behalf;
 - (c) By appointing a proxy via the CREST System if you hold your shares in CREST.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members.

3. You may appoint the Chairman of the Company or another individual as your proxy. You may appoint a proxy by completing the enclosed BLUE Form of Proxy, making sure to sign and date the form at the bottom and return it to the Company's Registrars, Computershare Investor Services (Ireland) Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no later than 9.00 a.m. on 1 December 2010. If you are appointing someone other than the Chairman as your proxy, then you must fill in the name of your representative at the meeting in the space provided and delete the words "the Chairman of the meeting or" on the BLUE Form of Proxy. If you appoint the Chairman or another person as a proxy to vote on your behalf, please make sure to indicate how you wish your votes to be cast by ticking the relevant boxes on the Form of Proxy.

Alternatively, you may appoint a proxy or proxies electronically, by logging on the website of the Company's Registrars at www.computershare.com/ie/voting/ogli. You will be asked to provide your Shareholder Reference Number (SRN) and PIN and follow the instructions provided.

4. To be effective, the BLUE Form of Proxy together with any power of attorney or other authority under which it is executed, or a notarially certified copy thereof, must be deposited with the Registrar of the Company, Computershare Investor Services (Ireland) Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland not less than 48 hours before the time appointed for the holding of the meeting but if forms are not so lodged they may be handed to the Chairman of the meeting before the start of the meeting and will still be valid.
5. The Company, pursuant to Section 134A of the Companies Act, 1963 and Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996, specifies that only those shareholders registered in the register of members of the Company as at close of business on the day which is two days before the date of the meeting (or in the case of an adjournment as at close of business on the day which is two days before the adjourned meeting). Changes in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear UK & Ireland Limited ("EUI")'s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Registrars (Ireland) Limited by 9.00 a.m. on 1 December 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Registrars (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to produce that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996.

7. If you or a group of shareholders hold 3 per cent. or more of the issued share capital of the Company, you or the group of shareholders acting together have the right to put an item on the agenda of the Court Meeting. In order to exercise this right, written details of the item you wish to have included in the Court Meeting agenda together with a written explanation why you wish to have the item included in the agenda and evidence of your identity and shareholding must be received by the Company Secretary at Oglesby & Butler Group Plc, Industrial Estate, O'Brien Road, Carlow, Ireland or by email to JBailey@portasol.com.
8. If you or a group of shareholders hold 3 per cent. or more of the issued share capital of the Company, you or the group of shareholders acting together have the right to table a draft resolution for inclusion in the agenda of the Court Meeting subject to any contrary provision in company law. In order to exercise this right, the full text of the draft resolution and the agenda item to which it relates (or, if supporting a draft resolution tabled by another shareholder, clearly identifying the draft resolution and agenda item which is being supported) and evidence of your identity and shareholding must be received in advance of the Court Meeting by post to the Company Secretary at Oglesby & Butler Group Plc, Industrial Estate, O'Brien Road, Carlow, Ireland or by email to JBailey@portasol.com. A draft resolution cannot be included in the Court Meeting agenda unless the above requirements are complied with and received at either of these addresses by this deadline. Furthermore, shareholders are reminded that there are provisions in company law which impose other conditions on the right of shareholders to propose resolutions at the general meeting of a company.
9. Pursuant to section 134C of the Companies Act 1963, shareholders have a right to ask questions related to items on the Court Meeting agenda and to have such questions answered by the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders. An answer is not required if (a) an answer has already been given on the Company's website in the form of a "Q&A" or (b) it would interfere unduly with preparation for the meeting or the confidentiality or business interests of the Company or (c) it appears to the Chairman that it is undesirable in the interests of good order of the meeting that the question be answered.

If you wish to submit a question in advance of the Court Meeting, please send your question(s) in writing with evidence of your identity and shareholding to be received no later than 5 days in advance of the Court Meeting by post to the Company Secretary at Oglesby & Butler Group Plc, Industrial Estate, O'Brien Road, Carlow, Ireland or by email to JBailey@portasol.com.

10. This Court Meeting notice, details of the total number of shares and voting rights at the date of giving this notice, the documents to be submitted to the meeting, copies of any draft resolutions and copies of the forms to be used to vote by proxy are available on the Company's website at www.portasol.com.

Should you not receive a BLUE Form of Proxy, or should you wish to be sent copies of the documents to be tabled to the meeting, you may request this by telephoning the Company's Registrars on + 353 1 447 5503 or by writing to the Company Secretary at the address set out above.

NOTICE OF EXTRAORDINARY GENERAL MEETING

OF

OGLESBY & BUTLER GROUP PLC

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of Oglesby & Butler Group plc (the “**Company**”) will be held at The Royal Marine Hotel, Marine Road, Dun Laoghaire, Co. Dublin, Ireland on 3 December 2010 at 9.30 a.m. (or as soon thereafter as the Court Meeting (as defined in the document of which this Notice forms part) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1 and 2 will be proposed as special resolutions and resolution 3 as an ordinary resolution:

1. Special Resolution: To approve the Scheme of Arrangement

THAT, subject to approval by the requisite majorities at the Court Meeting of the scheme of arrangement dated 10 November 2010 between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman thereof in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court (the “**Scheme**”) be approved and the directors of the Company be authorised to take all such action as they consider necessary or appropriate for carrying the Scheme into effect.

2. Special Resolution: Cancellation of Scheme Shares

Subject to the passing of Resolution 1 and the confirmation of the High Court pursuant to section 72 of the Companies Act 1963, the issued share capital of the Company be reduced by cancelling and extinguishing all the Scheme Shares but not thereby reducing the authorised share capital of the Company.

3. Ordinary Resolution: Directors’ authority to allot securities and paying up reserves

Subject to and forthwith upon the reduction of capital referred to in resolution number 2 above taking effect:

- 3.1 the directors of the Company be and are hereby generally authorised pursuant to and in accordance with Section 20 of the Companies (Amendment) Act 1983 to give effect to this resolution and accordingly to effect the allotment of the new ordinary shares referred to in paragraph 3.2 below provided that (i) this authority shall expire on 31 March 2011, (ii) the maximum aggregate nominal amount of shares which may be allotted hereunder shall be €1,600,000 and (iii) this authority shall be without prejudice to any other authority under the said Section 20 previously granted before the date on which this resolution is passed; and
- 3.2 the reserve credit arising in the books of account of the Company as a result of the cancellation of the Scheme Shares be applied in paying up in full at par such number of new ordinary shares of €0.12 each as shall be equal to the aggregate of the number of Scheme Shares (as defined in the Scheme) cancelled pursuant to Resolution 2 above, such new ordinary shares to be allotted and issued to Grove Ventures and/or its nominee(s) credited as fully paid up and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever.

Oglesby & Butler Group plc
Industrial Estate
O’Brien Road
Carlow

By order of the Board
John Bailey
Company Secretary

Dated: 10 November 2010

Notes:

1. A member entitled to attend, speak, ask questions and vote is entitled to appoint one or more proxies to attend, speak, ask questions and vote on his or her behalf. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending, speaking, asking questions and voting at the meeting should the member subsequently wish to do so. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Should you wish to appoint more than one proxy, please read carefully the notes accompanying the Form of Proxy.
2. As a member, you have several ways to exercise your right to vote:
 - (d) By attending the extraordinary general meeting (“EGM”) in person;
 - (e) By appointing (either electronically or by returning a completed Form of Proxy) the Chairman or another person as a proxy to vote on your behalf;
 - (f) By appointing a proxy via the CREST System if you hold your shares in CREST.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members.

3. You may appoint the Chairman of the Company or another individual as your proxy. You may appoint a proxy by completing the enclosed PINK Form of Proxy, making sure to sign and date the form at the bottom and return it to the Company’s Registrars, Computershare Investor Services (Ireland) Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no later than 9.30 a.m. on 1 December 2010. If you are appointing someone other than the Chairman as your proxy, then you must fill in the name of your representative at the meeting in the space provided and delete the words “the Chairman of the meeting or” on the PINK Form of Proxy. If you appoint the Chairman or another person as a proxy to vote on your behalf, please make sure to indicate how you wish your votes to be cast by ticking the relevant boxes on the Form of Proxy.

Alternatively, you may appoint a proxy or proxies electronically, by logging on the website of the Company’s Registrars at www.computershare.com/ie/voting/ogli. You will be asked to provide your Shareholder Reference Number (SRN) and PIN and follow the instructions provided.

4. To be effective, the PINK Form of Proxy together with any power of attorney or other authority under which it is executed, or a notarially certified copy thereof, must be deposited with the Registrar of the Company, Computershare Investor Services (Ireland) Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland not less than 48 hours before the time appointed for the holding of the meeting.
5. The Company, pursuant to Section 134A of the Companies Act, 1963 and Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996, specifies that only those shareholders registered in the register of members of the Company as at close of business on the day which is two days before the date of the meeting (or in the case of an adjournment as at close of business on the day which is two days before the adjourned meeting). Changes in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the EGM and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear UK & Ireland Limited (“EUI”)’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Registrars (Ireland) Limited by 9.30 a.m. on 1 December 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Registrars (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to produce that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996.
7. If you or a group of shareholders hold 3 per cent. or more of the issued share capital of the Company, you or the group of shareholders acting together have the right to put an item on the agenda of the EGM. In order to exercise this right, written details

of the item you wish to have included in the EGM agenda together with a written explanation why you wish to have the item included in the agenda and evidence of your identity and shareholding must be received by the Company Secretary at Oglesby & Butler Group Plc, Industrial Estate, O'Brien Road, Carlow, Ireland or by email to JBailey@portasol.com.

8. If you or a group of shareholders hold 3 per cent. or more of the issued share capital of the Company, you or the group of shareholders acting together have the right to table a draft resolution for inclusion in the agenda of the EGM subject to any contrary provision in company law. In order to exercise this right, the full text of the draft resolution and the agenda item to which it relates (or, if supporting a draft resolution tabled by another shareholder, clearly identifying the draft resolution and agenda item which is being supported) and evidence of your identity and shareholding must be received in advance of the EGM by post to the Company Secretary at Oglesby & Butler Group Plc, Industrial Estate, O'Brien Road, Carlow, Ireland or by email to JBailey@portasol.com. A draft resolution cannot be included in the EGM agenda unless the above requirements are complied with and received at either of these addresses by this deadline. Furthermore, shareholders are reminded that there are provisions in company law which impose other conditions on the right of shareholders to propose resolutions at the general meeting of a company.
9. Pursuant to section 134C of the Companies Act 1963, shareholders have a right to ask questions related to items on the EGM agenda and to have such questions answered by the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders. An answer is not required if (a) an answer has already been given on the Company's website in the form of a "Q&A" or (b) it would interfere unduly with preparation for the meeting or the confidentiality or business interests of the Company or (c) it appears to the Chairman that it is undesirable in the interests of good order of the meeting that the question be answered.

If you wish to submit a question in advance of the EGM, please send your question(s) in writing with evidence of your identity and shareholding to be received no later than 5 days in advance of the EGM by post to the Company Secretary at Oglesby & Butler Group Plc, Industrial Estate, O'Brien Road, Carlow, Ireland or by email to JBailey@portasol.com.

10. This EGM notice, details of the total number of shares and voting rights at the date of giving this notice, the documents to be submitted to the meeting, copies of any draft resolutions and copies of the forms to be used to vote by proxy are available on the Company's website at www.portasol.com.

Should you not receive a PINK Form of Proxy, or should you wish to be sent copies of the documents to be tabled to the meeting, you may request this by telephoning the Company's Registrars on + 353 1 447 5503 or by writing to the Company Secretary at the address set out above.

