The proposed 1 for 100 consolidation of ESV Group Plc ordinary shares was approved by shareholders at our AGM last Tuesday 5 October 2010.

The purpose of the share consolidation, which is in line with the actions taken by a number of other companies, was to reduce the total number of shares in issue and to increase the price of the Company's shares to a figure more appropriate for a listed company of its size and nature in the UK market.

Frequently Asked Questions

Q: Why did you seek a share consolidation?

A: The Company has a large number of shares in issue. The purpose of the proposed consolidation was to reduce the total number of ESV Group shares in issue and to increase the price of each ESV Group share to a figure more appropriate for a company of its size and nature in the UK market.

Q: Did shareholders approve the consolidation?

A: The share consolidation was approved by shareholders at the Annual General Meeting on 5 October 2010.

Q: Why did you undertake a consolidation now?

A: The AGM is a natural point for us to undertake the share consolidation as it minimises costs and administration burden.

Q: Why have you chosen the 1 for 100 ratio?

A: There is no right or wrong answer when choosing a share consolidation ratio. However, a 1 for 100 ratio, based on the current share price, implies a post-consolidation price of share price x 100, which is very comfortably in the range of 2p – 25p. We do not wish to have to make another change soon.

Q: How many ordinary shares are in issue now?

A: Post consolidation, there are 7,141,232.

Q: What is the new nominal share value?

A: The nominal value of our shares is 2.3p.

Q: *What happens if the number of shares a shareholder owned was not divisible by 100?*

A: If a shareholding was not exactly divisible by 100, the consolidation generated an entitlement to a fraction of a new 2.3p ordinary share. Any fractional entitlements so arising are sold in the market on behalf of the shareholder so entitled, save that where the net proceeds are less than five pounds (£5) per entitled shareholder, the net proceeds of such sale are retained for the benefit of the company.

Q: *Does this change shareholders' rights in any way?*

A: Each shareholder's proportionate interest in ESV Group's issued ordinary share capital will remain unchanged as a result of the consolidation (save for fractional entitlements). Aside from the change in nominal value, each new 2.3p ordinary share will have the same rights (including voting and dividend rights and rights on a return of capital) as each existing ordinary share has at the moment.

Q: *Will shareholders get new share certificates to reflect the consolidation?*

A: Yes. New share certificates to replace existing certificates will be issued within 10 business days. Old share certificates showing a nominal value of 0.023p should be destroyed.

Q: Has the ISIN changed?

A: Yes. The Existing Ordinary Shares (existing ISIN: GB00B1B44K59) have been consolidated on a 1 for 100 basis into New Ordinary Shares under the new ISIN code GB00B3QBP793.

Q: Why was a Prospectus not issued?

A: A prospectus is not required to be published pursuant to the Financial Services and Markets Act 2000 in connection with the Share Consolidation. The New Ordinary Shares will be issued in substitution for the Existing Ordinary Shares already listed on the PLUS Market, and there will be no increase in the issued share capital of the Company as a result of the Share Consolidation.

Q: What was the date that the newly consolidated shares were admitted to trading?

A: 6 October 2010.