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The Directors and the Proposed Directors, whose names and addresses are set out on page 3 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

If you have sold or transferred all your existing Ordinary Shares please send this document and the accompanying form of proxy to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This document, which is an Admission Document in relation to AIM, does not comprise a prospectus in accordance with the Public Offers of Securities Regulations 1995 ("POS Regulations"). This document has been drawn up in accordance with the POS Regulations as required by the AIM Rules.

Copies of this document will be available free of charge at the offices of Granville Baird, Mint House, 77 Mansell Street, London E1 8AF from the date of this document until 14 days from the time and date on which Admission takes place, which is expected to be on 22 December, 2000.



(incorporated in England and Wales under the Companies Act 1985 with Registered No. 2967020)

**Proposed Acquisition of
FIRST PROPERTY ONLINE LIMITED
and
Proposed change of Company name to
First Property Online plc
and
Admission to AIM**

**Nominated Adviser and Nominated Broker
GRANVILLE BAIRD LIMITED**

Application will be made for the whole of the issued Ordinary Share capital of The Hansom Group PLC, as enlarged by the Acquisition, to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk than that associated with established companies tends to be attached. A prospective investor should be aware of the potential risks in investing in such companies and should make the decision to invest only after careful consideration and consultation with his or her own independent financial adviser.

The Rules of AIM are less demanding than those of the Official List. It is emphasised that no application is being made for admission of these securities to the Official List. Further, neither the London Stock Exchange plc nor the UK Listing Authority have approved the contents of this document.

A notice convening an Extraordinary General Meeting of The Hansom Group PLC to be held at the offices of Abbot Group plc, Minto Drive, Altens, Aberdeen AB12 3LW at 10.00 a.m. on 21 December, 2000 is set out at the end of this document. The enclosed form of proxy for use at the Extraordinary General Meeting should be completed and returned to Capita IRG PLC, Balfour House, 390/398 High Road, Ilford, Essex IG1 1BR as soon as possible and to be valid must arrive not less than 48 hours before the time fixed for the Extraordinary General Meeting.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of proxies for the Extraordinary General Meeting	10.00 a.m. 19 December, 2000
Extraordinary General Meeting	10.00 a.m. 21 December, 2000
Trading on AIM commences in the enlarged issued share capital of the Company	22 December, 2000

DIRECTORS, SECRETARY AND ADVISERS

Directors:	Alasdair James Dougall Locke, Non-Executive Chairman John Arthur Warwick, Finance Director Adrian Matthew Palmer, Non-Executive Director All of 3 Colmore Circus, Birmingham B4 6BH
Proposed Directors:	Benyamin ("Ben") Naeem Habib, Chief Executive Jeremy Charles Phillips, Finance Director Both of 51 St. George's Drive, London SW1V 4DE
Company Secretary and Registered Office:	Alec William James Banyard 3 Colmore Circus Birmingham, B4 6BH
Nominated Adviser:	Granville Baird Limited Mint House, 77 Mansell Street, London E1 8AF
Nominated Broker:	Granville Baird Limited Mint House, 77 Mansell Street, London E1 8AF
Auditors and Reporting Accountants:	PricewaterhouseCoopers No. 1 London Bridge, London SE1 9QL
Solicitors to the Company:	Pinsent Curtis Dashwood House, 69 Old Broad Street, London EC2M 1NR
Solicitors to fprop:	Harbottle & Lewis Hanover House, 14 Hanover Square, London W1R 0BE
Bankers:	Barclays Bank PLC Islington and Camden Branch, PO Box 3474, London NW1 7NQ
Registrars:	Capita IRG PLC Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ

DEFINITIONS

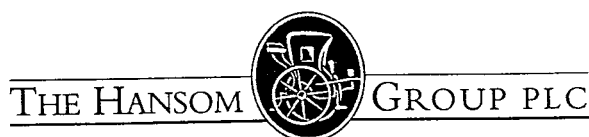
The following definitions apply throughout this document unless the context otherwise requires:

“Acquisition”	the proposed acquisition of the whole of the issued share capital of First Property Online Limited
“Acquisition Agreement”	the agreement dated 28 November, 2000 between the Company and Mr. B. N. Habib, Mr. J. C. Kottler and Lord Pearson of Rannoch and associated Trusts, details of which are set out in paragraph 9.1 of Part 7
“Acts”	the Companies Act 1985 and 1989
“Admission”	admission of the entire issued ordinary share capital of the Company including the existing Ordinary Shares and the New Ordinary Shares to trading on AIM
“AIM”	the Alternative Investment Market of the London Stock Exchange
“AIM Rules”	the rules of the London Stock Exchange concerning the operation of AIM
“Board” or “the Directors”	Mr. A. J. D. Locke, Mr. J. A. Warwick and Mr. A. M. Palmer
“City Code”	the City Code on Takeovers and Mergers
“CLS”	CLS Holdings plc or its subsidiary CLS Capital Partners KB
“Completion”	completion of the Acquisition, which is expected to take place on 21 December, 2000 (being the date of the Extraordinary General Meeting), subject only to Admission
“Delancey”	Delancey Estates PLC
“Enlarged Concert Group”	Mr. B. N. Habib, Mr. J. C. Kottler, Lord Pearson of Rannoch and associated Trusts and the Initial Partners
“Enlarged Group”	the Company and its subsidiary undertakings following Completion
“Extraordinary General Meeting”	the Extraordinary General Meeting of Hansom being convened for 10.00 a.m. on 21 December, 2000, notice of which is set out at the end of this document
“Fletcher King”	Fletcher King Services Limited
“FPDSavills”	FPDSavills Commercial Limited
“fprop”	First Property Online Limited
“Granville Baird”	Granville Baird Limited, which is regulated by The Securities and Futures Authority Limited and is a member of the London Stock Exchange, the Company’s nominated adviser and nominated broker
“Hansom” or “the Company”	The Hansom Group PLC
“Initial Partners”	the six property related companies which have entered into conditional subscription agreements with fprop, further details of which are set out in Part 1 and paragraph 9.2 of Part 7
“Initial Partner Acquisition Agreements”	the agreements dated 28 November, 2000 between each of the Initial Partners and the Company, details of which are set out in paragraph 9.1 of Part 7
“JKL”	J.K.L. Property Limited

“London Stock Exchange”	London Stock Exchange plc
“Marketing Agreements”	letter agreements entered into by each of the Initial Partners and fprop, details of which are set out in paragraph 9.2 of Part 7
“Moorfield”	Moorfield Group PLC
“New Ordinary Shares”	the 42,689,858 new Ordinary Shares proposed to be issued as consideration for the Acquisition
“Options”	the options already granted by the Directors over 400,000 new Ordinary Shares
“Ordinary Shares”	ordinary shares of 1p each in the Company
“Panel”	The Panel on Takeovers and Mergers
“Proposals”	the proposals set out in this document which require the approval of shareholders at the Extraordinary General Meeting including, <i>inter alia</i> , the Acquisition, the increase in the Company’s share capital and the change of the Company’s name
“Proposed Directors”	Mr. B. N. Habib and Mr. J. C. Phillips
“Regulations”	the Public Offers of Securities Regulations 1995
“Vendors”	Mr. B. N. Habib, Mr. J. C. Kottler, Lord Pearson of Rannoch and associated trusts

PART 1

Letter from the Chairman of The Hansom Group PLC



Directors:

Alasdair J. D. Locke, *Non-Executive Chairman*
John A. Warwick, *Finance Director*
Adrian M. Palmer, *Non-Executive Director*

Registered Office:

3 Colmore Circus
Birmingham
B4 6BH

28 November, 2000

To the holders of Ordinary Shares and, for information only, to holders of options

Dear Shareholder,

Proposed acquisition of First Property Online Limited
Proposed change of Company name
and
Admission to AIM

Introduction

Your Board announced today that the Company has entered into conditional agreements for the acquisition of the entire issued share capital of First Property Online Limited ("fprop") to be satisfied by the issue of 42,689,858 new Ordinary Shares. This document sets out further information on fprop, a web based business-to-business property transaction company established to facilitate the buying and selling of UK commercial property.

The Acquisition is categorised as a reverse takeover under the AIM Rules and accordingly requires the approval of the Company's shareholders at the Extraordinary General Meeting. If the Proposals are implemented, trading on AIM of the Company's issued share capital as enlarged by the Acquisition is expected to commence on 22 December, 2000, being the day after the Extraordinary General Meeting.

The implementation of the Proposals requires, *inter alia*, the passing by shareholders of the resolutions numbered 1, 2, 4 and 7 as set out in the notice of Extraordinary General Meeting at the end of this document.

Background to the Acquisition

Since the disposal of Datacab Limited on 14 July, 1999 the Company has effectively been a cash shell. Since then, the Board has looked at a large number of potential acquisitions to reverse into the Company.

At the annual general meeting of the Company held on 12 September, 2000 I reported that Hansom would be in a position to make an announcement in the not too distant future with regards to a major acquisition. I am now delighted to advise shareholders that we have today entered into a conditional agreement to acquire fprop, which your Board believes to be a business with significant growth potential. Following Completion, fprop will be able to utilise Hansom's current cash resources to fund the growth in its business for the benefit of the Company's shareholders.

History of fprop

In late 1999, Ben Habib observed that whilst there were many web sites which listed properties for sale in the UK, very few dealt with commercial property and he identified none that used the Internet to help

streamline the transaction process, establish a commercial property's value and effect its sale. As a result, Ben Habib and John Kottler founded fprop in February 2000.

fprop's web site (www.fprop.com) was launched on 29 May, 2000 and fprop commenced trading through its web site on 10 July, 2000.

Ben Habib was managing director of J.K.L. Property Limited ("JKL") a private property development and investment company controlled by John Kottler and himself. He resigned as managing director of JKL on 27 November, 2000 and, from Completion, will be appointed the Company's Chief Executive. He has considerable experience of the UK property market and since 1994 has managed the purchase, development and sale of over eighty properties, with an aggregate value of some £70 million.

To date fprop has concentrated on developing its web site and its strategy for growth. Since commencing trading it has sold two properties online, being a former school in Egham, Surrey and a plot of freehold development land in the West Midlands – both of these properties were owned by JKL. In addition, a further two properties that had been for sale on fprop's web site were sold via the third parties that introduced these properties to fprop. As at 27 November, 2000, fprop's web site contained details of 8 commercial properties, with an average guide price of £618,000. A brief description of these properties is set out in Part 2.

Earlier this month fprop entered into conditional agreements ("Marketing Agreements") with the Initial Partners, the principal one being with FPD Savills who will own 7.54 per cent. of the Company's enlarged issued ordinary share capital on Admission. The Marketing Agreements come into effect upon Completion and the Directors and Proposed Directors believe that such agreements will be instrumental in increasing the profile and content of the fprop web site. Further details of the Marketing Agreements are set out below under "fprop's strategy" and also paragraph 9.2 of Part 7.

To date fprop's funding has been provided by JKL, Ben Habib and John Kottler.

fprop's business

fprop's principal business is to offer an Internet based business-to-business transaction service. This service is aimed at streamlining the traditional methods of buying and selling commercial property in the UK whilst ensuring that every property marketed on the fprop web site has the potential to achieve market value.

fprop utilises the distribution capability and transparency of the Internet, together with more conventional methods of marketing properties, to reach a large potential market of buyers. Its online bidding process has been developed by merging aspects of the conventional private treaty with those of auction processes which it currently believes to be best suited for online property sales. This process has also been designed to encourage both sellers and buyers to act in a way that the Directors and Proposed Directors believe reduces the risk of aborted deals.

The fprop web site displays a freely available detailed package of conveyancing information on every property so that buyers do not incur unnecessary preliminary costs and have a level of information required to make a considered bid for a property.

The Directors and Proposed Directors intend to continue to develop the fprop web site and bidding process based on market feedback and technological advancements in order to continue to streamline and add liquidity to the property transaction process.

Typically, the sales that fprop expects to transact will tend to be the less complex commercial properties of up to £5 million in value. fprop is not specifically targeting the more complex and typically larger commercial properties which tend to require a higher level of personal interaction which a web based system cannot always offer.

By operating a low cost transaction site targeting less complex commercial property, the Directors and Proposed Directors believe the web site will be complementary to the services of many agents, therefore enabling fprop to work in partnership with such firms.

A more detailed description of the web site's mechanics and the rules which govern the bidding process is set out in Part 2.

fprop's charging structure

Sellers of commercial property via fprop are currently charged a success fee of 0.5 per cent. of the sale value of the property, currently capped at £10,000 (plus VAT) and subject to a minimum fee of £2,000 (plus VAT).

Buyers are not charged any fees. However, a fee (currently £75) is charged to customers who request hard copies of detailed conveyancing information. This fee is reimbursed if the buyer subsequently submits an offer for a property at or in excess of the reserve price. Such conveyancing documentation is available free of charge on the fprop web site in pdf format.

All of fprop's fees and charges are subject to change in order to maximise revenues whilst remaining competitive.

Benefits of fprop's system

The Directors and Proposed Directors believe the following are currently the key benefits to fprop's system:

a) To sellers

Benefits to sellers are:

- The Internet has the ability to reach a much larger buying audience than would typically be achieved by standard property marketing methods.
- Properties can be introduced to the market in a very short time.
- Sellers have detailed knowledge of the demand for their property and can control their own sale via their personal 'propmonitors', which record the number of "hits" on a vendor's property information and log all of the bids received.
- Owing to the utilisation of good faith deposits the likelihood of bids being reneged is reduced. However, even in this event, the bidding on the property would continue until another acceptable bid is received.

b) To buyers

Benefits to buyers are:

- There is no cost associated with identifying a property of interest.
- The cost of undertaking due diligence on a property being bought through fprop (excluding solicitors' fees) is potentially nil. For example, buyers do not need to incur costs associated with procuring a local search, replies to enquiries and other property information, including negotiating a contract.
- fprop's bidding process allows potential buyers a reasonable period in which to consider their positions and procure any necessary approvals and bid.
- The chances of gazumping are low given that potential bidders are given adequate time during which to bid.

fprop's strategy

(i) Commercial property sales

(a) Agreements with industry partners

fprop aims to become one of the leading UK commercial property web site operators. It intends to achieve this aim primarily as a result of its property transaction service and also by entering into agreements with chartered surveyors and property owners to aid the promotion of fprop's services and thereby increase its market penetration and growth potential.

The Directors and Proposed Directors believe that fprop's prospects are enhanced by operating a platform on the Internet in which these industry partners own an equity stake, thereby

incentivising such firms to market their or their clients' properties via fprop and generally assist in and develop the business.

As referred to above, fprop has already entered into conditional agreements with six Initial Partners who have agreed to assist in supporting and promoting fprop's business. Subject to Admission, the Initial Partners will hold approximately 17.6 per cent. of the Company's enlarged issued share capital.

Set out below is a list of the chartered surveying practices and commercial property companies who have entered into the Marketing Agreements:

FPDSavills
CLS
Delancey
Donaldsons
Fletcher King
Moorfield

Under the terms of the Marketing Agreements, each of which is conditional upon Admission, the Initial Partners have agreed to:

- use, or recommend their clients use, fprop's web site where it is in their or their clients' best interest so to do;
- advertise properties on fprop's listing service when it becomes available where it is in their or their clients' best interests so to do; and
- assist in promoting and supporting fprop's business.

The precise terms of each of the Marketing Agreements differ.

In consideration of the Initial Partners entering into the Marketing Agreements each will receive, conditional on and with effect immediately before Admission, an equity stake in fprop at par value. This will result in the Initial Partners holding, in aggregate, 35 per cent. of the issued share capital of fprop immediately before Admission. Full details of the Marketing Agreements are set out in paragraph 9.2 of Part 7.

The Initial Partners have also entered into the Initial Partner Acquisition Agreements pursuant to which, conditional on Admission, the Company will acquire the ordinary shares in fprop held by the Initial Partners in consideration for the issue of new Ordinary Shares to them. Pursuant to the Initial Partner Acquisition Agreements, the Initial Partners have agreed not to dispose of any new Ordinary Shares (save in certain circumstances) for a period of two years from Admission. Full details of the Initial Partner Acquisition Agreements are set out in paragraph 9.1 of Part 7.

The Directors and Proposed Directors believe that fprop will enhance its prospects by entering into marketing agreements with other industry partners. It is with this aim in mind that the Company is seeking shareholders' approval at the Extraordinary General Meeting for the disapplication of pre-emption rights for up to 16,995,943 new Ordinary Shares, representing 20 per cent. of the issued share capital of the Company as enlarged by the Acquisition. It is intended that at least 12,746,957 new Ordinary Shares, being 15 per cent. of the issued share capital of the Company as enlarged by the Acquisition, be issued to other industry partners. fprop has undertaken with FPDSavills to use reasonable endeavours to procure that such 15 per cent. of the enlarged issued share capital is issued to other surveying practices and/or property agents. fprop has also undertaken to obtain FPDSavills' consent prior to any such issue of new Ordinary Shares. These undertakings will lapse after the next annual general meeting of the Company which is expected to be held by the end of September 2001. Full details of these undertakings are set out in the summary of the Marketing Agreement with FPDSavills in paragraph 9.2.1 of Part 7.

After the Company's annual general meeting in 2001, if the authority under the disapplication of pre-emption rights has been utilised, the Company will consider other incentivising structures for additional industry partners. The precise mechanisms of such structures have not yet been finalised.

(b) Commercial property listings

The Directors and Proposed Directors also believe that fprop's business would benefit from expanding its services to include the listing of commercial properties on behalf of the Initial Partners and other agents on the fprop web site. By having both a sales and a listing service available on the web site, the Directors and Proposed Directors expect that a number of benefits will accrue to fprop, as well as to the Initial Partners and fprop's customers. Such benefits include:

- enabling fprop to achieve quickly a critical mass of content on its web site in order to increase the number of hits on the web site;
- the ability to list commercial properties which may not be suited to fprop's transaction service, for example the more complex and larger properties;
- providing visitors to the web site with a broader cross section of commercial properties to review;
- allowing the Initial Partners and any future partners to promote their business, services and brand name on the fprop web site;
- allowing the Initial Partners and any future partners to market their properties via the fprop web site; and
- the potential for fprop to generate ancillary revenues from listing agents' properties and also advertising services on behalf of third parties (including those of the Initial Partners and any future partners) which may include other chartered surveying practices, insurance companies, surveyors, conveyancing lawyers, property management services and banks.

(ii) *Other future opportunities*

The Directors and Proposed Directors are aware that the fprop web site could also be utilised to offer further shared services to the property industry. Whilst the facilitation of the sale of commercial property is currently expected to be fprop's principal source of revenue, the Directors and Proposed Directors will consider other property related opportunities that may arise as fprop develops.

Marketing

Given that fprop has, hitherto, been concentrating on the development of its web site and strategy, it has, so far, undertaken low key marketing of its web site capabilities.

However, in the light of the Marketing Agreements that fprop has entered into and the Company's cash balances that will be available to the Enlarged Group after Admission, fprop intends to initiate higher levels of marketing than it has previously been able to.

Before fprop's brand is established and its partnership strategies fully implemented it will be necessary for fprop to continue to use conventional means of advertising properties in addition to its web site for its sales instructions. This will typically take the form of advertising in selected journals and regional newspapers, mail shots to prospective buyers and property sales boards. These marketing channels will also assist in establishing fprop's brand name.

Information on the Initial Partners

FPDSavills is a wholly owned subsidiary of Savills plc, a company listed on the London Stock Exchange. FPDSavills offers a range of advice on commercial property matters. In the year to 30 April, 1999 FPDSavills earned a pre-tax profit of £7.0 million on turnover of £34.6 million.

CLS Holdings plc is listed on the London Stock Exchange and specialises in the investment, development and management of commercial property and the investment in shares of high technology and Internet companies. In the year ended 31 December, 1999 CLS Holdings plc reported a pre-tax profit of £16.9 million on net assets of £249 million.

Delancey is listed on the London Stock Exchange and specialises in the investment and development of offices, retail and leisure property in the UK. Delancey also owns Colliers Conrad Ritblat Erdman

Limited ("CCRE"), a company that specialises in the provision of commercial property advice and agency services. CCRE also operates a property auction service. In the year ended 31 March, 2000, Delancey earned a pre-tax profit of £9.0 million on net assets of £269 million.

Donaldsons is a partnership providing property related advice and services. Its speciality areas include the retail and leisure sectors, central and local government consultancy and property management. In the year ended 30 June, 2000 Donaldsons generated a turnover of £22.3 million.

Fletcher King is a wholly owned subsidiary of Fletcher King Plc, a company listed on the London Stock Exchange that is a commercial estate agency and property management company. In the year ended 30 April, 2000, Fletcher King earned a pre-tax profit of £602,000 on turnover of £7.1 million.

Moorfield is listed on the London Stock Exchange and is a property investment, trading and development company. In the year to 31 December, 1999, Moorfield earned a pre-tax profit of £13.1 million on net assets of £71.5 million.

Competition

The Directors and Proposed Directors believe that fprop currently has a head start on its potential online competitors in the UK. There are currently a number of commercial property web sites marketing a number of properties but, as far as the Directors and Proposed Directors are aware, none of these offer a facility to trade property online. The Directors and Proposed Directors are therefore not aware of any online competitors.

Jones Lang LaSalle recently announced, in association with DTZ, CB Richard Ellis and Reed (collectively, "Project Pathway") a Pan-European information service on the Internet which may, in due course, be converted into an online transaction service. Goldman Sachs has also announced its intention to launch an online property transaction service of some sort in the USA. However, few details of either system are publicly available at present.

The Directors and Proposed Directors do not believe that fprop is in direct competition with existing agency practices. fprop's transaction service, operated in partnership with agents, complements the services these agents can provide their clients and should therefore enhance their own businesses. They further believe that fprop's aim to streamline the property transaction process is in the best interests of the clients of existing agency practices.

Financial information on fprop

The following information has been extracted from the Accountants' Report on fprop for the 4 months ended 30 September, 2000 which is set out in Part 4.

These figures do not represent the full impact of fprop's running costs over the four months ended 30 September, 2000. Your attention is drawn to note 22 of Part 4 which details various other charges incurred by fprop which have been paid by JKL.

4 months ended
30 September, 2000

	£
Turnover	15,215
Cost of sales	(2,698)
Gross profit	12,517
Administrative expenses	(300,429)
Operating loss	(287,912)
Net interest receivable	360
	<hr/>
Loss on ordinary activities before taxation	(287,552)
Tax on loss on ordinary activities	—
Loss for the financial period	<u>(287,552)</u>

Since 1 October, 2000 fprop has borne all of its own costs. Under the terms of the Acquisition Agreement, if fprop's net liabilities as at the date of Completion are more than £200,000 then Ben Habib and John Kottler will pay to Hansom the amount by which fprop's net liabilities exceed £200,000.

Directors and employees

The Company has today announced that Adrian Palmer, aged 48, and John Warwick, aged 58, will resign at the Extraordinary General Meeting to pursue other business interests. I would like to take this opportunity to thank them both for their service to the Company. On Completion, Ben Habib and Jeremy Phillips will be invited to join the Board as Chief Executive and Finance Director respectively.

It is also the Company's intention to appoint two further Non-Executive Directors in the near future, with the intention that one has experience in the property sector.

fprop currently has six employees and, in addition, a marketing manager will join fprop following Completion.

Set out below are curriculum vitae for the Board following Completion:-

Alasdair Locke, Non-Executive Chairman, aged 47. I have been Non-Executive Chairman of Hansom since July 2000, and I am also executive chairman of the Abbot Group plc, a company listed on the London Stock Exchange with wide ranging interests in the oil services industry. I will remain Non-Executive Chairman following Completion.

Ben Habib, Chief Executive, aged 35. After graduating from Cambridge University in 1987 he joined Shearson Lehman Hutton as a business analyst in corporate finance. In 1989 he joined PWS Holdings plc ("PWS"), a quoted reinsurance broker based in the City, as its finance director.

After five years at PWS, he left to become managing director of JKL, a private property development and investment company. During his time at JKL he managed the development and sale of over eighty properties with an aggregate value of some £70 million. It was this experience that gave rise to the concept of fprop.

Jeremy Phillips, Finance Director, aged 29. After graduating from Cambridge University in 1993, he worked for Andersen Consulting for four years where he gained experience in management accounting and corporate finance.

He then joined The Boots Company plc in 1998 where he initially worked on extending the Boots brand before being selected as a founder member of Boots Internet Ventures. His work in this department included the recently announced joint venture with Granada Media to form a broadband Internet, health, beauty and well-being portal. He resigned in November 2000 in order to join fprop.

Terms of the Acquisition

Under the terms of the Acquisition Agreement and the Initial Partner Acquisition Agreements, the Company has agreed to acquire the whole of the ordinary share capital of fprop from the Vendors and the Initial Partners by the issue of 42,689,858 new Ordinary Shares. Ben Habib and John Kottler have given the Company certain warranties in relation to fprop's business. The New Ordinary Shares will rank for all dividends and other distributions declared, made or paid after Completion and will otherwise rank *pari passu* in all respects with the existing Ordinary Shares. The New Ordinary Shares will represent 50.2 per cent. of the enlarged issued ordinary share capital of the Company following Admission.

The Acquisition is conditional, *inter alia*, on:

- (i) the passing of the resolutions numbered 1, 2, 4 and 7 set out in the notice of Extraordinary General Meeting; and
- (ii) Admission occurring in accordance with the terms of the Acquisition Agreement.

Further details of the Acquisition Agreement are set out in paragraph 9.1 of Part 7.

Restriction on share sales

As fprop has not been earning revenue for at least two years, under the AIM Rules, the Directors and Proposed Directors are not permitted to dispose of any part of their beneficial shareholdings for a period of one year from the date of Admission, save in certain circumstances specified in the AIM Rules. Accordingly therefore, I have agreed not to dispose of my beneficial shareholding in the Company for one year from Admission and John Kottler has agreed to the same period of restriction. In addition, Ben Habib and the Initial Partners have all agreed not to dispose of their beneficial shareholdings for a period of two years from Admission. Finally, Lord Pearson and associated trusts, also being Vendors, have agreed to a one year restriction on the disposal of their shareholdings in the Company. Each of these share sale restrictions have exemptions in certain circumstances and Lord Pearson and associated trusts can dispose of Ordinary Shares at any time from Admission if they are bid for their Ordinary Shares by the Company's nominated broker to satisfy investor demand.

Further details of these restrictions are set out in paragraph 10 of Part 7.

Therefore, a total of 20,277,364 Ordinary Shares (being 23.9 per cent. of the enlarged issued share capital) will be covered by sales restrictions for a period of one year from Admission and 27,428,234 Ordinary Shares (being 32.3 per cent. of the enlarged issued share capital) will be covered by sales restrictions for a period of two years from Admission.

The share sale restrictions for the Initial Partners, John Kottler and Lord Pearson and associated trusts permit each of them to do, *inter alia*, the following:

- (i) accept any offer for the Company;
- (ii) sign an irrevocable undertaking to accept an offer for the Company that is or is not recommended;
- (iii) make an offer themselves for the Company; and
- (iv) sell their shares to an offeror.

Ben Habib will also be permitted to act in accordance with items (i) and (ii) above.

Financial information on Hansom

The Company has announced today its unaudited interim results for the six months ended 30 September, 2000. Owing to the Company being a cash shell throughout the period, turnover for the period was nil (1999: £1,625,000) and the loss after tax was £121,000 (1999: loss of £385,000 (restated)). As at 30 September, 2000, the Company had net assets of £3,658,000 (31 March, 2000: £3,668,000) and cash at bank and in hand of £3,387,000 (31 March, 2000: £2,773,000).

The full text of the Company's unaudited interim results is set out in Part 5 of this document.

The City Code

The terms of the Proposals give rise to certain considerations under the City Code. Brief details of the Panel, the City Code and the protections they afford are described below.

The City Code has not, and does not seek to have, the force of law. It has, however, been acknowledged by both government and other regulatory authorities that those who seek to take advantage of the facilities of the securities markets in the United Kingdom should conduct themselves in matters relating to takeovers in accordance with best business standards and so according to the City Code.

The City Code is issued and administered by the Panel. The City Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed or unlisted public company resident in the United Kingdom and to certain categories of private companies. The Company is such a company and its shareholders are entitled to the protections afforded by the City Code.

Under Rule 9 of the City Code, a person who acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by him or held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company, is normally required by the Panel to make a general offer to the shareholders of that company to acquire the balance of the equity share capital of the company.

Rule 9 of the City Code also provides, *inter alia*, that where any person, together with persons acting in concert with him, holds shares carrying more than 30 per cent. but no more than 50 per cent. of a public company's voting rights and such person, or any person acting in concert with him, acquires any additional shares, such person is required to make a general offer to the shareholders of that Company.

A concert party arises where persons acting in concert pursuant to an agreement or understanding (whether formal or informal) actively co-operate, through the acquisition by them of shares in a company, to obtain or consolidate control of that company. Control means a single holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the Company, irrespective of whether the holding or holdings give *de facto* control.

Following Completion, the Enlarged Concert Group will hold approximately 50.2 per cent. of the enlarged ordinary share capital of the Company. The Enlarged Concert Group is made up of two sub concert groups one of which comprises Mr. B. N. Habib, Mr. J. C. Kottler and Lord Pearson of Rannoch and associated trusts ("the fprop Concert Group") and the other concert group comprises the Initial Partners ("the Initial Partners Concert Group"). The relevant shareholdings of the fprop Concert Group, the Initial Partners Concert Group and the Enlarged Concert Group following Completion will be as follows:

	<i>New Ordinary Shares</i>	<i>Percentage holding following Completion (%)</i>
(i) The fprop Concert Group		
Mr. B. N. Habib	12,486,783	14.69
Mr. J. C. Kottler	12,486,783	14.69
Lord Pearson of Rannoch and associated trusts	2,774,841	3.27
Total	27,748,407	32.65
(ii) The Initial Partners Concert Group		
FPDSavills	6,403,481	7.54
CLS	1,707,594	2.01
Delancey	1,707,594	2.01
Donaldsons	1,707,594	2.01
Fletcher King	1,707,594	2.01
Moorfield	1,707,594	2.01
Total	14,941,451	17.59
(iii) The Enlarged Concert Group	42,689,858	50.24

Following Completion, the Enlarged Concert Group will, provided that it continues to hold 50 per cent. or more of the Company's enlarged issued ordinary share capital, be entitled to increase its aggregate holding of Ordinary Shares without limit, and without incurring an obligation under Rule 9 of the City Code to make a general offer to shareholders of the Company. However, as the fprop Concert Group will, after Completion, hold between 30 per cent. and 50 per cent. it will not be permitted to increase its holding of Ordinary Shares without incurring an obligation under Rule 9 of the City Code.

Whilst the Enlarged Concert Group continues to hold more than 50 per cent. of the Company's enlarged issued ordinary share capital, individual members of the Initial Partners Concert Group may increase their shareholdings to 29.9 per cent. of the Company's enlarged issued ordinary share capital without incurring a Rule 9 obligation. Notwithstanding this however, acquisitions of voting rights in the Company which take the Initial Partners Concert Group to 30 per cent. or more may give rise to a Rule 9 obligation.

No individual member of either the fprop Concert Group or the Initial Partners Concert Group may increase their own individual shareholding to more than 30 per cent. of the Company's enlarged issued share capital without incurring an obligation under Rule 9.

The Panel has agreed, subject to resolution number 1 in the Notice of Extraordinary General Meeting at the end of this document being passed on a poll, to waive the obligation under Rule 9 of the City Code, which would otherwise require the fprop Concert Group and the Enlarged Concert Group to make a general offer for the issued share capital of the Company as a result of acquiring the New Ordinary Shares on Completion. The Acquisition is conditional, *inter alia*, upon shareholders approving this waiver.

Save for the Acquisition Agreement, the Initial Partner Acquisition Agreements and the service agreements referred to in paragraphs 9.1.1, 9.1.2 and 8 respectively of Part 7 there are no agreements, arrangements or understandings (including compensation arrangements) between the Vendors, the Initial Partners and any of the Directors, shareholders or recent shareholders of the Company connected with or dependent upon the Proposals.

Particulars of all service contracts between the Company and the Directors and the Proposed Directors are set out in paragraph 8 of Part 7. Save as disclosed in paragraph 8 of Part 7 no such contracts have been entered into or amended in the six months prior to the date of this document.

Change of name

To reflect the fact that the Company's business after Completion will be fprop's business, a special resolution is being proposed at the Extraordinary General Meeting (resolution number 5) to change the name of the Company to First Property Online plc.

Existing share certificates

Shareholders should note that their existing share certificates in the name of The Hansom Group PLC will remain valid following Completion and the change of the Company's name to First Property Online plc.

Proposed share option scheme

The Company already has two existing share option schemes, details of which are set out in paragraphs 6.1 and 6.2 of Part 7. No further options will be granted pursuant to these schemes. Subject to receiving shareholders' approval at the Extraordinary General Meeting and Admission, the Company intends to adopt the First Property 2000 Unapproved Discretionary Share Option Scheme ("the First Property Scheme"). This will enable the Company to motivate and retain the Enlarged Group's key personnel by means of the grant of unapproved share options and, as long as the Company satisfies all statutory requirements, the grant of tax favoured enterprise management incentive options. Further details of the First Property Scheme are set out in paragraph 6.3 of Part 7.

New Articles of Association

The current Articles of Association of the Company are out of date and it is proposed that new Articles of Association be adopted at the Extraordinary General Meeting of the Company. A summary of the material provisions of the New Articles of Association is set out in paragraph 5 of Part 7.

Amendment to the Memorandum of Association

In order to reflect that the Company is no longer involved in the transport industry it is proposed to amend the Memorandum of Association of the Company to delete reference thereto and replace this with a reference to the business of the Company being that of "an investment and holding company".

Dividend policy

Following Completion, it is the Company's intention to re-invest any profits into the Enlarged Group's business in order to maximise its future growth. The Company does not therefore expect to pay any dividends in the foreseeable future.

Change of nominated adviser and nominated broker

The Company also announced today that English Trust Company Limited and Rathbone Neilson Cobbold Limited have resigned as the Company's nominated adviser and nominated broker respectively with immediate effect. In their place the Company has appointed Granville Baird as its sole nominated adviser and nominated broker.

Extraordinary General Meeting

You will find at the end of this document a notice convening the Extraordinary General Meeting for 10.00 a.m. on 21 December, 2000. At this meeting resolutions will be proposed for, *inter alia*, the following purposes:

- (a) to approve the Acquisition;
- (b) to increase the authorised share capital of the Company from £600,000 to £1,200,000 by the creation of 60,000,000 Ordinary Shares of 1p each;
- (c) to authorise the Directors under section 80 of the Act to allot the New Ordinary Shares to the Vendors and the Initial Partners;

- (d) to authorise the Directors under section 80 of the Act to allot, *inter alia*, 20 per cent. of the issued share capital of the Company as enlarged by the Acquisition and to disapply the pre-emption provisions of section 89 of the Act, such authorities to expire at the end of the next annual general meeting of the Company;
- (e) to approve the waiver of the requirement which might otherwise arise under Rule 9 of the City Code for a mandatory offer to be made by the fprop Concert Group and/or the Enlarged Concert Group;
- (f) to change the Company's name to First Property Online plc;
- (g) to adopt the First Property Scheme;
- (h) to adopt new Articles of Association; and
- (i) to approve an amendment to the Memorandum of Association.

Shareholders holding 9,170,740 Ordinary Shares representing 21.69 per cent. of the existing Ordinary Shares entitled to vote at the Extraordinary General Meeting have irrevocably undertaken to vote in favour of the resolutions to be proposed at the Extraordinary General Meeting.

In accordance with the requirements of the City Code, the vote to approve resolution number 1 which includes the waiver of Rule 9 of the City Code will be by way of a poll.

Risk factors

Details of the various risks which the Directors and Proposed Directors believe could have an adverse effect on the Enlarged Group are set out in Part 3. Principal amongst these, and worthy of bringing to your attention within this letter, are that fprop requires a change in the way that commercial property is bought and sold in order for it to be successful and fprop may require additional capital to that which the Company has at its disposal. There is no guarantee that such capital will be available.

Corporate governance

Following Completion, the Company intends to comply with the Principles of Corporate Governance and the Code of Best Practice published by the Committee on Corporate Governance chaired by Sir Ronald Hampel in so far as is possible given the Company's size and the constitution of the Board. This will be consistent with the recommendations on corporate governance of the Quoted Company Alliance ("QCA"). The Company intends to establish an audit committee to receive and review reports from management and from the auditors relating to the interim and annual accounts and to systems of internal control. A remuneration committee comprising Non-Executive Directors is also intended to be formed. Such committees will be set up as soon as the Company appoints additional Non-Executive Directors.

Action to be taken

Shareholders will find enclosed a form of proxy for use at the Extraordinary General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete the form of proxy and return it in accordance with the instructions printed thereon so that it is received as soon as possible and in any event not later than 48 hours before the time appointed for the meeting. Completion and return of a form of proxy will not prevent you from attending the meeting and voting in person if you wish to do so.

Additional information

You attention is drawn to the additional information set out in Parts 2 to 7 of this document.

Recommendation

Your Directors, who have been so advised by Granville Baird, believe that the Proposals are fair and reasonable and in the best interests of the Company and its shareholders as a whole and are recommending shareholders to vote in favour of the resolutions being proposed at the Extraordinary General Meeting. In providing advice to the Directors, Granville Baird has taken into account the Directors' commercial assessments. I, as the only Director who holds any Ordinary Shares, my wife, Mrs. K. A. Locke, and Edinburgh Fund Managers Plc have irrevocably undertaken to vote in favour of all resolutions being proposed at the Extraordinary General Meeting in respect of 9,170,740 Ordinary Shares representing 21.69 per cent. of the issued existing Ordinary Shares entitled to vote at the Extraordinary General Meeting.

Yours sincerely

Alasdair J. D. Locke
Chairman

PART 2

Additional information on fprop's web site and business

The sales process

To submit a property for sale a vendor need only provide the property's address, its solicitor's details and either a reference from its solicitor or a good faith deposit, currently £1,000. An fprop representative then visits the property and collates detailed sales information which is displayed online.

Property particulars are displayed online at three different freely available levels, as follows:

- level one provides brief details about the property to enable a potential buyer to decide whether or not they are interested in the property;
- level two provides further property particulars including photographs, maps, plans and measurements (as appropriate); and
- level three provides detailed legal and other information necessary or recommended for the purchase.

Before bidding opens on a property, its particulars and certain detailed legal and other information are displayed online for a period (at the discretion of the vendor) of up to eight weeks. During this period, fprop also uses conventional means of advertising the property. The length of the bidding period is determined by the vendor, though a period of three weeks is recommended by fprop.

The database automatically provides registered vendors with their own 'propmonitor' which monitors the level of interest in their property and logs all bids received.

The bidding process

In order for buyers to bid for a property they must first register online and provide either a reference from their solicitor or a good faith deposit, currently £1,000.

The database automatically provides registered bidders with their own 'propmonitors' to which properties of interest can be added, thus allowing them to follow the bidding on several properties. Emails are sent to all bidders and the vendor every time a bid is submitted on a property. The emails are generated automatically and the propmonitors are automatically updated every 30 seconds.

Once a bid has been accepted, the winning bidder is immediately informed, by e-mail, of its success, followed by a telephone call and a facsimile from fprop. The buyer's solicitor then has two business days in which to exchange contracts for the property's purchase in the usual way, knowing that failure to meet the deadline would result in the loss of their good faith deposit and the property again becoming immediately available to be sold to another bidder.

Completion of a property's sale takes place in the usual way pursuant to the terms of the specific property sales contract. fprop's involvement from the point of exchange of contracts is limited, other than collecting its fee from the vendor's solicitor.

Basic rules of the bidding process

In order that the bidding process for each property is conducted in a controlled manner, the following rules are central to the operation of the fprop web site:-

A reserve price for a property must be stipulated by a vendor which must be equal to, or less than, the guide price. The vendor can reserve the right to conceal the reserve price from potential buyers.

All bids submitted must remain open for at least eight business days, though bidders may elect to leave a bid open for a longer period.

A vendor may accept the highest bid at any time, even before the anticipated closing date for bids.

If a bid is accepted, the buyer must procure the exchange of sales contracts within two business days. Otherwise its good faith deposit is forfeited.

If a bid is made above the reserve price, the vendor is obliged to accept it within three business days unless that bid is itself topped. Failure by a vendor to accept such a bid would result in the vendor becoming liable for fprop's success fee and forfeiting its good faith deposit.

The full rules of the bidding process are listed on the web site at all times and are subject to change. Any amendment or addition will be clearly indicated on the web site.

Properties currently for sale via fprop.com

Set out below is a brief description of each of the seven properties currently for sale on fprop's web site:-

<i>Address</i>	<i>Square metres</i>	<i>Guide Price</i>	<i>Status</i>
Kartouche, Princes Street, Ipswich	7,954	£3,750,000	Bidding open, highest bid currently £3,600,000
Freehold land, Pity Me, Durham	10,400	£595,000	Bidding due to open 01/12/00
Ambergate Clinic & Ferham House, Rotherham, South Yorkshire	3,822	£300,000	Bidding open, highest bid currently £267,500
74-76 The Green, Southall, Middlesex	117	£180,000	Bidding open, highest bid currently £165,000
54 Town Centre, Hatfield, Hertfordshire	110	£80,000	Bidding due to open on 11/12/00
Workshop Offices & Yard, North Lanarkshire	1,269	£30,000	Bidding due to open on 01/12/00
Enterprise Close, Rochester, Kent	23	£8,000	Bidding due to open on 11/12/00
Flats 1-7 & Alldays Convenience Store, Kenley, Surrey	584	£1,000	Bidding due to open

The UK commercial property market

The commercial property market is one of the largest capital markets in the UK. Investment property alone turned over more than £20 billion of property in 1999. This sales figure includes both conventional auction and private treaty sales methods.

In addition, the market also includes vacant buildings for development and occupation, development sites and virtual freeholds although there are no reliable up to date figures available for the annual turnover of these types of property.

The conventional commercial property auction market, which deals mostly in less complex property, turned over some 6,800 properties in 1999 of which over 4,900 were successfully sold, representing a success rate of 72 per cent. The value of commercial lots successfully sold in 1999 was over £1 billion.

PART 3

Risk factors relating to the Enlarged Group

Any investment in the Company's Ordinary Shares involves a high degree of risk. If any of the following risks actually occur, fprop's business, and therefore the Company's, would be likely to suffer.

fprop's business model requires a change in the process of buying and selling commercial property

The current process of buying and selling property is dominated by methods involving a high degree of personal interaction. For the Enlarged Group to be successful, both buyers and sellers of commercial property must be receptive to increased use of the Internet. In addition, the vast majority of property transactions in the UK are currently completed by private treaty. The Enlarged Group's Internet product is an auction-based system. For the Enlarged Group to be successful, the property market must embrace fprop's sales system.

The Company may need additional capital in the future to support its anticipated growth and such additional financing may be unavailable

As fprop grows its business in the rapidly changing market for Internet based property transactions, it may need to raise additional financing to develop new or enhanced services, respond to competitive pressures, acquire complementary businesses or technologies, or take advantage of unanticipated business opportunities. Despite Hansom's unaudited cash balances of £3.39 million as at 30 September, 2000 the Company may need to raise additional funds by selling debt or equity securities, by entering into strategic relationships or through other arrangements. The Company may be unable to raise any additional amounts on reasonable terms when they are needed.

fprop may be unable to increase the number of properties listed on its database

fprop's success is highly dependent on its ability to increase the number of properties on its database and for such properties to be sold successfully by way of fprop's web site. Currently fprop's proprietary database contains details of eight properties, with two properties sold online to date. In addition, fprop currently has some 200 registered users. If fprop is not able to increase the number and variety of listings on its web site, buyers may not be drawn to the web site and it may not generate sufficient revenues.

fprop's Marketing Agreements with Initial Partners

The Initial Partners have no legally binding obligation to recommend exclusively the use of fprop and are not restricted from entering into similar agreements with any competing web site.

fprop may be unable to successfully develop its brand name

Establishing and maintaining fprop's brand name is critical to attracting and expanding its target Internet audience. In order to build the brand name, fprop must succeed in its marketing efforts and provide high-quality services.

fprop may not successfully develop new and enhanced services and products

fprop may experience financial or technical difficulties that could prevent the introduction of new or enhanced information services or transaction support products. Furthermore, these new or enhanced services and products may contain problems that are discovered after the products are introduced, requiring fprop to modify significantly the design of these products to correct problems. Finally, the development and enhancement of these services and products might require significant additional expenses and could strain management, financial and operational resources.

fprop may be unable to maintain the integrity and reliability of its proprietary database

fprop's database may not be comprehensive or accurate, particularly as the number of properties for sale increase. fprop's success will, in part, be dependent on its customers' confidence in the completeness and accuracy of its proprietary database of commercial property listings.

Cyclical economic swings in the property market could decrease demand for fprop's services and products

The property market traditionally has been subject to cyclical economic swings. fprop's business is dependent on the property market and related industries that supply goods or services to, or invest in, the property market. Cyclical economic swings may be caused by various factors, such as changes in interest rates and changes in economic conditions. When interest rates are high or general economic conditions are weak, there may be less sales activity in the commercial property market which could adversely affect fprop.

fprop may be unable to manage growth effectively

Rapid growth of usage of fprop's web site may place a significant strain on management systems and resources. Further, fprop may need to continue to improve operational and financial systems and managerial controls and procedures.

fprop depends on its key personnel to manage the business effectively in a rapidly changing market

fprop's performance is substantially dependent on the performance of its executive officers and other key employees. In particular, future success depends on the continued service of Ben Habib. In the future, fprop may experience difficulty in hiring and maintaining personnel necessary to support the anticipated growth of the business.

Increased usage could strain fprop's systems and cause systems malfunctions

The performance of the web site is of great importance to fprop's reputation and its ability to attract customers. fprop's communications and network infrastructure is based in its offices in London and no redundant systems are currently in place. fprop's ability to provide uninterrupted, secure online services depends on its ability to protect facilities and equipment against damage from fire, weather loss, water damage, telecommunications failures, vandalism, computer viruses, hacker attacks and other malicious acts, and similar unexpected material adverse events.

Patents

Although fprop has applied for a patent covering various aspects of its business process and technology, fprop cannot be sure that other patents have not been granted which cover similar areas. In addition, fprop cannot assure that its request for its patent will be successful. Finally, if fprop's patent is granted, the potential costs of pursuing a legal course of action against an alleged patent infringement may be financially damaging to the Enlarged Group, even if successful.

fprop could be held liable for providing inaccurate or incomplete information

If fprop's services or products include inaccurate information, a customer might bring a claim for damages, even if fprop is not responsible for such inaccuracies. The limitations of liability set forth in customer contracts may not be enforceable and may not otherwise protect the Enlarged Group from liability for damages.

Share price volatility and liquidity

The share price of publicly traded emerging companies can be highly volatile. The price at which the Ordinary Shares will be quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Enlarged Group and its operations and some which may affect the Internet sector, or quoted companies generally. These factors could include large purchases or sales of Ordinary Shares, legislative changes and general economic conditions.

The Company will be quoted on AIM

Application will be made for the Company's enlarged issued share capital to be admitted to AIM. AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than those of the Official List. Neither the London Stock Exchange nor the UK Listing Authority have approved the contents of this document.

The investment offered in this document may not be suitable for all recipients of this document. Investors are accordingly advised to consult an investment adviser authorised under the Financial Services Act 1986 who specialises in investments of this kind before making their decision.

PART 4

Accountants' Report on fprop



PricewaterhouseCoopers
No. 1 London Bridge
London
SE1 9QL

The Directors and Proposed Directors
The Hansom Group PLC
3 Colmore Circus
Birmingham
B4 6BH

The Directors
Granville Baird Limited
Mint House
77 Mansell Street
London E1 8AF

28 November, 2000

Dear Sirs

FIRST PROPERTY ONLINE LIMITED

Introduction

We report on the financial information set out below. This financial information has been prepared for inclusion in the admission document dated 28 November, 2000 ("the Admission Document") relating to the proposed acquisition by The Hansom Group PLC ("the Company") of First Property Online Limited ("fprop").

fprop was incorporated as First Property Online plc on 24 May, 2000 and on 22 November, 2000 reregistered as a private limited company. The company has prepared no financial statements for presentation to its members or for statutory filings and has not declared or paid a dividend.

Basis of preparation

The financial information set out below is based on the financial records of fprop, to which no adjustments are considered necessary. The financial information includes fprop and its sole subsidiary, First Property Online.com Limited (together "fprop group").

Responsibility

The financial records are the responsibility of the directors of First Property Online Limited.

The directors of the Company are responsible for the contents of the Admission Document in which this report is included.

It is our responsibility to compile the financial information set out in our report from the financial records, to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. Our work also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial records underlying the financial information and of whether the accounting policies are appropriate to the circumstances of First Property Online Limited consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatements, whether caused by fraud or other irregularity or error.

Administrative expenses

We draw attention to notes 3, 4 and 22 to the financial information which explain that the costs included in the profit and loss account exclude costs incurred on behalf of fprop group but not charged to it.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of First Property Online Limited as at the date stated.

Consent

We consent to the inclusion in the Admission Document of this report and accept responsibility for the purposes of paragraph 45(1)(b)(iii) of Schedule 1 to the Public Offering of Security Regulations 1995.

FINANCIAL INFORMATION

Consolidated Profit and Loss Account for the four month period to 30 September, 2000

	<i>Notes</i>	<i>£</i>
Turnover		15,215
Cost of sales		<u>(2,698)</u>
Gross profit		12,517
Administrative expenses	3	<u>(300,429)</u>
Operating loss	5	(287,912)
Net interest receivable	6	<u>360</u>
Loss on ordinary activities before taxation		(287,552)
Tax on loss on ordinary activities		<u>—</u>
Loss for the financial period		<u>(287,552)</u>
Basic loss per 1p share	10	<u>5.75 pence</u>

fprop group had no other recognised gains or losses in the period.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial period stated above and their historical cost equivalents.

Certain expenses of fprop group have been borne by a related party, J.K.L. Property Limited (see note 22). These have not, and will not, be recharged to fprop group.

Consolidated Balance Sheet at 30 September, 2000

	<i>Notes</i>	<i>£</i>
Fixed Assets		
Tangible	11	<u>28,611</u>
Current Assets		
Debtors	12	7,826
Cash at hand and in bank		<u>2,377</u>
		10,203
Creditors: Amounts falling due in less than one year	13	<u>(126,366)</u>
Net current liabilities		(116,163)
Net Liabilities		<u>(87,552)</u>
Capital and Reserves		
Called up share capital		50,000
Share premium account		150,000
Profit and loss account	16	<u>(287,552)</u>
Total equity shareholders' funds		<u>(87,552)</u>

Consolidated cash flow statement for the four month period to 30 September, 2000

	<i>Notes</i>	<i>£</i>	<i>£</i>
Net cash outflow from operating activities	18		(266,672)
Returns on investments and servicing of finance			
Interest received		398	
Interest paid		(38)	
		<hr/>	
Net cash inflow from returns on investment and servicing of finance			360
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(31,311)	
		<hr/>	
Net cash outflow for capital expenditure and financial investment			(31,311)
Financing			
Issue of ordinary share capital		200,000	
Loan proceeds		100,000	
		<hr/>	
Net cash inflow from financing			300,000
Increase in cash in the period	19		<hr/> 2,377 <hr/>

NOTES TO THE FINANCIAL INFORMATION

1. Accounting policies

Accounting convention

The financial information has been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial information of fprop and its subsidiary undertaking. The turnover and results of the subsidiary company are included in the group financial information.

Turnover

Turnover represents commission receivable on sales of properties and is stated net of value added tax.

Tangible fixed assets

Depreciation is provided on a straight-line basis in order to write off the cost of tangible fixed assets over their estimated useful lives as follows:

Fixtures & fittings and Office equipment	10% per year
Computer equipment and Development costs	33% per year

Leased assets

Rentals payable under operating leases are chargeable against income on a straight-line basis over the lease term.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. Segmental information

The turnover and loss before taxation are attributable to the principal activity of the group being the sale of properties.

Turnover and loss on ordinary activities before taxation was generated from activities within the United Kingdom.

The net assets of the company are solely within the United Kingdom.

3. Administrative expenses

The administrative costs represent salaries and expenses incurred directly by fprop group. Up to 30 September, 2000, costs in respect of certain staff and directors and overhead expenses were borne by J.K.L. Property Limited (see note 22).

4. Cost sharing arrangements in the post balance sheet period

With effect from 1 October, 2000 fprop group is bearing the cost of the directors and those staff who will continue to work for fprop group. The directors estimate that the costs to be incurred by fprop group between 1 October, 2000 and 21 December, 2000, the assumed date of Completion, will be approximately £412,000 in respect of staff and directors salaries and expenses. fprop group will continue to share facilities of J.K.L. Property Limited for which a commercial charge is made until 31 December, 2000 when it is due to move to its own premises.

In addition, an agreement has been entered into whereby Benjamin Habib and John Kottler, in their capacity as shareholders of fprop, and vendors, have agreed that if the net liabilities of fprop group exceed £200,000, at the date of Completion, they will indemnify The Hansom Group PLC against amounts in excess of this figure.

5. Loss on ordinary activities before taxation

*4 months ended
30 September, 2000*
£

Operating loss is stated after charging:

Auditors remuneration - non audit	10,000
Set up costs	63,538
Depreciation on tangible fixed assets	2,700
Rental lease charges	238
	<hr/>

6. Net interest receivable

*4 months ended
30 September, 2000*
£

Bank interest receivable	398
Bank interest payable	(38)
	<hr/>
Net interest receivable	360
	<hr/>

7. Deferred taxation

There is no provided or unprovided deferred tax liability at 30 September, 2000. There is a deferred tax asset relating to the losses incurred to date which has not been accounted for in the consolidated balance sheet at 30 September, 2000.

8. Employee information

The average monthly number of persons (including executive directors) employed was as follows:

*4 months ended
30 September, 2000*

The average number of staff	<hr/> 3
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£

Staff costs for the above persons:

Wages and Salaries	17,424
Social Security costs	1,508
	<hr/>
	18,932
	<hr/>

Six additional employees were seconded to fprop group from J.K.L. Property Limited (a company controlled by the founders of fprop) during the period. No charge was made in respect of their services.

9. Directors' emoluments

The directors were not paid any emoluments by fprop group during the period. However, the directors were paid by J.K.L. Property Limited for their services as directors of fprop group as follows. These amounts were not charged to fprop group.

	£
Aggregate emoluments	<u>92,045</u>
Aggregate emoluments of the highest paid director	<u>44,067</u>

10. Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. There are none such in issue.

Basic loss per share has been calculated on the loss for the year of £287,552 and on 5,000,000 ordinary shares at 30 September, 2000.

11. Fixed assets

	<i>Plant & Equipment</i>
	£
Cost	
Additions	31,311
At 30 September, 2000	<u>31,311</u>
Depreciation	
Charge for the period	2,700
At 30 September, 2000	<u>2,700</u>
Net Book Value	
At 30 September, 2000	<u>28,611</u>

12. Debtors

	<i>At 30 September, 2000</i>
	£
Prepayments	<u>7,826</u>

13. Creditors: Amounts falling due in less than one year

	<i>At 30 September, 2000</i>
	£
Loan from J.K.L. Property Limited	100,000
Trade creditors	3,757
Other taxation and social security	15,543
Accruals and deferred revenue	7,066
	<u>126,366</u>

The directors of fprop intend to refinance the loan from J.K.L. Property Limited to bank finance on commercial terms before completion of the proposed acquisition by the Company.

The loan from J.K.L. Property Limited does not bear interest and has no fixed date of repayment.

14. Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments at 30 September, 2000.

15. Called up share capital

	<i>At 30 September, 2000</i> £
Authorised ordinary share capital	
50,000,000 shares of 1p each at 30 September, 2000	500,000
	<hr/>
Allotted called up and fully paid share capital	
5,000,000 shares of 1p each at 30 September, 2000	50,000
	<hr/>

16. Reserves

	<i>Share Capital</i> £	<i>Share Premium</i> £	<i>Profit and Loss account</i> £
At 24 May, 2000	—	—	—
Movement during the period	50,000	150,000	(287,552)
	<hr/>	<hr/>	<hr/>
At 30 September, 2000	50,000	150,000	(287,552)
	<hr/>	<hr/>	<hr/>

17. Reconciliation of movements in shareholders' funds for the four months ended 30 September, 2000

	£
Loss for the period	(287,552)
Nominal value of ordinary shares issued	50,000
Premium on ordinary shares issued	150,000
	<hr/>
Net change in shareholders' funds	(87,552)
	<hr/>
Shareholders' funds as at 30 September, 2000	(87,552)
	<hr/>

18. Reconciliation of operating loss to net cash outflow from operating activities

	£
Operating loss	(287,912)
Depreciation	2,700
Increase in debtors	(7,826)
Increase in creditors	26,366
	<hr/>
Net cash flow from operating activities	(266,672)
	<hr/>

19. Analysis of changes in net funds

	<i>Cash at bank and in hand</i>	<i>Loan</i>	<i>Net funds/ (debt)</i>
	£	£	£
Cash flows	2,377	(100,000)	(97,623)
As at 30 September, 2000	<u>2,377</u>	<u>(100,000)</u>	<u>(97,623)</u>

20. Reconciliation of net cash flow to movement in net debts

	<i>Period ended 30 September, 2000</i>
	£
Movement in cash over the period	2,377
Loan	(100,000)
Net debt at the end of the period	<u>(97,623)</u>

21. Operating leases

At 30 September, 2000 the company had lease agreements in respect of equipment for which the payments extend over a number of years.

	<i>Other leases</i>
	£
Annual commitments under non-cancellable operating leases expiring as follows:	
Within 1 year	—
Between 2-5 years	238
	<u>238</u>

22. Related party transactions

Benjamin Habib and John Kottler, who are both directors and shareholders of the company, are also directors and shareholders of J.K.L. Property Limited. Lord Pearson of Rannoch is also a shareholder in both companies. Accordingly, J.K.L. Property Limited and fprop are under common control and are regarded as related parties.

The turnover of fprop for the period has derived from the sale of two properties both of which were owned by J.K.L. Property Limited. These were sold to companies which were not related parties.

During the period the company received a £100,000 loan from J.K.L. Property Limited and this was outstanding at 30 September, 2000.

J.K.L. Property Limited provided services to and funded certain expenses including salaries and emoluments of staff and directors working for the benefit of First Property Online Limited. No charge has been made in respect of these services and expenses. Management estimates the value of these services provided and expenses incurred to be £388,000 of which £175,000 was incurred in the four months to 30 September, 2000.

Yours faithfully

PricewaterhouseCoopers

PART 5

Unaudited Interim Results of The Hansom Group PLC

The following is the text of the Company's unaudited interim results for the six months ended 30 September, 2000 which were announced on 28 November, 2000.

"CHAIRMAN'S STATEMENT"

The Company's results for the six months ended 30 September, 2000 show a turnover and loss on ordinary activities before taxation of £nil and £121,000 respectively. As at 30 September, 2000 the Company had net assets of £3,658,000 which included £3,387,000 of cash at bank and in hand. These results reflect the Company's status as a shell company and I am pleased to advise shareholders that, after considering a large number of proposals, we have today agreed terms for the acquisition of First Property Online Limited ("fprop"), a business-to-business property transaction company established to facilitate the buying and selling of UK based commercial property.

The acquisition of fprop is classified as a reverse takeover and accordingly requires the approval of shareholders at an extraordinary general meeting convened for 21 December, 2000. Your Board believes that fprop is a company with very significant growth potential.

Alasdair J. D. Locke

Chairman

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the six months ended 30 September, 2000

		<i>Six months to 30 September, 2000 (unaudited) £'000</i>	<i>Six months to 30 September, 1999 (restated) (unaudited) £'000</i>	<i>Year to 31 March, 2000 (audited) £'000</i>
	<i>Notes</i>			
Turnover				
Discontinued operations	1	—	1,625	1,625
Total turnover		—	1,625	1,625
Cost of sales		—	(1,385)	(1,385)
Gross profit		—	240	240
Net operating costs	2	(216)	(252)	(361)
Loss on continuing operations		(216)	(121)	(230)
Profit on discontinued operations	1	—	109	109
Operating loss		(216)	(12)	(121)
Exceptional items profit/(loss)	3	7	(415)	56
Net interest receivable		88	42	128
Profit/(Loss) on ordinary activities before taxation		(121)	(385)	63
Taxation payable		—	—	(292)
Loss for the period	4	(121)	(385)	(229)
Basic (loss) per ordinary share	6	(0.30)p	(1.00)p	(0.58)p

The Group has no recognised gains and losses other than the gains and losses set out in the profit and loss account.

There is no difference between the profit/(loss) on ordinary activities before taxation and the loss for the period and their historical cost equivalents.

The Exceptional items profit/(loss), Profit/(Loss) on ordinary activities before taxation, Loss for the period and Basic (loss) per ordinary share for the six months to 30 September, 1999 have been restated to include the impact of the writeback of goodwill previously written off to reserves (see notes 3 and 4).

CONSOLIDATED BALANCE SHEET

as at 30 September, 2000

		<i>Six months to 30 September, 2000 (unaudited) £'000</i>	<i>Six months to 30 September, 1999 (restated) (unaudited) £'000</i>	<i>Year to 31 March, 2000 (audited) £'000</i>
	<i>Notes</i>			
Fixed Assets				
Investments		238	238	238
		<u>238</u>	<u>238</u>	<u>238</u>
Current Assets				
Debtors		372	525	995
Cash at bank and in hand		3,387	2,701	2,773
		<u>3,759</u>	<u>3,226</u>	<u>3,768</u>
Creditors: amounts falling due within one year		<u>(339)</u>	<u>(62)</u>	<u>(338)</u>
Net current assets		<u>3,420</u>	<u>3,164</u>	<u>3,430</u>
Total assets less current liabilities		<u>3,658</u>	<u>3,402</u>	<u>3,668</u>
Net assets		<u>3,658</u>	<u>3,402</u>	<u>3,668</u>
Capital and reserves				
Called up share capital	5	423	383	403
Share premium	5	2,911	4,784	2,820
Profit and loss account	4	324	(1,765)	445
Equity shareholders' funds		<u>3,658</u>	<u>3,402</u>	<u>3,668</u>

Of the debtors' balance at 30 September, 2000, £120,000 was due after more than one year. (£160,000 – 30 September, 1999 and £146,000 – 31 March, 2000).

The balance sheet at 30 September, 1999 has been restated to allow for consistent classification of certain assets and liabilities within net current assets.

SUMMARISED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 September, 2000

	<i>Six months to 30 September, 2000 (unaudited) £'000</i>	<i>Six months to 30 September, 1999 (restated) (unaudited) £'000</i>	<i>Year to 31 March, 2000 (audited) £'000</i>
Net cash (outflow)/inflow from operating activities	(207)	931	819
Net interest received	79	42	112
Net cash (outflow)/inflow before investing and finance	(128)	973	931
Net cash inflow from disposals of operations	632	786	790
Net cash inflow before financing	504	1,759	1,721
Issue of shares for cash	110	–	110
Increase in cash in period	614	1,759	1,831

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN DEBT

	<i>Six months to 30 September, 2000 (unaudited) £'000</i>	<i>Six months to 30 September, 1999 (restated) (unaudited) £'000</i>	<i>Year to 31 March, 2000 (audited) £'000</i>
Increase in cash in the period	614	1,759	1,831
Movement in net funds in period	614	1,759	1,831
Net funds at beginning of period	2,773	942	942
Net funds at end of period	3,387	2,701	2,773

The consolidated cash flow statement for the six months to 30 September, 1999 has been restated to allow for consistent classification of certain balances between cash and debtors.

NOTES TO THE CONSOLIDATED RESULTS

for the six months ended 30 September, 2000

- The discontinued operations related to Datacab Limited activities.

	<i>Six months to 30 September, 2000 (unaudited) £'000</i>	<i>Six months to 30 September, 1999 (restated) (unaudited) £'000</i>	<i>Year to 31 March, 2000 (audited) £'000</i>
2. Net Operating Costs			
Continuing operations	216	121	230
Discontinued operations	—	131	131
	<u>216</u>	<u>252</u>	<u>361</u>

3. Exceptional Items

Profit on disposal of Datacab before goodwill and corporation tax	3	1,110	1,565
Profit on disposal of Richmond Road Cab Centre before goodwill	4	—	16
	<u>7</u>	<u>1,110</u>	<u>1,581</u>
Goodwill written off (Note 4)	—	(1,525)	(1,525)
Profit/(Loss) on disposal of subsidiaries	<u>7</u>	<u>(415)</u>	<u>56</u>

The exceptional item in the six months to 30 September, 1999 was reported as £1,110,000. This has been restated above to include the write back of goodwill previously written off to reserves.

4. Profit and Loss Account

Balance brought forward	445	(2,905)	(2,905)
Loss for the period as originally reported	(121)	1,140	(229)
Restatement	—	(1,525)	—
Write back of goodwill previously written off to reserves (Note 3)	—	1,525	1,525
Amount transferred from share premium account	—	—	2,054
Balance carried forward	<u>324</u>	<u>(1,765)</u>	<u>445</u>

- The increase in Share Capital and Share Premium in the six months to 30 September, 2000 relates to the issue of 2,000,000 Ordinary Shares on 26 July, 2000 at a price of 5.5p per Ordinary Share. This resulted in the increase in Share Capital of £20,000 and Share Premium Account of £90,000.
- The basic loss per ordinary share is calculated on the loss on ordinary activities after taxation and on a weighted average number of ordinary shares in issue of 41,011,168, 38,289,858 and 39,065,809 respectively.
- The financial information contained in this interim report does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. This information has neither been audited nor reviewed within the meaning of APB Bulletin 1999/4 by the Company's auditors. The financial statements for the year ended 31 March, 2000, incorporating an unqualified report of the auditors, have been filed with the Registrar of Companies.
- The Board of Hansom approved these interim results on 27 November, 2000. Mr John Warwick, Hansom's Finance Director, of 3 Colmore Circus, Birmingham B4 6BH, accepts responsibility for these interim results and consents to their inclusion in this document."

PART 6

Pro forma statement of net assets of the Enlarged Group

The following pro forma statement of the net assets of the Enlarged Group is provided for illustrative purposes only and because of its nature may not give a true picture of the financial position of the Enlarged Group. It shows the net assets of the Enlarged Group following the acquisition of First Property Online Limited and its subsidiary First Property Online.com Limited (together "fprop"), as if the acquisition had been undertaken at 30 September, 2000.

	<i>The Company</i> <i>As at 30</i> <i>September,</i> <i>2000</i> <i>£'000</i>	<i>fprop</i> <i>As at 30</i> <i>September,</i> <i>2000</i> <i>£'000</i>	<i>Adjustment</i> <i>(Note 1)</i> <i>£'000</i>	<i>Enlarged</i> <i>Group</i> <i>pro forma</i> <i>balance sheet</i> <i>£'000</i>
Fixed assets				
Goodwill	–	–	5,652	5,652
Tangible assets	238	29	–	267
	<u>238</u>	<u>29</u>	<u>5,652</u>	<u>5,919</u>
Current assets				
Debtors	372	8	–	380
Cash at Bank	3,387	2	(500)	2,889
	<u>3,759</u>	<u>10</u>	<u>(500)</u>	<u>3,269</u>
Creditors				
Amounts falling due within one year	(339)	(126)	–	(465)
Net current assets/(liabilities)	<u>3,420</u>	<u>(116)</u>	<u>(500)</u>	<u>2,804</u>
Net assets/(liabilities)	<u>3,658</u>	<u>(87)</u>	<u>5,152</u>	<u>8,723</u>

Notes

- The adjustment column reflects the impact of the acquisition and consolidation by the Company of fprop on an acquisition basis as at 30 September, 2000. The adjustment of £5,652,000 represents an estimate of the goodwill arising upon consolidation. This has been calculated as the difference between the assumed fair value of the consideration of £5,065,000 (at an estimated price of 11.88 pence based on 50 per cent. of the closing share price of the Company as at 30 September, 2000 of 23.75 pence) together with an estimate of acquisition related expenses of £500,000 (excluding VAT) and the fair value of the net liabilities acquired of £87,000. The consideration is based on 50 per cent. of the closing share price because the shares to be issued as consideration represent approximately 50 per cent. of the share capital of the Company after Completion.
- The balance sheet of fprop reflects the position at 30 September, 2000. Up to that date certain expenses incurred in the operation of fprop had not been charged to it but had been borne by J.K.L. Property Limited, a related party. From 1 October, 2000 fprop is bearing its full costs.
- No account has been taken of any fair value adjustments that might be required on consolidation of fprop.
- No account has been taken of trading since 30 September, 2000 for either the Company or fprop.

PART 7

Additional Information

1. Responsibility

- 1.1 The Directors and the Proposed Directors, whose names appear on page 3 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 Each of Mr. J. C. Kottler, Lord Pearson of Rannoch, the trustees of the Rannoch Trust and the trustees of the Malcolm Pearson Settlement accept responsibility for the information contained in this document relating to fprop and themselves. To the best of the knowledge and belief of Mr. J. C. Kottler, Lord Pearson of Rannoch, the trustees of the Rannoch Trust and the trustees of the Malcolm Pearson Settlement (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 Each of FPDSavills, CLS, Delancey, Donaldsons, Fletcher King and Moorfield accept responsibility for the information contained in this document relating to themselves. To the best of the knowledge and belief of FPDSavills, CLS, Delancey, Donaldsons, Fletcher King and Moorfield (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation

- 2.1 The Company was incorporated and registered in England and Wales on 12 September, 1994 under the Companies Act 1985 (as amended) ("the Act") as a public company limited by shares with registered number 2967020 under the name The Hansom Group PLC. The Company operates under the Act.
- 2.2 The Company will be the holding company of the Enlarged Group. The Company does not have any subsidiaries at present. The principal subsidiaries of the Company immediately following Admission are set out in paragraph 4 below.
- 2.3 The registered office of the Company is at 3 Colmore Circus, Birmingham B4 6BH.

3. Share Capital

- 3.1 The following is a summary of the changes in the issued share capital of the Company during the three years preceding the date of this document.
- 3.1.1 on 28 November, 1997 the authorised share capital of the Company was £600,000 divided into 60,000,000 Ordinary Shares of which 38,289,858 Ordinary Shares were in issue and fully paid;
- 3.1.2 on 11 November, 1999, 2,000,000 Ordinary Shares were issued at a price of 5.5p per Ordinary Share; and
- 3.1.3 on 26 July, 2000, 2,000,000 Ordinary Shares were issued at a price of 5.5p per Ordinary Share.

- 3.2 As at the date of this document, and immediately following Admission, the Company's authorised and issued share capital is, and will be, as follows:-

At present

	<i>Nominal Value</i>	<i>No. of Ordinary Shares</i>
Authorised	£600,000.00	60,000,000
Issued and fully paid	£422,898.58	42,289,858

Immediately following Admission

	<i>Nominal Value</i>	<i>No. of Ordinary Shares</i>
Authorised	£1,200,000.00	120,000,000
Issued and fully paid	£849,797.16	84,979,716

- 3.3 Set out below is a summary of the resolutions relating to share capital which are to be proposed at the Extraordinary General Meeting to be held at 10.00 a.m. on 21 December, 2000 and which are set out in the Notice of Extraordinary General Meeting at the end of this document;
- 3.3.1 to increase the authorised share capital of the Company from £600,000 to £1,200,000 by the creation of 60,000,000 Ordinary Shares, representing an increase in nominal value of 100 per cent.;
- 3.3.2 to authorise the Directors to allot the New Ordinary Shares to the Vendors and the Initial Partners in accordance with the terms of Acquisition Agreement and the Initial Partner Acquisition Agreements pursuant to Section 80 of the Act up to a maximum nominal amount of £426,898.58;
- 3.3.3 to authorise the Directors to allot relevant securities pursuant to Section 80 of the Act up to an aggregate nominal amount of £169,959.43 (representing 20 per cent. of the issued ordinary share capital of the Company after completion of the Proposals) such authority to expire at the conclusion of the next annual general meeting of the Company; and
- 3.3.4 to disapply the statutory pre-emption rights contained in Section 89(1) of the Act in relation to the issue of shares up to a maximum nominal amount of £169,959.43 (representing approximately 20 per cent. of the issued ordinary share capital of the Company after completion of the Proposals) such authority to expire at the conclusion of the next annual general meeting of the Company.
- 3.4 Except to the extent disapplied pursuant to Section 95 of the Act, the provisions of Section 89(1) of the Act (which confer on shareholders' rights of pre-emption in respect of the allotment of equity securities (as defined in Section 94(2) of the Act) which are, or are to be, fully paid up in cash) will apply to the authorised but unissued Ordinary Shares of the Company following Admission.
- 3.5 The Company has granted and there remain outstanding options to John Warwick in respect of 400,000 Ordinary Shares under the Hansom 1996 Share Option Scheme. Further details of such scheme are set out in paragraph 6 below. The options were granted on 4 December, 1996 and are exercisable, with certain limited exceptions, at any time between the first and the fifth anniversaries of the date of grant at an exercise price of 5.5p.
- 3.6 Under the terms of the engagement letter entered into between the Company and Granville Baird, the Company has granted an option to Granville Baird to acquire 849,797 new Ordinary Shares at an exercise price equal to the average closing mid-market price of the Company's Ordinary Shares in the 20 dealing days preceding the announcement of the Acquisition. The option is exercisable at any time in the three year period following the date of Admission.
- 3.7 Save as disclosed above, during the three years immediately preceding the date of this document, there has been no change in the amount of the authorised or issued share capital of the Company.
- 3.8 Save as disclosed in this paragraph, no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- 3.9 The Ordinary Shares are, and the New Ordinary Shares will be, in registered form.

4. Subsidiaries

- 4.1 On Admission, the Company will be the holding company of the following subsidiary undertakings, both of which will be wholly owned directly or indirectly by the Company:

<i>Name</i>	<i>Registered office</i>	<i>Principal activity</i>	<i>Issued and fully paid share capital</i>
First Property Online Limited*	51 St. George's Drive London SW1V 4DE	Holding company	7,692,306 ordinary shares of 1p each†
First Property Online.com Limited	51 St. George's Drive London SW1V 4DE	Operating www.fprop.com	1 ordinary share of £1

* Will change its name on Completion.

† Includes those shares in fprop to be issued to the Initial Partners subject to Admission.

5. Memorandum and Articles of Association

The Memorandum of Association of the Company as proposed to be amended pursuant to resolution 6 set out in the notice of Extraordinary General Meeting as set out at the end of this document provides that the Company's principal objects are to carry on the business of an investment and holding company. The objects of the Company are set out in full in clause 4 of the Memorandum of Association.

The New Articles of Association of the Company (the "Articles") proposed to be adopted pursuant to resolution 7 set out in the notice of Extraordinary General Meeting as set out at the end of this document contain, *inter alia*, provisions to the effect set out below:

5.1 Voting rights

Subject to disenfranchisement as provided in 5.4 below and subject to any special terms as to voting on which any shares may be issued (no such shares currently being in issue), on a show of hands every member present in person (or, being a corporation, present by a duly authorised representative) shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.

5.2 Transfer of shares

The Ordinary Shares are in registered form and are capable of being held in uncertificated form.

A member may transfer all or any of his uncertificated shares by means of a relevant system, as defined in the Uncertificated Securities Regulations 1995, which includes CREST. The Directors may refuse to register any transfer of an uncertificated share where permitted by the Uncertificated Securities Regulations 1995. If the Directors refuse to register a transfer of an uncertificated share they shall, within two months of the date on which the transfer instruction relating to such a transfer was received by the Company, send to the transferee notice of the refusal.

All transfers of certificated shares must be effected by a transfer in writing in any usual form or any other form approved by the Directors. The instrument of transfer shall be executed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The Directors may refuse to register any transfer of a partly paid share held in certificated form and may also refuse to register any transfer of a certificated share unless the instrument of transfer is:

- (i) duly stamped (if so required), is lodged with the Company's registrars or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

- (ii) in respect of only one class of shares; and
- (iii) in favour of not more than four transferees.

5.3 *Dividends*

The Company in general meeting may declare dividends in accordance with the respective rights of the members, provided that no dividend shall be payable in excess of the amount recommended by the Directors. The Directors may pay such interim dividends as appear to them to be justified. No dividend or other moneys payable in respect of a share shall bear interest as against the Company.

There are no fixed dates on which entitlement to dividends arises.

All dividends unclaimed for a period of twelve years after becoming due for payment shall be forfeited and shall revert to the Company.

5.4 *Disclosure of interests in shares*

If any member or other person appearing to be interested in shares of the Company is in default in supplying within 14 days after the date of service of a notice requiring such member or other person to supply to the Company in writing all or any such information as is referred to in section 212 of the Act, the Directors may, for such period as the default shall continue, impose sanctions upon the relevant shares.

The sanctions available are the suspension of voting or other rights conferred by membership in relation to meetings of the Company in respect of the relevant shares and, additionally, in the case of a shareholding representing at least 0.25 per cent. by nominal value of any class of shares of the Company then in issue, the withholding of payment of any dividends on, and the restriction of transfers of, the relevant shares.

5.5 *Distribution of assets on liquidation*

On a winding-up any surplus assets will be divided amongst the holders of the Ordinary Shares according to the respective numbers of shares held by them and in accordance with the provisions of the Act, subject to the rights of any shares which may be issued with special rights or privileges (no such shares presently being in issue). The Articles provide that the liquidator may, with the sanction of an extraordinary resolution and any other sanction required by the Act, divide amongst the members *in specie* the whole or any part of the assets of the Company in such manner as he may determine.

5.6 *Changes in share capital*

5.6.1 Without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine, or in the absence of such determination as the Directors may determine. Subject to the Act, the Company may issue shares which are, or at the option of the Company or the holder are liable, to be redeemed.

5.6.2 The Company may by ordinary resolution increase its share capital, consolidate and divide all or any of its share capital into shares of larger amount, subdivide its shares or any of them into shares of smaller amount or cancel or reduce the nominal value of any shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amounts so cancelled or the amount of the reduction.

5.6.3 Subject to the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account, and may also, subject to the Act, purchase its own shares.

5.7 *Variation of rights*

Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of that class) be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of such holders.

5.8 *Directors' interests*

5.8.1 A Director who is in any way, directly or indirectly, interested in a transaction or arrangement with the Company shall, at a meeting of the Directors, declare in accordance with the Act the nature of his interest.

5.8.2 Provided that he has declared his interest in accordance with paragraph (i), a Director may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer or otherwise interested in any body corporate promoted by the Company or in which the Company is otherwise interested. No director so interested shall be accountable to the Company, by reason of his being a Director, for any benefit which he derives from such office or interest or any such transaction or arrangement

5.8.3 Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

5.8.4 A Director shall not vote at a meeting of the Directors in respect of a matter in which he has any material interest otherwise than by virtue of his interest in shares, debentures or other securities of, or otherwise in or through, the Company unless his interest arises only because the case falls within one or more of the following paragraphs:

- (a) the giving to him of any guarantee, security or indemnity in respect of money lent or an obligation incurred by him at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (b) the giving to a third party of any guarantee, security or indemnity in respect of any obligation of the Company or any of its subsidiary undertakings for which he has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) the subscription by him for shares, debentures or other securities of the Company or any of its subsidiary undertakings or by virtue of his participation in the underwriting or sub-underwriting of an offer of such shares, debentures or other securities for subscription, purchase or exchange;
- (d) any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that the shares in which he is interested do not represent one per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of the relevant company;
- (e) any proposal relating to an arrangement in whole or in part for the benefit of the employees of the Group which does not award to him as such any privilege or advantage not awarded to the employees to whom such arrangement relates;
- (f) any proposal concerning the purchase or maintenance of insurance against any liability which would otherwise attach to all or any of the Directors.

5.8.5 Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any company in which the Company is interested the proposals may be divided and considered in relation to each

Director separately and (if not otherwise precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

- 5.8.6 The Company may by ordinary resolution suspend or relax these provisions to any extent or ratify any transaction not duly authorised by reason of a contravention of these provisions.

5.9 Remuneration of Directors

- 5.9.1 The ordinary remuneration of the Directors (other than an executive director) shall be such amount as the Directors shall from time to time determine (provided that unless otherwise approved by the Company in general meeting the aggregate of the ordinary remuneration of such Directors shall not exceed £2,000,000 per year) to be divided among them in such proportion and manner as the Directors may determine. The Directors shall also be paid by the Company all travelling, hotel and other expenses as they may incur in attending meetings of the Directors or general meetings or otherwise in connection with the discharge of their duties.
- 5.9.2 Any Director who, by request of the Directors, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration as the Directors may determine.
- 5.9.3 The emoluments and benefits of any executive director for his services as such shall be determined by the Directors and may be of any description, including membership of any pension or life assurance scheme for employees or their dependents, or apart from membership of any such scheme, the payment of a pension or other benefits to him or his dependents on or after retirement or death.

5.10 Retirement of Director

A Director shall be capable of being appointed or reappointed a Director despite having attained the age of 70 or any other age and shall not be required to retire by reason of his having attained any particular age and section 293 of the Act (relating to the appointment and retirement as Directors of persons who are aged 70 or over) shall not apply.

5.11 Borrowing powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital.

The Directors shall restrict the borrowings of the Company and by the exercise of the Company's voting and other rights or powers of control over its subsidiary undertakings secure that they restrict their borrowings so that the aggregate amount at any time outstanding in respect of money borrowed by the Group (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed a sum equal to three times the aggregate of the amount paid up or credited as paid up on the allotted or issued share capital of the Company and the amount standing to the credit of the consolidated capital and revenue reserves of the Company as shown by the latest audited consolidated balance sheet of the Group adjusted as specified in the Articles.

6. Share Option Schemes

The Company has two existing employee share option schemes: The Hansom Approved Executive Share Option Scheme ("the Approved Scheme"), and the Hansom 1996 Share Option Scheme ("the Unapproved Scheme"). There are subsisting options under the Unapproved Scheme although no further options can be granted pursuant to it. Subject to the passing of resolution 3 set out in the notice of Extraordinary General Meeting at the end of this document, the Company proposes to adopt The First Property 2000 Discretionary Share Option Scheme ("the First Property Scheme"). Summaries of the main provisions of each of these schemes are set out below:

6.1 *The Approved Scheme*

- (a) This is an Inland Revenue approved Company Share Option Scheme("CSOP"). Options to subscribe for Ordinary Shares may be granted, (at the discretion of the Board or a properly authorised Committee of the Board) to selected full time employees of the Group (i.e. those normally required to devote 20 hours or more per week or, if directors, normally required to devote 25 hours or more per week, to their employment within the Group). Options may not be granted to anyone who is within two years of his or her normal retirement date.
- (b) Options may normally only be granted within 42 days after announcement of the Group's preliminary or interim results.
- (c) Options must be granted at a subscription price per Ordinary Share which is at least the greater of:
 - (i) the average middle market quotation of an Ordinary Share derived from the Stock Exchange Daily Official List over the five dealing days immediately preceding the day on which the option is granted; or
 - (ii) if (i) above does not apply, the market value of an Ordinary Share on the date of grant as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed with the Board of Inland Revenue; and
 - (iii) its nominal value.
- (d) No consideration is payable for the grant of an option and options are not transferable or assignable.
- (e) The number of Ordinary Shares over which options may be granted within any 10 year period under the Scheme, when aggregated with Ordinary Shares put under option under any other share option scheme established by the Company (other than savings related schemes) may not exceed 5 per cent. of the issued Ordinary Share capital of the Company from time to time (or 10 per cent. where the market value of the issued share capital does not exceed £5 million).
- (f) The number of Ordinary Shares over which options may be granted under the Scheme when aggregated with Ordinary Shares put under option under all share schemes established by the Company (including savings related schemes) may not exceed 10 per cent. of the issued Ordinary Share capital of the Company within any 10 year period or 3 per cent. within any three year period.
- (g) The maximum aggregate subscription price paid or payable on the exercise of all options granted to any individual option holder under the Scheme and any other CSOP operated by the Company or an associated company may not exceed £30,000. Although surrendered or lapsed options are not included in calculating the overall Scheme limits under paragraphs (e) and (f) above they are included in calculating the limit on each individual's participation under the limit in this paragraph (g).
- (h) An option is exercisable (in whole or in part) normally between the third and the tenth anniversaries of the date of grant. In certain circumstances an option may be exercised earlier (for example, on death or redundancy or where the participant otherwise involuntarily ceases to be employed by the Group, or on a takeover, reconstruction or voluntary winding up of the Company). An option will lapse if the holder voluntarily resigns or is dismissed for cause as an employee of the Group unless otherwise agreed by the Board or the Remuneration Committee.
- (i) The exercise of an option may be made subject to the achievement of specific performance conditions to be determined by the Board or the Remuneration Committee.
- (j) In the event of a general offer to acquire the whole of the issued share capital of the Company as a result of which the offeror obtains control of the Company, an option holder may, with the consent of the acquiring company, release each subsisting and unexercised option for a new right

which is equivalent to his or her option but relates to shares in a different company (generally, the offeror).

- (k) The number and/or class of shares and the subscription price of shares subject to an option may be varied by the Board in the event of a reorganisation of capital (such as a capitalisation or rights issue) subject to Inland Revenue approval and an opinion of the auditors of the Company that the variations are fair and reasonable.
- (l) The Scheme is administered by the Board. The Board has the power to amend the Scheme subject to the approval of the Inland Revenue, but (a) no amendment may be made which would materially affect the existing rights of an option holder and (b) no amendment may be made to the matters referred to in this summary which is to the advantage of existing or future option holders (other than minor amendments for general administrative, fiscal or regulatory benefit) except with the consent of the Company in general meeting.
- (m) The Board may terminate the Scheme at any time with the effect that no further options may thereafter be granted although in all other respects the Scheme will remain in force.
- (n) No options may be granted under the Scheme after the tenth anniversary of its adoption.

6.2 *The Unapproved Scheme*

- (a) This Scheme was established following the reduction in 1996 in the aggregate market value of shares over which options could be awarded to any individual under a CSOP in order to fulfil agreements already made in relation to the salary packages of three executives.
- (b) Under the Unapproved Scheme options to subscribe for Ordinary Shares at a subscription price of 5.5 pence could be granted, (at the discretion of the Board or a properly authorised Committee of the Board), to selected directors or employees of the Group within the initial six week period after the Unapproved Scheme was approved by the Company at an extraordinary general meeting held in November 1996.
- (c) No consideration was payable for the grant of an option and options are not transferable or assignable.
- (d) The number of Ordinary Shares over which options could be granted under the Unapproved Scheme could not exceed 4,400,000.
- (e) An option is exercisable (in whole or in multiples of 100,000 Ordinary Shares) at such times and in such form as prescribed by the Board but only between the first and fifth anniversaries of grant. There are specific exercise provisions in circumstances such as the death of a participant or on a takeover, reconstruction or voluntary winding up of the Company.
- (f) In the event of a general offer to acquire the whole of the issued share capital of the Company as a result of which the offeror obtains control of the Company, an option holder may, with the consent of the acquiring company, release each subsisting and unexercised option for a new right which is equivalent to his or her option but relates to shares in a different company (generally, the offeror).
- (g) The number and/or class of shares and the subscription price of shares subject to an option may be varied by the Board in the event of a reorganisation of capital (such as a capitalisation or rights issue) subject to an opinion of the auditors of the Company that the variations are fair and reasonable.
- (h) The Scheme is administered by the Board. The Board has the power to amend the Scheme but no amendment may be made to the matters referred to in this summary which is to the advantage of option holders (other than minor amendments for general administrative, fiscal or regulatory benefit) except with the consent of the Company in general meeting.

6.3 *The First Property Scheme*

- (a) Although this scheme is not approved in advance by the Inland Revenue it is intended to allow the grant of options which qualify as tax favoured Enterprise Management Incentive ("EMI") Options as well as the grant of ordinary unapproved share options.
- (b) Options to acquire or subscribe for Ordinary Shares may be granted (at the discretion of the Board or a properly authorised Committee of the Board), to selected employees (including executive directors) of the Group although EMI options may only be granted to individuals who satisfy the EMI working time requirements. Options may not be granted to anyone who is within two years of his or her normal retirement date. Under current rules only 15 individuals may hold EMI options over shares in the Company at any one time.
- (c) Options may be granted within 42 days after announcement of the Group's preliminary or interim results, to a new recruit within 14 days of the date when they become an employee of the Group, and at any other time subject to the Model Code if the Directors consider the circumstances to be exceptional.
- (d) Options must be granted at an exercise price per Ordinary Share which is at least the market value of an Ordinary Share on the date of grant as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed with the Board of Inland Revenue. The exercise price per Ordinary Share of any subscription option may not be less than its nominal value.
- (e) No consideration is payable for the grant of an option and options are not transferable or assignable.
- (f) The number of Ordinary Shares over which subscription options may be granted within any 10 year period under the Scheme, when aggregated with Ordinary Shares over which subscription options have been granted under any other share option scheme established by the Company may not exceed 10 per cent. of the issued Ordinary Share capital of the Company from time to time.
- (g) The maximum aggregate price paid or payable on the exercise of all EMI options granted to any individual option holder under the Scheme when aggregated with any other EMI options they hold may not exceed £100,000.
- (h) The maximum aggregate price paid or payable on the exercise of all subscription options held by any individual option holder under the Scheme and any other share option scheme (other than a savings related scheme) may not exceed four times the gross rate of basic salary and bonus of that individual. Although surrendered options are not included in calculating the overall Scheme limits under paragraph (f) above they are included in calculating the limit on each individual's participation under the limits in paragraphs (g) and this paragraph (h).
- (i) The exercise of an option may, if the Remuneration Committee so decides at the time of grant be subject to the achievement of specific objective performance conditions to be imposed by the Board or the Remuneration Committee at the time of grant.
- (j) An option holder must indemnify the Company and any company within the group which is treated as the employer company of the option holder for the purposes of PAYE against all liability for income tax and employee's national insurance contributions payable on behalf of the option holder at the time an option is exercised. In addition, if so required by the directors, an option holder may have to agree to take on the liability to pay any employer's national insurance which would otherwise be due upon exercise of the option.
- (k) An option which is subject to a performance condition is exercisable (in whole or in part) normally between the date on which the participant is advised that the performance target applicable to that option has been met and the tenth anniversary of the date of grant. An option which is not subject to a performance condition is normally exercisable at any time between the third anniversary of the date of grant (or such other date as the board may specify at the date of grant) and the tenth anniversary of the date of grant. In certain circumstances an option may be exercised earlier (for example, on death or redundancy or where the participant otherwise involuntarily ceases to be employed by the Group). In such circumstances the option will if it is

subject to performance targets only be exercisable to the extent that the Directors anticipate the relevant performance targets will in fact be met, and in any event only over a time apportioned proportion of the option shares. An option will lapse if the holder voluntarily resigns or is dismissed for cause as an employee of the Group unless otherwise agreed by the Board or the Remuneration Committee.

- (l) If the Company is subject to a successful takeover options are normally exercisable over a time apportioned proportion of the option shares during the period of six months from the date of any change of control, and will lapse at the end of that period, or if earlier at the end of any compulsory acquisition period under sections 428F to 430 of the Act.
- (m) The number and/or class of shares and the subscription price of shares subject to an option may be varied by the Board in the event of a reorganisation of capital (such as a capitalisation or rights issue) subject to an opinion of the auditors of the Company that the variations are fair and reasonable and, in the case of EMI options, to Inland Revenue approval.
- (n) The Scheme is administered by the Board. The Board has the power to amend the Scheme subject to the approval of the Inland Revenue, but (a) no amendment may be made to any EMI share option contract without the consent of the option holder, (b) no amendment may be made to the matters referred to in this summary which is to the advantage of existing or future option holders (other than minor amendments for general administrative, fiscal or regulatory benefit) except with the consent of the Company in general meeting, and no amendment may be made in relation to existing options where the Grantor is not the Company without the prior approval of the Grantor.
- (o) No options may be granted under the Scheme after 30 November, 2005.

7. Directors' and Other Interests

- 7.1 As at 27 November, 2000 being the latest practicable date prior to the publication of this document, the interests of the Directors and the Proposed Directors in the ordinary share capital of the Company, all of which are beneficial, unless otherwise stated, which (i) have been notified to the Company pursuant to Sections 324 or 328 of the Act or (ii) are required to be entered in the register of directors' interests maintained under the provisions of Section 325 of the Act or (iii) are interests of a connected person of a Director or a Proposed Director which would, if the connected person were a director of the Company, be required to be disclosed under (i) and (ii) above, and the existence of which is known to or could with reasonable diligence be ascertained by that Director or Proposed Director (as the case may be) are as follows:

<i>Name of Director</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of existing issued Ordinary Share Capital</i>	<i>Options over Ordinary Shares</i>
A.J.D. Locke	5,015,740	11.86	—
A.M. Palmer	—	—	—
J.A. Warwick	—	—	400,000
B.N. Habib	—	—	—
J.C. Phillips	—	—	—

Notes:

1. The beneficial interest of Mr. A.J.D. Locke is made up of 4,015,740 Ordinary Shares registered in the name of Vidacos Nominees and 1,000,000 Ordinary Shares registered in the name of his wife, Mrs. K.A. Locke.
 2. Mr. J.A. Warwick's options are exercisable at a price of 5.5p at any time until 4 December, 2001.
- 7.2 Immediately following Admission and assuming the issue of 42,689,858 Ordinary Shares pursuant to the Acquisition, the interests of the Directors and the Proposed Directors in the ordinary share capital of the Company, all of which are beneficial, unless otherwise stated, which (i) have been notified to the Company pursuant to Sections 324 or 328 of the Act or (ii) are required to be entered in the register of directors' interests maintained under the provisions of

Section 325 of the Act or (iii) are interests of a connected person of a Director or a Proposed Director which would, if the connected person were a director of the Company, be required to be disclosed under (i) and (ii) above, and the existence of which is known to or could with reasonable diligence be ascertained by that Director or Proposed Director (as the case may be) are as follows:

<i>Name of Director</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Share Capital on Admission</i>	<i>Options over Ordinary Shares</i>
A.J.D. Locke	5,015,740	5.90	—
B.N. Habib	12,486,783	14.69	—
J. C. Phillips	—	—	—

- 7.3 In addition to the interests of the Directors and Proposed Directors disclosed in paragraph 7.2 above, as at 27 November, 2000, being the latest practicable date prior to the printing of this document, and following Admission, the Company has been notified under Section 198 of the Act or the Directors and Proposed Directors are otherwise aware of the following interests in 3 per cent. or more of the existing issued share capital and the issued share capital following Admission:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of existing issued Ordinary Share Capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Share Capital on Admission</i>
Edinburgh Fund Managers Plc	4,155,000	9.83	4,155,000	4.89
John Charles Kottler	—	—	12,486,783	14.69
Lord Pearson of Rannoch	—	—	2,774,841	3.27
FPDSavills	—	—	6,403,481	7.54

Notes:

- 1,765,808 of the Ordinary Shares disclosed under Lord Pearson of Rannoch will on Admission be held beneficially by the trustees of the Rannoch Trust, a charitable trust.
- 168,167 of the Ordinary Shares disclosed under Lord Pearson of Rannoch will on Admission be held beneficially by the trustees of the Malcolm Pearson Settlement, a trust for the benefit of certain relatives of Lord Pearson of Rannoch.

Save as disclosed above, the Directors and Proposed Directors are not aware of any person who is, or will be following Admission, interested (within the meaning of the Act) directly or indirectly in 3 per cent or more of the issued ordinary share capital of the Company or could directly or indirectly, jointly or severally, exercise control over the Company.

- 7.4 There are no outstanding loans granted by Hansom to the Directors nor are there any guarantees provided by Hansom for its or their benefit.

- 7.5 The names of all the companies of which each Director and each Proposed Director has been a director at any time in the five years preceding the date of this document are as follows:-

Mr. A. J. D. Locke

Current Directorships

KCA Drilling Limited
KCA Drilling Group Limited
Dunwich Limited
Glenrinnes Farms Limited
The Glenrinnes Film Partnership
Abbot Group Plc
Euros Power Limited
OIS International Inspection Plc
New Generation Projects Limited
Unigroup Properties (Leeds) Limited
Abbot Holdings Plc
Abbot US Investments Inc.
Abbot Holdings Inc.
OIS Teesside Limited
KCA Caspian Limited
BW Group Plc
Patrick Spens & Co. Limited
Powergen Renewables Limited
Powergen Renewables Developments Limited
Powergen Renewables Holdings Limited
The Hansom Group PLC
Benrinnes Underwriting Limited
Spear Technologies Limited

Directorships held within the last five years

Unigroup Finance Limited
Unigroup Limited
Security Shutters (UK) Limited
Nairoc Limited
Pelaburan Antrabangsa B.V.
Itaco Limited

Mr. A. M. Palmer

Current Directorships

Millennium PLC
(Millennium Finchley) Limited
Millennium (Milton Keynes) Limited
Auto Indemnity Group plc
Auto Indemnity Limited
Auto Indemnity Group Limited
Auto Indemnity (Northern) Limited
Auto Indemnity (Southern) Limited
Auto Indemnity (South East) Limited
Auto Indemnity (Pennines) Limited
Auto Indemnity (East Riding) Limited
Auto Indemnity (East Midlands) Limited
Auto Indemnity (North Wales) Limited
Auto Indemnity (Scotland) Limited
Premier Consultants – Partnership
Global Travel – Partnership
The Hansom Group PLC

Directorships held within the last five years

Group Lotus Plc
Group Lotus Limited
Lotus Engineering Limited
Lotus Body Engineering Limited
Active Control Systems Limited
Lotus GT Teams Limited
Keswick Consultants Limited

Mr. J. A. Warwick

Current Directorships

John Warwick & Co Limited
The Hansom Group PLC

Directorships held within the last five years

None

Mr. B. N. Habib

Current Directorships
J. K. L. Property Limited
Thaddeus Limited
E&S Estates Limited
Ripley (1999) Limited

Directorships held within the last five years.
Jadehouse Limited
40 Winchester Street Limited
Photo-vend UK PLC
Neighbourhood Centres (UK) plc
Neighbourhood Centres (2) Limited
Neighbourhood Centres Investments Limited
Nyegrove Limited
Kottler Investments & Developments Limited
Angus Chisholm Limited
Takhar Mews Management Company Limited
The Cloisters (Oxford) Management
Company Limited
The Priorslee Farm Mews Company Limited

Mr. J. C. Phillips

Current Directorships
Gifts UK Limited

Directorships held within the last five years
None

- 7.6 Mr. J. A. Warwick trades as a sole trader under the name John Warwick & Co, Chartered Accountants.
- 7.7 No Director or Proposed Director has, save as disclosed:
- (i) been a partner in any partnership in the previous five years;
 - (ii) any unspent convictions relating to indictable offences;
 - (iii) at any time been adjudged bankrupt or been a party to any form of individual voluntary arrangement;
 - (iv) been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation or administration or entered into any company voluntary arrangement or any composition or arrangement with its creditors generally or any class of creditors whilst he was a director of that company or within twelve months after he ceased to be a director of that company;
 - (v) been a partner in a partnership which has been placed into administration, compulsory liquidation or entered into any partnership voluntary arrangement whilst he was a partner at the time or within the previous twelve months of such event;
 - (vi) been a director of any company or a partner of any partnership, any asset of which has been placed in receivership whilst he was a partner or director at the time or within the previous twelve months of such event; or
 - (vii) been publicly criticised by any statutory or regulatory authority or disqualified from acting as a director of a company or from acting in the management of the affairs of any company.
- 7.8 During the last 12 months, the following dealings for value in shares in the Company by the Directors, their immediate families and connected persons have taken place:

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Ordinary Shares</i>	<i>Price per share</i>
A. J. D. Locke	25 July, 2000	Purchase	2,491,172	21.5p
	31 August, 2000	Purchase	363,636	21.5p
J. A. Warwick	31 August, 2000	Sale	363,636	21.5p

- 7.9 The following dealings for value in fprop by the directors of fprop and the Enlarged Concert Group have taken place since its incorporation:

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of fprop Shares</i>	<i>Price paid per share</i>
B. N. Habib	25 May, 2000	Subscription	2,500,000	1p
J. C. Kottler	25 May, 2000	Subscription	2,500,000	1p

Note:

Mr. B. N. Habib holds a non-beneficial interest in 250,000 of these fprop Shares as bare trustee for and on behalf of the trustees of the Rannoch Trust.

Mr. J. C. Kottler holds a non-beneficial interest in 250,000 of these fprop Shares as bare trustee for and on behalf of Lord Pearson and associated trusts.

The directors of fprop are currently Mr. B. N. Habib and Mr. J. C. Kottler.

- 7.10 Save as disclosed in paragraphs 7.9 above, no fprop Shares are owned or controlled or have been dealt in for value since the incorporation of fprop by fprop, the directors of fprop or by the Enlarged Concert Group (or by any person acting in concert with fprop, the directors of fprop or by the Enlarged Concert Group).
- 7.11 No fprop Shares are owned or controlled or have been dealt in for value since incorporation by the Company or by the Directors.
- 7.12 An irrevocable undertaking to vote in favour of the resolutions proposed at the Extraordinary General Meeting has been given by Mr. A.J.D. Locke in respect of his entire beneficial holding of Ordinary Shares (which includes the holding of his wife, Mrs. K.A. Locke) as well as Edinburgh Fund Managers Plc. The shareholdings of Mr. A.J.D. Locke (and his wife) and Edinburgh Fund Managers Plc are set out in paragraphs 7.1 and 7.3 respectively above. Dealings in Ordinary Shares during the last 12 months for Mr. A.J.D. Locke (and his wife) are set out in paragraph 7.8 above and for Edinburgh Fund Managers Plc are as follows:

<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Ordinary Shares</i>	<i>Price per share</i>
24 May, 2000	Purchase	250,000	12p
26 July, 2000	Purchase	2,000,000	21.5p

- 7.13 No pension fund of the Company or of any of its subsidiaries nor any bank, financial or other professional advisers of the Company (including stockbrokers but excluding exempt fund managers and market makers), including any person controlling, controlled by or under the same control as any such bank, stockbroker, financial or other professional adviser, owns, controls or is interested in, directly or indirectly, any relevant securities or has dealt within the last 12 months.
- 7.14 Neither fprop nor the Enlarged Concert Group, nor, so far as fprop or the Enlarged Concert Group are aware, any person acting in concert with the Enlarged Concert Group, nor any associate of fprop nor the Enlarged Concert Group, nor the Company nor any associate of the Company has any arrangement in relation to relevant securities. For the purposes of this Part VIII "arrangement" includes an indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities, which may be an inducement to deal or refrain from dealing.
- 7.15 No Ordinary Shares are owned or controlled or have been dealt in for value by fprop, the directors of fprop or by the Enlarged Concert Group (or by any persons acting in concert with fprop, the directors of fprop or the Enlarged Concert Group).
- 7.16 The Directors and the Proposed Directors are not aware of any agreement, arrangement or understanding by which the beneficial ownership of any New Ordinary Shares will be transferred to any other person.

Reference in this Part 7 to:

- (i) an “associate” is to:
 - (aa) subsidiaries and associated companies of the Company, as appropriate, and companies of which any such subsidiaries or associated companies are associated companies;
 - (bb) banks, financial and other professional advisers (including stockbrokers) to the Enlarged Concert Group and the Company, as appropriate, or any company covered in (aa) above, including persons controlling, controlled by or under the same control as such banks or financial or other professional advisers;
 - (cc) the Directors of the Company or of any company covered in (aa) above (together in each case with any member of their immediate families or related trusts); and
 - (dd) the pension funds of the company or any company covered in (aa) above;
- (ii) a “bank” does not apply to a bank whose sole relationship with the Enlarged Concert Group or the Company or a company covered in (i)(aa) above is the provision of normal commercial banking services;
- (iii) 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 and “control” means a holding, or aggregate holdings, or shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives *de facto* control; and
- (iv) “relevant securities” are to existing Ordinary Shares, fprop Shares and securities convertible into, or exchangeable for, rights to subscribe for, derivatives referable to and options (including traded options) in respect of, any of the foregoing.

8. Directors’ Service Agreements and Emoluments

- 8.1 Pursuant to the terms of the Acquisition Agreement, Mr. B.N. Habib has agreed, conditional on Admission, to enter into a service agreement with the Company. The annual salary to be paid under the service agreements is £150,000. The service agreement is terminable on 6 months’ written notice given by either party. Mr. Habib is entitled to a pension contribution of 10 per cent. of basic annual salary and a company car commensurate from time to time with his position. Mr. Habib is also entitled to participate for himself, his spouse and his dependent children in the Company’s private medical insurance scheme.
- 8.2 Mr. J.C. Phillips has agreed, conditional on Admission, to enter into a service agreement with the Company. The annual salary to be paid under the service agreements is £90,000. The service agreement is terminable on 6 months’ written notice given by either party. Mr. Phillips is entitled to a pension contribution of 10 per cent. of basic annual salary and a company car commensurate from time to time with his position. Mr. Phillips is also entitled to participate for himself, his spouse and his dependent children in the Company’s private medical insurance scheme.
- 8.3 Mr. A.J.D. Locke has entered into a letter of appointment with the Company on 28 November, 2000 conditional on Admission. Under the terms of his letter of appointment Mr. Locke is entitled to a fee of £15,000 per annum together with reimbursement of all reasonable out of pocket expenses. Mr. Locke’s engagement will terminate with immediate effect by a resolution of the Board. Mr. Locke has previously been paid £15,000 per annum.
- 8.4 Save as stated above, there are no existing or proposed service agreements between the Directors or the Proposed Directors and the Company.

- 8.5 In the year ended 31 March, 2000 the aggregate remuneration, including pension contributions and other benefits, paid or granted to the Directors was £121,000. On the basis of the arrangements described in this document, in the year ending 31 March, 2001 the aggregate remuneration, including pension contributions and other benefits, to be paid or granted to the Directors and the Proposed Directors by the Company or any of its subsidiaries is estimated to be £224,000 (including payments to former Directors).

9. Material Contracts

9.1 *Hansom*

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Hansom group within the last two years immediately preceding the date of this document and are or may be material or have been entered into by the Group and contain a provision under which the Hansom group has an obligation or entitlement which is or may be material to the Company as at the date of this document:

- 9.1.1 an agreement dated 28 November, 2000 between the Mr. B. N. Habib, Mr. J. C. Kottler and Lord Pearson of Rannoch and associated Trusts ("Vendors") (1) and the Company (2) whereby the Vendors agreed to sell and the Company agreed to acquire the issued shares in the capital of fprop held by the Vendors ("the Shares") in consideration for the issue and allotment to the Vendors of 27,748,407 New Ordinary Shares at Completion. The Acquisition Agreement is conditional, *inter alia*, on approval of the Proposals by the shareholders of the Company and Admission. Mr. B. N. Habib and Mr. J. C. Kottler have given the Company normal commercial warranties in relation to fprop's business and the Shares. The aggregate liability under the warranties is limited to £2,900,000. The warranty limitation period for non taxation matters is from Completion until 30 September, 2002 and the warranty limitation period for taxation matters is for seven years from Completion. Pursuant to the terms of the Acquisition Agreement, Mr. B.N. Habib has agreed conditional on Admission to enter into a service agreement with the Company. Details of the service agreement are set out in paragraph 8 of this Part 7.

Mr. B.N. Habib and Mr. J.C. Kottler have agreed to indemnify the Company if, and to the extent, that the net liabilities of fprop at Completion calculated in accordance with fprop's accounting policies exceed £200,000.

Pursuant to the terms of the Acquisition Agreement, Mr. B. N. Habib and Mr. J. C. Kottler have entered into lock up agreements in respect of their Ordinary Shares for a period of 24 and 12 months respectively from Admission subject to certain exceptions. Pursuant to the terms of the Acquisition Agreement, the trustees of the Rannoch Trust, the trustees of the Malcolm Pearson Settlement and Lord Pearson of Rannoch have, each subject to certain exceptions, entered into lock up agreements in respect of their Ordinary Shares for a period of 12 months from Admission unless a transfer of Ordinary Shares is carried out through Granville Baird (or the Company's nominated adviser at the time if other than Granville Baird) to satisfy demand. Further details of these lock up agreements are set out in paragraph 10 below.

- 9.1.2 acquisition agreements ("the Initial Partner Acquisition Agreements") dated 28 November, 2000 between each of FPSavills, CLS, Delancey, Donaldsons, Fletcher King and Moorfield ("the Initial Partners") and the Company whereby each of the Initial Partners has agreed to sell and the Company has agreed to acquire the number of ordinary shares of 1p each in the capital of fprop set out opposite their names below in consideration for the allotment and issue of 14,941,451 New Ordinary Shares at Completion in the proportions set out below conditional on completion of the Acquisition and Admission. The Initial Partners have agreed not to effect any disposal of New Ordinary Shares for a period of 24 months from Admission subject to certain exceptions. Further details of these lock up agreements are set out in paragraph 10 below.

<i>Name</i>	<i>Number of ordinary shares in fprop</i>	<i>Number of New Ordinary Shares allotted in consideration</i>
FPDSavills	1,153,846	6,403,481
CLS	307,692	1,707,594
Delancey	307,692	1,707,594
Donaldsons	307,692	1,707,594
Fletcher King	307,692	1,707,594
Moorfield	307,692	1,707,594

- 9.1.3 an agreement dated 13 July, 1999 (the "Datacab Agreement") between Computer Cab Plc (1) and the Company (2) pursuant to which the Company sold the entire issued share capital of Datacab Limited to Computer Cab Plc in consideration for an initial maximum consideration of £1,296,000 subject to reduction dependent on the net tangible assets of Datacab as set out in the accounts of Datacab for the financial year ended 31 March, 1999 and further consideration up to a maximum of £650,000 ("Subsequent Consideration") subject to a reduction depending on the net profit of Datacab for the financial year ended 31 March, 2000. The Company gave Computer Cab Plc certain normal commercial warranties relating to Datacab's business. The maximum liability of the Company under the warranties is the aggregate of the total consideration paid under the agreement and the amount of the inter group debt. The warranty limitation period expires on 13 July, 2001,
- 9.1.4 an agreement dated 17 July, 2000 between Computer Cab Plc (1) and the Company (2) pursuant to which the amount of subsequent consideration payable under the Datacab Agreement was agreed to be £461,425.35 plus interest,
- 9.1.5 a deed of covenant dated 13 July, 1999 between Computer Cab Plc (1) and the Company (2) pursuant to which the Company gave certain tax covenants to Computer Cab Plc in relation to Datacab Limited,
- 9.1.6 an agreement dated 26 February, 1999 between Edward Timothy Crossley ("Mr. Crossley") (1) and the Company (2) pursuant to which the Company sold 16,000 ordinary shares in the capital of Richmond Road Cab Centre Limited ("RRCC") to Mr. Crossley in consideration of the payment of £18,000, plus a part repayment of an intercompany loan of £900,000 and a further payment of £160,000 in 36 equal monthly instalments commencing on 1 January, 2001. In consideration of the sum of £1 paid by Mr. Crossley to the Company, the Company granted Mr. Crossley a call option ("the Call Option") to require the Company to sell to Mr. Crossley 4,000 ordinary shares in RRCC for the sum of £238,000. The Call Option has yet to be exercised and will remain exercisable until 26 February, 2004. The Company gave Mr. Crossley certain normal commercial warranties relating to RRCC's business. In addition, the Company gave certain tax covenants to Mr. Crossley in relation to RRCC. The maximum liability of the Company under the warranties is £1,076,000. The warranty limitation period for non-taxation matters expires on 31 December, 2000 and for taxation matters expires on 26 February, 2005;
- 9.1.7 an agreement ("the Taxitronic Agreement") dated 8 July, 1997 between Interfacom S.A. ("Interfacom") (1) and RRCC (which was a wholly owned subsidiary of the Company at the time) (2) pursuant to which RRCC sold full management and control of its business of hiring taxi meters (trading under the name "Taxitronic (London)") to Interfacom in consideration of the payment to RRCC of £1,000 per week for the first 2 years (period ended on July 1999) and £815 per week for the next 3 subsequent years (period ending July 2002);
- 9.1.8 an agreement dated 24 February, 1999 between RRCC (which was a wholly owned subsidiary of the Company at the time) (1), Interfacom (2) and Taxitronic (UK) Limited (3) pursuant to which Taxitronic (UK) Limited agreed with effect from March 1999 to make payment of the consideration due under the Taxitronic Agreement to the Company.

9.1.9 an engagement letter dated 28 November, 2000 between (1) the Company and (2) Granville Baird relating to the appointment of Granville Baird as nominated adviser and nominated broker to the Company. Under the terms of the engagement letter, the Company has granted an option to Granville Baird to acquire 849,797 new Ordinary Shares at an exercise price equal to the average closing mid-market price of the Ordinary Shares in the 20 dealing days preceding the announcement of the Acquisition. The option is exercisable at any time in the three year period following the date of Admission.

9.2 *First Property Online Limited*

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the fprop group within the last two years immediately preceding the date of this document and are or may be material or have been entered into by members of the fprop group and contain a provision under which a member of the fprop group has an obligation or entitlement which is or may be material to the fprop group as at the date of this document;

9.2.1 a letter agreement dated 17 November, 2000 between fprop and FPD Savills pursuant to which FPD Savills has agreed, conditional on and with effect immediately prior to Admission, to subscribe for 1,153,846 ordinary shares of 1p each in the capital of fprop in consideration for the payment of £11,538.

In addition, FPD Savills has agreed for a period of two years from the date of Admission to (i) recommend the use of fprop's transaction system to its clients where in FPD Savills' reasonable opinion it is in its client's best interest so to do, (ii) recommend to its clients that FPD Savills market and advertise their property (on a non-exclusive basis) through fprop's proposed listing service when it becomes available where in FPD Savills' reasonable opinion it is in its client's best interest so to do and (iii) do such things as may be reasonably requested by fprop (but without FPD Savills incurring any cost) to assist, promote and support fprop's business. FPD Savills has agreed to assign the benefit of these undertakings to the Company on Admission.

fprop has agreed with FPD Savills to use its reasonable endeavours to procure, so far as it is able, the issue of up to 15 per cent. of the issued share capital of the Company (the "new subscriber shares") immediately following Admission to acceptable third party surveying practices and/or property agents which in fprop's reasonable opinion are of a standing or have a reputation in the UK property market similar to or higher than FPD Savills, prior to the next annual general meeting of the Company save that this undertaking shall lapse and expire immediately following such annual general meeting. fprop has undertaken to procure FPD Savills' consent before the issue of the new subscriber shares.

9.2.2 a letter agreement dated 10 November, 2000 between fprop and CLS pursuant to which CLS has agreed, conditional on and with effect immediately prior to Admission, to subscribe for 307,692 ordinary shares of 1p each in the capital of fprop in consideration for the payment of £3,077.

In addition, CLS has agreed to (i) use fprop's transaction system for the sale and purchase of its property except where it is not in CLS's best interest to do so, (ii) to market and advertise property CLS is selling through fprop's proposed listing service when it becomes available except where it is not in CLS's best interests so to do and (iii) do such things as may be reasonably requested by and at the cost of fprop to assist, promote and support fprop's business. CLS has agreed to assign the benefit of these undertakings to the Company on Admission.

9.2.3 a letter agreement dated 17 November, 2000 between fprop and Delancey pursuant to which Delancey has agreed, conditional on and with effect immediately prior to Admission, to subscribe for 307,692 ordinary shares of 1p each in the capital of fprop in consideration for the payment of £3,077.

In addition, Delancey has agreed (i) to advertise properties that it has for sale on fprop's listing service and to effect any sales which are arranged as a result through fprop's transaction system unless Delancey in its absolute discretion believes that this would not be in its best interests, (ii) if it acquires any properties shown on fprop's proposed listing service when it becomes available, to effect the purchase through fprop's transaction system unless Delancey in its absolute discretion believes that this would not be in its best interests and (iii) to do such things as may be reasonably requested by fprop (but without Delancey incurring any cost) to assist, promote and support fprop's business. Delancey has agreed to assign the benefit of these undertakings to the Company on Admission.

- 9.2.4 a letter agreement dated 14 November, 2000 between fprop and Donaldsons pursuant to which Donaldsons has agreed, conditional on and with effect immediately prior to Admission, to subscribe for 307,692 ordinary shares of 1p each in the capital of fprop in consideration for the payment of £3,077.

In addition, Donaldsons has agreed to (i) recommend the use of fprop's transaction system to their clients except where it is not in their client's best interests to do so, (ii) to market and advertise property on behalf of their clients (on a non-exclusive basis) through fprop's proposed listing service when it becomes available except where it is not in their client's best interests so to do and (iii) do such things as may be reasonably requested by fprop to assist, promote and support fprop's business. Donaldsons has agreed to assign the benefit of these undertakings to the Company on Admission.

- 9.2.5 a letter agreement dated 15 November, 2000 between fprop and Fletcher King pursuant to which Fletcher King has agreed, conditional on and with effect immediately prior to Admission, to subscribe for 307,692 ordinary shares of 1p each in the capital of fprop in consideration for the payment of £3,077.

In addition, Fletcher King has agreed to (i) recommend the use of fprop's transaction system to their clients except where it is not in their client's best interests to do so, (ii) to market and advertise property on behalf of their clients (on a non-exclusive basis) through fprop's proposed listing service when it becomes available except where it is not in their client's best interests so to do and (iii) do such things as may be reasonably requested by fprop to assist, promote and support fprop's business. Fletcher King has agreed to assign the benefit of these undertakings to the Company on Admission.

- 9.2.6 a letter agreement dated 17 November, 2000 between fprop and Moorfield pursuant to which Moorfield has agreed, conditional on and with effect immediately prior to Admission, to subscribe for 307,692 ordinary shares of 1p each in the capital of fprop in consideration for the payment of £3,077.

In addition, Moorfield has agreed until the later of two years from the date of Admission or the date it ceases to hold any Ordinary Shares to (i) use fprop's transaction system for the sale and purchase of property where in Moorfield's absolute discretion they decide it is in their best interests to do so, (ii) market and advertise property they are selling through fprop's proposed listing service when it becomes available where in Moorfield's absolute discretion it decides it is in its best interests so to do and (iii) to provide fprop with reasonable assistance to promote and support fprop's business (but without Moorfield incurring any cost). Moorfield has agreed to assign the benefit of these undertakings to the Company on Admission.

10. Lock Up Arrangements

- 10.1 Pursuant to a letter agreement dated 28 November, 2000, Mr. B. N. Habib has undertaken not to, and to procure that none of his associates, dispose of any Ordinary Shares in which he or they are interested on Admission for a period of 24 months from the date of Admission. The undertaking shall not apply in the event of any acceptance of a general offer made for the Company or the execution of an irrevocable commitment to accept a general offer for the Company, an intervening court order or his death.

- 10.2 Pursuant to a letter agreement dated 28 November, 2000, Mr. J. C. Kottler has undertaken not to, and to procure that none of his associates, dispose of any Ordinary Shares in which he or they are interested on Admission for a period of 12 months from the date of Admission. The undertaking shall not apply in the event of any acceptance, sale or disposal to an offeror following a general offer having been made for the Company or the execution of an irrevocable commitment to accept a offer for the Company, an intervening court order or his death.
- 10.3 Pursuant to a letter agreement dated 28 November, 2000 Lord Pearson of Rannoch has undertaken not to, and to procure that none of his associates, dispose of any Ordinary Shares in which he or they are interested on Admission, from Admission until and including the first anniversary of Admission unless such disposal is carried out at the request of and through Granville Baird (or the Company's nominated broker at the time). The undertaking shall not apply in the event of any acceptance, sale or disposal to an offeror following a general offer having been made for the Company or the execution of an irrevocable commitment to accept a general offer for the Company, an intervening court order or his death.
- 10.4 Pursuant to letters dated 28 November, 2000, the trustees of the Malcolm Pearson Settlement and the trustees of the Rannoch Trust have undertaken not to, and to procure that none of their associates, dispose of any Ordinary Shares in which they are interested on Admission, from Admission until and including the first anniversary of Admission unless such disposal is carried out at the request of and through Granville Baird (or the Company's nominated broker at the time). The undertaking shall not apply in the event of any acceptance, sale or disposal to an offeror following a general offer having been made for the Company or the execution of an irrevocable commitment to accept a general offer for the Company or an intervening court order.
- 10.5 Pursuant to a letter dated 28 November, 2000 Mr. A. J. D. Locke has undertaken that he will not, and will procure that his associates will not, dispose of any Ordinary Shares in which they are interested on Admission for a period of 12 months from Admission. The undertaking shall not apply in the event of any acceptance of a general offer for the whole of the issued share capital of the Company which has become or been declared unconditional in all respects, an intervening court order or his death.
- 10.6 Pursuant to the Initial Partner Acquisition Agreements referred to paragraph 9.1.2 above the Initial Partners have undertaken not to, and to procure that none of their associates, dispose of any Ordinary Shares in which they are interested on Admission for a period of 24 months from Admission. The undertakings shall not apply in the event of any acceptance, sale of disposal to an offeror following a general offer having been made for the Company or the execution of an irrevocable commitment to accept a general offer of the Company, a compromise or arrangement between the Company and its creditors or any class of them, an intervening court order, in connection with any scheme of reconstruction under section 110 of the Insolvency Act 1986, in connection with any arrangement under section 425 of the Act providing for the acquisition of 50 per cent. or more of the equity share capital of the Company or a disposal to the Company made pursuant to an offer by the Company to purchase its own shares made on identical terms to all shareholders.

11. Property

fprop currently occupies the ground floor premises at 51 St. George's Drive, London SW1V 4DE. The property is subject to a lease dated 22 July, 1996 between United Services Trustee and Neighbourhood Centres (UK) plc. By virtue of a letter dated 5 June, 2000, United Services Trustee consented to Neighbourhood Centres (UK) plc sharing the property with fprop. fprop does not pay any rent in relation to its occupation of the property.

The term of the lease is 5 years commencing on 14 June, 1996 and expiring on 13 June, 2001. Under the terms of a letter agreement dated 12 March, 1999, Neighbourhood Centres (UK) plc was given a tenant's only option to break the lease in December 2000 on the giving of three months' notice. Such

notice was given in a letter dated 9 August, 2000 and the lease is due to end in December 2000 when the Enlarged Group will seek suitable alternative premises.

Neighbourhood Centres (UK) plc is a wholly-owned subsidiary of J.K.L. Property Limited.

12. Regulation

Regulation

Consumer Credit

The Consumer Credit Act 1974 regulates certain activities carried on in connection with the provision of credit or hire to individuals (including sole traders and partnerships). If a business wishes to carry out any of these activities, it will require a licence from the Director General of Fair Trading to do so.

The Director General of Fair Trading has licensed First Property Online.com Limited to carry on the businesses of consumer credit, consumer hire, credit brokerage, debt adjusting and counselling, debt collecting and credit reference agency. The licence is valid for a period of five years and commenced on 7 May, 2000.

Data Protection

The Data Protection Act 1998 (the "Data Act") came into force in the UK on 1 March, 2000. The Data Act implements the Data Protection Directive. The Data Act imposes restrictions and sets out guidelines for the collection, storage, and use of personal data and gives certain rights to a person who supplies personal data (called a data subject). An individual who collects personal data is called a data controller.

Personal data is data which relate to a living individual who can be identified from the data or from data and other information which is in the possession of, or is likely to come into the possession of the data controller. It also includes any expression of opinion about the individual and any indication of the intentions of the data controller or any other person in respect of the individual.

In collecting information from users of its web site, fprop collects personal data. It has been duly registered under the Data Act. The registration is for one year commencing on 5 April, 2000 and ending on 4 April, 2000.

The rights given to a data subject include the right of access to their personal data, the right to have inaccurate data rectified, and the right to recourse in the event of unlawful processing. A data controller must obtain the consent of the data subject to the use of the subject's personal data and in particular must obtain the data subject's consent to the use of data for direct marketing. In some members of the European Union it is necessary to obtain consent before sending a cookie to Internet users although this is not the case in the UK.

It is not a legal requirement in the UK for a company to include a privacy statement on its web site. This is a useful way of obtaining consents from data subjects. fprop's web site contains a privacy statement, and, in compliance with the Data Act, the purposes for which personal data are processed are described. The use of the data as described is for the current purposes of the business. fprop does not pass any data to third parties (with the exception of that of a successful bidder and seller are informed of each other's identity after a successful bid).

Trade Mark Application

fprop has sought to register fprop.com together with the relevant device, as a trademark. The Trade Marks Registry refused the application on the basis of the use in relation to the specification of the services of the phrases "property exchanges" and "property searching services".

fprop sent a response to the Trade Marks Registry setting out an explanation of the terms used and sought to press ahead with the application. The Trade Marks Registry has not yet responded.

fprop owns the domain name "fprop.com".

Patent Application

fprop has applied for a patent for the technology and the bidding system used on its web site entitled "Apparatus for and Methods of Allocating an Entity" with the short title "Internet Property Trading". fprop has not yet received a response to this application and does not expect to in the short term; it is anticipated that the procedure will be lengthy.

13. Litigation

- 13.1 The Company is not nor has it been engaged in any legal or arbitration proceedings which may have or have had, during the twelve months preceding the date of this document, a significant effect on the Company's financial position nor is the Company aware of any such proceedings which are pending or threatened.
- 13.2 No member of the fprop group is or has been engaged in any legal or arbitration proceedings which may have or have had, since the incorporation of fprop a significant effect on the fprop Group's financial position nor is the Company aware of any such proceedings which are pending or threatened.

14. Working Capital

In the opinion of the Company, having made due and careful enquiry, the working capital available to the Enlarged Group will, from the time the Ordinary Share Capital as enlarged by the New Ordinary Shares is admitted to AIM, be sufficient for its present requirements, that is for at least the next twelve months.

15. Significant changes

- 15.1 There has been no significant change in the financial position of the Company since 30 September, 2000, being the date to which the Company published its last unaudited interim results.
- 15.2 Save as disclosed in notes 4 and 22 of Part 4 of this document, there has been no significant change in the financial or trading position of fprop since 30 September, 2000, being the date to which the accountants' report in Part 4 was prepared.

16. General

- 16.1 PricewaterhouseCoopers have given and not withdrawn their written consent to the inclusion of their report set out in Part 4 of this document and references thereto and to their name in the form and context in which they appear. PricewaterhouseCoopers accept responsibility for their report in accordance with paragraph 45 (1)(b)(iii) and (10)(b) of Part VII of Schedule 1 of the POS Regulations.
- 16.2 Granville Baird has given and has not withdrawn its written consent to the publication of this document with the inclusion herein of its name in the form and context in which it appears.
- 16.3 The total costs and expenses payable by the Company in connection with the Acquisition and Admission (including professional fees, the costs of printing and the fees payable to the registrars) are estimated to amount to approximately £500,000 (excluding VAT).
- 16.4 The auditors of the Company, PricewaterhouseCoopers, registered auditors, of No. 1 London Bridge, London SE1 9QL have audited the accounts of the Company for the three years ended 31 March, 2000. Statutory accounts of the Company for the three years ended 31 March, 2000 have been delivered to the Registrar of Companies and the auditors gave reports under section 235 of the Act on such accounts which were not qualified and did not contain any such statement under section 237(2) or (3) of the Act.
- 16.5 The financial information in this document does not constitute statutory accounts within the meaning of section 240 of the Act.
- 16.6 Neither fprop nor its subsidiary have prepared any audited accounts since their incorporation.

16.7 The Nominated Adviser and Nominated Broker to the Company is Granville Baird of Mint House, 77 Mansell Street, London E1 8AF. Granville Baird is regulated by the Securities and Futures Authority Limited and is a member of the London Stock Exchange.

16.8 Mr. S. D. Sharp and Mr. G. K. Sharp will, on Admission, receive a cash payment of £37,500 and £12,500 respectively for introducing the principals of fprop and Hansom to each other. In addition, Burlington Consultants will receive a fee of approximately £32,000 for due diligence investigations into fprop on behalf of Hansom. Save as disclosed, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:

- (i) received directly or indirectly, from the Company within the twelve months preceding the date of this document; or
- (ii) entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission any of the following:
 - (a) fees totalling £10,000 or more; or
 - (b) securities in the Company with a value of £10,000 or more calculated by reference to the expected price of the Ordinary Shares on Admission; or
 - (c) any other benefit with a value of £10,000 or more at the date of Admission.

16.9 Mr. J .C. Kottler, aged 63, is a civil engineer by training and started his career at Wimpey plc before founding JKL in 1976.

16.10 Hansom does not have any employees.

16.11 Copies of this document will be available free of charge from Granville Baird at Mint House, 77 Mansell Street, London E1 8AF for a period of not less than 14 days from the date of Admission.

17. Taxation

The comments set out below are based on existing law and what is understood to be current Inland Revenue practice. They are intended as a general guide only and apply only to Shareholders who are resident in the United Kingdom for tax purposes (except to the extent that specific reference is made to Shareholders resident outside the United Kingdom), who hold the shares as investments and who are the absolute beneficial owners of those shares. Any person who is in any doubt as to their taxation position or who is subject to taxation in any jurisdiction other than the United Kingdom, should consult their own professional advisers immediately.

17.1 Taxation of dividends

Shareholders should note that the tax treatment of dividends changed for dividends paid on or after 6 April, 1999. The changes do not in general affect the net position of individual United Kingdom resident Shareholders who are liable to income tax. The changes do affect individuals who are either not subject to income tax or who are not resident in the United Kingdom for tax purposes.

Under current United Kingdom law no taxation will be withheld from dividends paid by the Company. In addition the Company no longer has to account for advance corporation tax on the dividend.

An individual United Kingdom resident Shareholder is generally entitled to a tax credit in respect of the dividend, which he can set off against his total liability to United Kingdom income tax. The amount of the tax credit is equal to 1/9th of the cash dividend. The cash dividend aggregated with the amount of the tax credit (the "gross dividend") will be included in the Shareholder's income for United Kingdom tax purposes and will be treated as the top slice of the Shareholder's income. Thus, a Shareholder receiving a dividend of £90 will be treated as having received income of £100 which has a tax credit of £10 attached to it.

An individual United Kingdom resident Shareholder who, after taking into account the gross dividend, pays income tax at the lower rate or basic rate will pay tax on the gross dividend at the Schedule F ordinary rate of 10 per cent. against which he can set the tax credit. Such a Shareholder will have no further liability to account for income tax on the dividend.

An individual United Kingdom resident Shareholder who, after taking into account the gross dividend, pays income tax at the higher rate will pay tax on the gross dividend at the Schedule F upper rate of 32.5 per cent. against which he can set the tax credit. Such a Shareholder will have a liability to account for additional tax on the gross dividend, calculated by multiplying the gross dividend by the Schedule F upper rate and deducting the tax credit. This will be equivalent to 25 per cent. of the cash dividend received.

An individual United Kingdom resident Shareholder who does not pay income tax or whose liability to income tax does not exceed the amount of the tax credit will not be entitled to claim repayment of the tax credit attaching to the dividend.

Trustees who are liable to income tax at the rate applicable to trusts (currently 34 per cent) will pay tax on the gross dividend at the Schedule F trust rate of 25 per cent. against which they can set the tax credit. To the extent that the tax credit exceeds the trustees' liability to account for income tax the trustees will have no right to claim repayment of the tax credit. Trustees of discretionary trusts should note that the changes to the tax treatment of dividends may impact adversely on beneficiaries who receive income from the trust. Trustees who are in any doubt as to their position should consult their own professional advisers immediately.

A United Kingdom resident corporate Shareholder will not generally be liable to corporation tax on any dividend received.

United Kingdom pension funds and charities are generally exempt from tax on dividends which they receive but are not entitled to claim repayment of the tax credit. Charities will receive some compensation for the loss of the tax credit.

Whether a non United Kingdom resident Shareholder is entitled to repayment of any part of the tax credit in respect of dividends paid to him, will depend upon the provisions of the double tax treaty (if any) between the country in which the Shareholder is resident and the United Kingdom. Such a Shareholder should be aware that changes to the value of the tax credit which took effect from 6 April, 1999, will in general eliminate or reduce the amount which such a Shareholder will be able to reclaim. A non United Kingdom resident Shareholder should consult his own professional advisers on the possible application of such provisions, the procedure for claiming repayment and what relief or credit (if any) may be claimed for such tax credit in the jurisdiction in which he is resident.

17.2 Taxation of capital gains

A subsequent disposal of Ordinary Shares may result in a liability to United Kingdom taxation of chargeable gains, depending upon individual circumstances.

Shareholders should note that from 6 April, 2000 all shares listed on AIM potentially qualify for "business assets" taper relief. The effect of this relief is to reduce the proportion of any capital gain chargeable to tax each complete year that the shares are held. Maximum relief is obtained once shares have been held for four years.

17.3 Stamp duty and stamp duty reserve tax

16.3.1 Shares held outside the CREST system

The conveyance or transfer on sale of the Ordinary Shares will usually be subject to stamp duty on the instrument of transfer, generally at the rate of 0.5 per cent. of the amount or value of the consideration. Stamp duty is charged in multiples of £5. An obligation to account for stamp duty reserve tax ("SDRT") at the rate of 0.5 per cent. of the amount or value of the consideration will also arise if an unconditional agreement to transfer the

Ordinary Shares is not completed by a duly stamped instrument of transfer before the "accountable date" for SDRT purposes. The accountable date is the seventh day of the month following the month in which the agreement for the transfer is made. Payment of the stamp duty will cancel the liability to account for SDRT. It is the purchaser who is in general liable to account for stamp duty or SDRT.

17.3.2 Shares held within the CREST system

The transfer of the Ordinary Shares in uncertificated form in the CREST system will generally attract a liability to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration. The SDRT is payable on the fourteenth day following the date of the unconditional agreement for the transfer of the Ordinary Shares.

The above statements are intended as a general guide to the current position. Certain categories of person are not liable to stamp duty or SDRT, and others may be liable at a higher rate or may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986.

18. Market Quotations

The table below shows the middle market quotations for Ordinary Shares as derived from the AIM appendix to the Daily Official List of the London Stock Exchange at the close of business on the first dealing day, on the first dealing days of June, July, August, September, October and November and on 27 November, 2000 (being the last business day prior to the publication of this document):

<i>Date</i>	<i>Price (pence)</i>
1 June, 2000	11.75
3 July, 2000	13.75
1 August, 2000	18.75
1 September, 2000	19.75
2 October, 2000	23.5
1 November, 2000	23.5
27 November, 2000	24.5

19. Documents available for Inspection

Copies of the following documents will be available for inspection at the offices of Pinsent Curtis, Dashwood House, 69 Old Broad Street, London EC2M 1NR during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this document up to and including 22 December, 2000:

- (a) the existing memorandum and Articles of Association of the Company and fprop and a copy of the new Articles of Association to be adopted by the Company following the Extraordinary General Meeting;
- (b) the irrevocable undertakings referred to in paragraph 7.12 of this Part 7;
- (c) the audited accounts of the Company for the two years ended 31 March, 2000 and the unaudited interim accounts for the six months ended 30 September, 2000;
- (d) the report by PricewaterhouseCoopers set out in Part 4 of this document;
- (e) the service agreements and letters of appointment referred to in paragraph 8 of this Part 7;
- (f) the material contracts of the Hansom group and fprop referred to in paragraph 9.1 and 9.2 of this Part 7;
- (g) the letters of consent referred to in paragraph 16 of this Part 7;
- (h) the rules of the Share Option Schemes referred to in paragraph 6 of this Part 7; and
- (i) this document.

28 November, 2000

THE HANSOM GROUP PLC

(Registered in England and Wales No. 2967020)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the Company will be held at the offices of Abbot Group plc, Minto Drive, Altens, Aberdeen AB12 3LW on 21 December, 2000 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1, 2 and 3 will be proposed as ordinary resolutions and resolutions 4, 5, 6 and 7 will be proposed as special resolutions:

ORDINARY RESOLUTIONS

1. THAT

- (a) the proposed acquisition by the Company of the entire issued ordinary share capital of First Property Online Limited on the terms and subject to the conditions set out in the sale and purchase agreement dated 28 November, 2000 between Benyamin Naeem Habib and others ("the Vendors") (1) and the Company (2) ("the Agreement") and the letter agreements ("the Initial Partner Acquisition Agreements") dated 28 November 2000 between the Company and each of CLS Holdings plc (1), Delancey Estates PLC (2), Donaldsons (3), Fletcher King Services Limited (4), FPD Savills Commercial Limited (5) and Moorfield Group PLC (6) ("the Initial Partners") all as summarised in an admission document to shareholders dated 28 November, 2000 ("the Admission Document") (copies of which have been produced to the meeting and initialled by the Chairman for the purposes of identification) be and are hereby approved with such minor amendments as the Directors may approve, and the Directors or any duly authorised committee of the Directors be hereby authorised to take all steps that they consider to be necessary or desirable to carry the Agreement and the Initial Partner Acquisition Agreements into effect; and
- (b) the authorised share capital of the Company be hereby increased from £600,000 to £1,200,000 by the creation of 60,000,000 new ordinary shares of 1p each having the rights set out in the new articles of association referred to in resolution 3 below ranking *pari passu* in all respects with the existing ordinary shares; and
- (c) the Directors be hereby generally and unconditionally authorised and empowered pursuant to and in accordance with Section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (as defined in section 80(2) of the Act) of the Company up to a maximum nominal amount of £426,898.58 to, *inter alia*, the Vendors and the Initial Partners in accordance with the terms of the Agreement and the Initial Partner Acquisition Agreements provided that this authority shall (unless previously revoked or varied) expire on 31 January, 2001; and
- (d) the waiver by the Panel on Takeovers and Mergers on the terms described in the Admission Document, of any requirement under Rule 9 of the City Code on Takeovers and Mergers for each of Mr. Benyamin Naeem Habib and/or Mr. John Charles Kottler and/or Lord Pearson of Rannoch and his associated trusts and/or the Enlarged Concert Group (as defined in the Admission Document) to make a general offer to the shareholders of the Company, be approved.

2. THAT, in substitution for any existing authorities and in addition to the authority provided pursuant to Resolution 1(c) above, the Directors be hereby generally and unconditionally authorised and empowered pursuant to and in accordance with Section 80 of the Act to exercise all the powers of the Company to allot relevant securities (as defined in the said Section) up to an aggregate nominal amount of £169,959.43, such authority to expire at the conclusion of the next annual general meeting of the Company following the passing of this resolution, save that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to the allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement.

3. THAT, subject to and conditional upon the passing of Resolution 1 above, the rules of the First Property 2000 Discretionary Share Option Scheme ("the 2000 Share Option Scheme") as summarised in the Admission Document and in the form of the draft which has been produced to the meeting and initialled by the Chairman for the purposes of identification be and is hereby approved, and the Directors be and are hereby authorised to do all such acts and things as they may consider necessary or desirable to carry the 2000 Share Option Scheme into effect and to vote and be counted in a quorum on any matter connected with the 2000 Share Option Scheme notwithstanding that they may be interested in the same (except that no Director may be counted in a quorum or vote in respect of his own participation in the 2000 Share Option Scheme).

SPECIAL RESOLUTIONS

4. THAT, in substitution for any existing authorities and subject to and conditional upon the passing of Resolutions 1 and 2 above, the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in Section 94 of the Act) pursuant to the authority conferred by each of Resolutions 1 and 2 set out above as if Section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
- (a) the allotment of equity securities in connection with a rights issue or open offer in favour of holders of Ordinary Shares where the equity securities respectively attributable to the interests of all holders of Ordinary Shares are proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them but subject to such exclusions or arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements arising or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange in any territory; and
 - (b) the allotment (otherwise than pursuant to sub-paragraph 3(a) above) of equity securities for cash up to an aggregate nominal amount of £169,959.43,

and provided that such power shall expire at the conclusion of the next annual general meeting of the Company following the passing of this resolution save that the Company may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted for cash after such expiry, and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

5. THAT, subject to and conditional upon the passing of Resolution 1 above, name of the Company be changed to First Property Online plc.
6. THAT sub-clause 4(a) of the Company's Memorandum of Association be deleted and the following sub-clause be substituted therefor:
- "To carry on the business of an investment and holding company."
7. THAT the regulations produced to the meeting and initialled by the Chairman for identification purposes be hereby adopted as the new Articles of Association of the Company in substitution for all existing regulations.

By Order of the Board
ALEC W. J. BANYARD
Secretary

Registered office:
3 Colmore Circus
Birmingham B4 6BH

Dated 28 November, 2000

NOTES

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. The proxy need not be a member of the Company.
2. To be effective, the instrument appointing a proxy and any authority under which it is executed (or notarially certified copy of such authority) must be lodged with the Company's registrars Capita IRG PLC, Balfour House, 390/398 High Road, Ilford, Essex, IG1 1BR not less than 48 hours before the time for holding the meeting.
3. Pursuant to Regulation 34 of the Uncertificated Securities Regulations 1995, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the Extraordinary General Meeting is 10.00 am on 19 December, 2000 (being not more than 48 hours prior to the time fixed for the meeting) or, if the meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the Meeting.
4. Completion and return of the Form of Proxy will not preclude members from attending or voting in person at the meeting if they so wish.
5. Resolution 1 will be taken on a poll in accordance with the requirements of the Panel on Takeovers and Mergers for dispensation from Rule 9 of the City Code.

