

16 November 2009

This announcement is not for release, publication or distribution in or into any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction.

RECOMMENDED CASH OFFER FOR CLIPPER VENTURES PLC

BY

RACE BIDCO PLC

SUMMARY

- The Board of Race Bidco and the Independent Directors are pleased to announce the terms of a recommended cash offer, with loan note alternative, to be made by Race Bidco, for the entire issued and to be issued share capital of Clipper that is not already owned by Race Bidco. The Offer is unconditional in all respects.
- The Offer Price is 5p in cash per Clipper Share. The Offer values the entire existing issued share capital of Clipper at approximately £1.95 million.
- The Independent Directors, who have been advised by Zeus Capital, consider the terms of the Offer to be fair and reasonable so far as Clipper Shareholders are concerned and unanimously recommend the Offer.
- Race Bidco is a newly incorporated company formed for the purpose of making the Acquisition and is wholly owned by the Race Bidco Directors.
- Race Bidco beneficially owns 20,974,623 Clipper Shares, representing approximately 53.79 per cent. of the existing issued share capital of Clipper.
- David Stublely has irrevocably undertaken to accept the Offer in respect of his entire beneficial holdings of 433,333 Clipper Shares, which, in aggregate, represent approximately 1.11 per cent. of the existing issued share capital of Clipper. Jeremy Knight does not hold any Clipper Shares.
- Significant shareholders have also provided irrevocable undertakings to accept the Offer in respect of 7,128,108 Clipper Shares, representing approximately 18.28 per cent. of the existing issued share capital of Clipper.
- In aggregate, therefore, Race Bidco has received irrevocable undertakings to accept the Offer in respect of 7,561,441 Clipper Shares, representing approximately 19.39 per cent. of the existing issued share capital of Clipper.
- As an alternative to all or part of the cash consideration which would otherwise be receivable by them under the Offer, Clipper Shareholders (other than those Clipper Shareholders in a Loan Note Restricted Jurisdiction) who validly accept the Offer are entitled to elect to receive Loan Notes to be issued by Race Bidco on the basis of £1

nominal value in Loan Notes for each £1 of cash consideration otherwise due under the Offer.

- The Loan Notes will be issued by Race Bidco, credited as fully paid, in amounts and integral multiples of £1 and the balance of any entitlement that is not a whole multiple of £1 will be disregarded and will not be paid in cash or any other form. The Loan Notes will not be guaranteed and will not be secured.
- The Loan Notes will bear interest (from the date of issue to the relevant holder of Loan Notes) at a rate of two per cent. of the principal amount outstanding per annum (payable on redemption, less any tax required to be deducted by law).
- The Loan Notes will be redeemable in whole on the Final Redemption Date. However, Race Bidco has the option, at its discretion, to redeem the Loan Notes on some such earlier date if it so decides. If the Loan Notes are redeemed on an interest payment date at Race Bidco's option prior to the Final Redemption Date, seven days' written notice of redemption must be given to holders of Loan Notes.
- Significant shareholders have also provided irrevocable undertakings to elect to receive the Loan Note Alternative in respect of 7,128,108 Clipper Shares, representing approximately 18.28 per cent. of the existing issued share capital of Clipper.
- RSM Bentley Jennison is acting as financial adviser to Race Bidco. Zeus Capital is acting as financial adviser to Clipper under Rule 3 of the City Code.
- The Offer Document and the Form of Acceptance will be despatched as soon as practicable today.

Enquiries:

Race Bidco plc Sir Robin Knox-Johnston William Ward	02392 526 000
RSM Bentley Jennison, Financial advisor to Race Bidco David Simmons	0161 819 3030
Clipper Ventures plc David Stubbley, Non-Executive Director	07836 279 895
Zeus Capital, Financial advisor to Clipper Alex Clarkson Tom Rowley	0161 831 1512

This announcement does not constitute, or form part of, any offer for, or any solicitation of any offer for, securities of Clipper. Any acceptance or other response to the Offer should be made only on the basis of information referred to in the Offer Document and the Form of Acceptance which Race Bidco intends to despatch in due course to Clipper Shareholders and, for information only, to holders of options under the Clipper Share Option Scheme.

Unless otherwise determined by Race Bidco and permitted by applicable law and regulation, the Offer will not be made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or email) of interstate or foreign commerce of, or by any facility of a national securities exchange of, nor will it be made in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities. Accordingly, copies of any documents relating to the Offer must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent, in whole or in part, in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not directly or indirectly mail, transmit or otherwise forward, distribute or send them in, into or from any such jurisdiction as to do so may invalidate any purported acceptance of the Offer.

The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the jurisdiction in which they are resident. Persons who are not resident in the United Kingdom should inform themselves about, and observe, applicable requirements.

RSM Bentley Jennison, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Race Bidco as financial adviser within the meaning of the Rules of the Financial Services Authority and for no one else in connection with the Offer. RSM Bentley Jennison is not advising any other person or treating any other person as its client in relation thereto and will not be responsible to anyone other than Race Bidco for providing the protections afforded to clients of RSM Bentley Jennison, or for giving advice to any other person in relation to the Offer, the contents of this announcement or any other matter referred to herein.

Zeus Capital, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Clipper and no one else in relation to the Offer and will not be responsible to anyone other than Clipper for providing the protections afforded to clients of Zeus Capital nor for providing advice in relation to the contents of this announcement or any Offer or arrangement referred to herein.

The Race Bidco Directors accept responsibility for the information contained in this announcement other than the information relating to the Clipper Group, the Clipper Directors, their immediate families and related trusts and companies and the recommendation of the Independent Directors but including the statements expressed to be opinions of the Race Bidco Directors. To the best of the knowledge and belief of the Race Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

The Clipper Directors accept responsibility for the information contained in this announcement relating to the Clipper Group, the Clipper Directors, their immediate families and related trusts and companies (other than the recommendation of the Offer, for which the Independent Directors only accept responsibility as specified in the paragraph below). To the best of the knowledge and belief of the Clipper Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

The Independent Directors accept responsibility for the recommendation of the Offer.

Forward looking statements

This document, including information included or incorporated by reference in this document, may contain “forward-looking statements” concerning Race Bidco and Clipper. All statements other than statements of historical fact included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “will”, “may”, “targets”, “plans”, “continue”, “believes”, “expects”, “intends”, “anticipates”, “aims”, “estimates” or words or terms of similar substance or the negative thereof identify forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Race Bidco Group’s operations; and (iii) the effects of government regulation on Race Bidco Group’s business.

These forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of Clipper or of Race Bidco. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. You are cautioned not to place undue reliance on the forward looking statements, which speak only as of the date they were made. All subsequent oral or written forward-looking statements attributable to Clipper or Race Bidco or any of their members or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements included in this document are based on information available to the relevant parties on the date hereof. Investors should not place undue reliance on forward-looking statements, and neither Clipper, Race Bidco nor their directors undertakes any obligation in respect of, and do not intend to update or revise any forward-looking statements, except as required by the City Code or pursuant to applicable law.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, “interested” (directly or indirectly) in one per cent. or more of any class of “relevant securities” of Clipper, all “dealings” in “relevant securities” of Clipper (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the “offer period” otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an “interest” in “relevant securities” of Clipper, they will be deemed to be a single person for the purpose of Rule 8.3 of the City Code.

Under the provisions of Rule 8.1 of the City Code, all “dealings” in “relevant securities” of Clipper by Race Bidco or by Clipper, or by any of their respective “associates”, must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, and the number of such securities in issue, can be found on the Panel’s website at www.thetakeoverpanel.org.uk.

“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the City Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “dealing” under Rule 8 of the City Code, you should contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel’s website or contact the Panel on telephone number +44 (0) 20 7638 0129.

In accordance with Rule 2.10 of the City Code, Clipper confirms that it has had in issue, excluding Treasury Shares, 38,992,942 ordinary shares of 1 pence each. The ISIN for Clipper Shares is GB00026435662.

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RECOMMENDED CASH OFFER FOR CLIPPER VENTURES PLC

BY

RACE BIDCO PLC

1. Introduction

The Board of Race Bidco and the Independent Directors are pleased to announce the terms of a recommended cash offer, with loan note alternative, to be made by Race Bidco, for the entire issued and to be issued share capital of Clipper that is not already owned by Race Bidco.

The Offer Price is 5p in cash per Clipper Share. The Offer values the entire existing issued share capital of Clipper at approximately £1.95 million.

The Independent Directors, who have been advised by Zeus Capital, consider the terms of the Offer to be fair and reasonable so far as Clipper Shareholders are concerned and unanimously recommend the Offer.

Clipper Shareholders should note that:

- prior to the Offer, Race Bidco beneficially owns 20,974,623 Clipper Shares, representing approximately 53.79 per cent. of the existing issued share capital of Clipper;
- Race Bidco has received irrevocable undertakings to accept the Offer in respect of

7,561,441 Clipper Shares, representing approximately 19.39 per cent. of the existing issued share capital of Clipper; and

- therefore, in aggregate, Race Bidco either owns or has received irrevocable undertakings to accept the Offer in respect of 28,536,064 Clipper Shares, representing approximately 73.18 per cent. of the existing issued share capital of Clipper.

2. Summary of the terms of the Offer

Under the Offer, which is unconditional in all respects and is made subject to the terms set out in Appendix I to this announcement, the Offer Document and (in respect of certificated Clipper Shares) the Form of Acceptance, Clipper Shareholders will receive for each Clipper Share:

5 pence in cash.

The Offer extends to all Clipper Shares unconditionally allotted or issued and fully paid on the date of the Offer (excluding any Treasury Shares except to the extent these cease to be held as Treasury Shares before such date as Race Bidco may determine) and any Clipper Shares which are unconditionally allotted or issued and fully paid including pursuant to the exercise of options under the Clipper Share Option Scheme before the date on which the Offer closes or such earlier date as Race Bidco may, subject to the City Code, decide.

The Clipper Shares to be acquired by Race Bidco pursuant to the Offer are to be acquired with full title guarantee, fully paid and free from all liens, equities, charges and encumbrances and other third party rights or interests and together with all rights now or hereafter attaching thereto, including the right to receive and retain all dividends and other distributions (if any) declared, made or paid after the date of this document.

3. Recommendation to accept the Offer

The Independent Directors have taken responsibility for considering the Offer on behalf of Clipper Shareholders, for obtaining advice on the Offer from Zeus Capital (Clipper's independent financial adviser for the purposes of the City Code) and for reaching a conclusion on the appropriate recommendation to Clipper Shareholders.

The Independent Directors, who have been advised by Zeus Capital, consider the terms of the Offer to be fair and reasonable so far as Clipper Shareholders are concerned and recommend that Clipper Shareholders accept the Offer. In providing its advice, Zeus Capital has taken into account the Independent Directors' commercial assessment of the Offer.

In view of their continuing involvement in the business and proposed interest in Race Bidco, Sir Robin Knox-Johnston and William Ward have not taken part in the Independent Directors' decision to recommend the Offer.

4. Irrevocable undertakings

(a) *To accept the Offer*

David Stublely has irrevocably undertaken to accept the Offer in respect of his entire beneficial holdings of 433,333 Clipper Shares, which, in aggregate, represent approximately 1.11 per cent. of the existing issued share capital of Clipper. Jeremy Knight

does not hold any Clipper Shares.

Significant shareholders have also provided irrevocable undertakings to accept the Offer in respect of 7,128,108 Clipper Shares, representing approximately 18.28 per cent. of the existing issued share capital of Clipper.

Therefore, Race Bidco has received irrevocable undertakings to accept the Offer in respect of 7,561,441 Clipper Shares, representing approximately 19.39 per cent. of the existing issued share capital of Clipper.

(b) To elect to receive the Loan Note Alternative

Significant shareholders have also provided irrevocable undertakings to elect to receive the Loan Note Alternative in respect of 7,128,108 Clipper Shares, representing approximately 18.28 per cent. of the existing issued share capital of Clipper.

5. Loan Note Alternative

As an alternative to all or part of the cash consideration which would otherwise be receivable by them under the Offer, Clipper Shareholders (other than those Clipper Shareholders in a Loan Note Restricted Jurisdiction and the givers of irrevocable undertakings to accept the Offer, who have decided not to elect for the Loan Note Alternative) who validly accept the Offer are entitled to elect to receive Loan Notes to be issued by Race Bidco on the basis of £1 nominal value in Loan Notes for each £1 of cash consideration otherwise due under the Offer.

The Loan Notes will be issued by Race Bidco, credited as fully paid, in amounts and integral multiples of £1 and the balance of any entitlement that is not a whole multiple of £1 will be disregarded and will not be paid in cash or any other form. The Loan Notes will not be guaranteed and will not be secured.

The Loan Notes will bear interest (from the date of issue to the relevant holder of Loan Notes) at a rate of two per cent. of the principal amount outstanding per annum (payable on redemption, less any tax required to be deducted by law).

The Loan Notes will be redeemable in whole on the Final Redemption Date. However, Race Bidco has the option, at its discretion, to redeem the Loan Notes on some such earlier date if it so decides. If the Loan Notes are redeemed on an interest payment date at Race Bidco's option prior to the Final Redemption Date, seven days' written notice of redemption must be given to holders of Loan Notes.

Further details of the Loan Note Alternative and the action Clipper Shareholders should take to elect for it are set out in the Offer Document and in the Form of Acceptance. A summary of the terms of the Loan Notes is contained in Appendix II to this announcement.

The Loan Notes are not transferable (except in certain limited circumstances) and no market will be made in the Loan Notes. The Loan Notes might not provide Clipper Shareholders the opportunity to roll over or hold over any part of any capital gain on the sale of their Clipper Shares.

The Loan Notes are not guaranteed or secured as to interest or principal and there is no market in these instruments. There is the risk of loss of some or all of the principal and/or accrued interest in the event of the failure or insolvency of Race Bidco.

The Race Bidco Directors make no recommendation to Clipper Shareholders in respect of the Loan Note Alternative. Clipper Shareholders who are in any doubt as to whether to elect for the Loan Note Alternative should consult their stockbroker, solicitor, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

Race Bidco intends to shut off the Loan Note Alternative on the date which is 14 days following the First Closing Date, after which it will no longer be possible to elect for the Loan Note Alternative. Subject to any requirements of the Panel, any elections for Loan Notes received after this date will be invalid.

6. Background to and reasons for the Offer

The Race Bidco Directors believe that its small management team will aid faster and more responsive decision making in Clipper Ventures. The Race Bidco Directors also believe that having a management team with a larger equity interest in the business will assist the Race Bidco Group in raising finance for new business opportunities. The Race Bidco Directors intend to work closely with Clipper's management team in order to assist Clipper in taking full advantage of future growth opportunities, including appropriate strategic acquisitions.

There is currently no ready market for Clipper Shareholders to effect transactions in Clipper Shares and the Race Bidco Directors believe that the Offer provides Clipper Shareholders with an opportunity to realise their investment in Clipper for cash.

7. Background to and reasons for the recommendation of the Offer by the Independent Directors

Clipper is an international marine events company that was founded by Sir Robin Knox-Johnston in 1995. Clipper has, for a number of years, staged the "Clipper Round the World Yacht Race" and the "VELUX 5 OCEANS" single handed round-the-world race. In addition to these core events, Clipper also operates a training division and a hospitality and events division.

Clipper was floated on AIM in 1999. On 26 June 2009 Clipper cancelled its AIM admission after the Clipper Directors concluded that the benefits of being listed on AIM no longer justified the associated costs.

The Clipper Round the World Yacht Race is the key contributor to Clipper's revenues and profits and is run every two years. The Clipper 09 race started in October 2009 and is expected to finish in July 2010. The cash flows relating to each Clipper race are usually spread over four financial years with cash inflows relating to crew income being received prior to each race, sponsorship income being received both before and during the race and costs being incurred both before and during the running of each race.

Despite a significant proportion of the cash flows occurring prior to the race start, in accordance with Clipper's accounting policies, the majority of the revenue and costs associated with each Clipper race is recognised in the income statement over the duration of the race itself. Since Clipper's financial year end is 30 April and the Clipper race usually starts in October this means that approximately seven out of the ten months it takes to run the race will fall in the financial year in which the race starts. Conversely only three months of the race will fall in the financial year in which the race ends.

The impact of this is that the majority of the revenue and profit in relation to each Clipper race is recognised in the income statement in the financial year in which the race starts. This means that Clipper's revenue and profitability is lumpy in nature and follows a two year cycle in line with the Clipper race. This can be seen for example in the revenue and profit figures for the 2008 and 2009 financial years.

In the year ended 30 April 2009, Clipper reported turnover of £4,858,365 and profit before tax from continuing operations of £722,376. In the year ended 30 April 2008, the financial year in which the Clipper 07 race started, Clipper reported turnover of £7,704,131 and profit before tax from continuing operations of £1,228,759 and in the year ended 30 April 2007, Clipper reported turnover of £6,980,615 and profit before tax of £930,799. Further information on Clipper is included in Appendix III.

In deciding whether to recommend the Offer to Clipper Shareholders the Independent Directors have considered, inter alia, the following:

- the Offer is unconditional and is for cash;
- as noted in paragraph 10 below, Clipper has been adversely impacted by the current global recession. The Clipper Directors have noted that the sponsorship market is proving more difficult for the Clipper 11 race and they expect a reduction in turnover in the corporate sailing division. The Clipper Directors expect the current trading conditions to continue in the near term;
- the current fleet of yachts will have completed four circumnavigations by the end of the Clipper 11 race and the Clipper Directors are in the process of planning the replacement of the fleet. The capital expenditure for replacing the fleet will occur from the start of the build through to April 2013. Although the Clipper Directors hope to finance this capital expenditure organically from the current cash balance and operating cash flow Clipper may need to raise additional capital;
- the timing of Clipper's cash flows and the lumpy nature of Clipper's revenue and profitability;
- the Clipper Shares are unlisted and there is very limited liquidity in the market for the Clipper Shares, therefore the Offer presents Clipper Shareholders with an opportunity to realise their investment in Clipper;
- the terms of the Offer enable Clipper Shareholders to dispose of their Clipper

Shares without incurring share dealing costs, which, for a disposal of a small number of shares in a private company, might otherwise represent a significant proportion of the sales proceeds arising from a disposal;

- Race Bidco owns or has received irrevocable undertakings to accept the Offer in respect of 28,536,064 Clipper Shares, representing approximately 73.18 per cent. of the existing issued share capital of Clipper. Therefore, if Clipper Shareholders do not accept the Offer, they will be minority shareholders in an unquoted company; and
- if Clipper Shareholders accept the Offer they will not benefit from any potential future profits that may be generated by the existing fleet or the proposed new fleet of yachts.

The Independent Directors, who have been advised by Zeus Capital, believe that the level of the Offer fairly values Clipper's business. In reaching their conclusion to recommend the Offer, the Independent Directors, have taken into account the fact that no other offers have been received from other parties. The Independent Directors have also considered a number of factors including those set out above; the price and deliverability of the Offer. Against this background, the Independent Directors consider the terms of the Offer to be fair and reasonable and that the Offer provides Clipper Shareholders with the opportunity to realise, in cash, their investment in Clipper.

8. Information on Race Bidco

Race Bidco is a newly incorporated company formed for the purpose of making the Acquisition and is wholly owned by the Race Bidco Directors.

9. Information on Clipper

Clipper is an international marine events company that was founded by Sir Robin Knox-Johnston in 1995. Clipper has, for a number of years, staged the "Clipper Round the World Yacht Race" and the "VELUX 5 OCEANS" single handed round-the-world race. In addition to these core events, Clipper also operates a training division and an hospitality and events division.

Clipper was floated on AIM in 1999. On 26 June 2009, Clipper cancelled its listing on AIM after the Clipper Directors concluded that the benefits of being listed on AIM no longer justified the associated costs.

For the year ended 30 April 2009, Clipper reported turnover of £4,858,365 and profit before tax from continuing operations of £722,376

Further information on Clipper will be set out in the Offer Document.

10. Current trading and prospects

The business has been adversely impacted by the current global recession. Crew recruitment has held up well, with the Clipper 09 race largely sold out and the early days of recruitment for Clipper 11 race being satisfactory. However, the sponsorship market has proved more difficult.

The corporate sailing market remains tough and the Clipper Directors expect a reduction in turnover in the 2010 season from its corporate sailing division. The training division is performing well in the area of providing training to NEETS (young people not in education, employment or training) but has recently been affected by the cancellation of its partnership with Falmouth Marine School, following the removal of Government funding. The Clipper Directors expect the current trading conditions to continue in the near term.

The balance sheet of Clipper remains strong, which places it well to weather the current economic environment. However, the current fleet of yachts will have completed four circumnavigations by the end of the Clipper 11 race, which was the anticipated full life of the fleet, and, as such, Clipper must now plan on replacing them. A design has been completed and build partners are being evaluated. The capital expenditure of this build will occur from the start of the build through to April 2013 and the Clipper Directors hope to finance this capital expenditure organically from the current cash balance and operating cash flow, but, if needed, will look to raise additional capital.

11. Intentions regarding Clipper's employees and Directors

Race Bidco attaches great importance to the skills and experience of the existing management and employees of Clipper. As such, Race Bidco expects that Clipper employees will play an important role in the future of the business and Race Bidco does not intend to make any material changes to Clipper's existing staffing levels nor to any conditions of employment (including pension benefits) nor locations of Clipper's place of business.

Accordingly, the Board of Race Bidco has given assurances to the Clipper Directors (including the Independent Directors) that the existing employment rights, including pension rights, of all employees and management of the Clipper Group will be fully safeguarded (save in respect of the Race Bidco Directors).

12. Clipper Share Option Scheme

The Offer extends to any Clipper Shares which are unconditionally allotted or issued prior to the date on which the Offer closes (or such earlier date as Race Bidco may, subject to the City Code or with the consent of the Panel, determine) including any which are so unconditionally allotted or issued pursuant to the exercise of options under the Clipper Share Option Scheme.

All options granted under the Clipper Share Option Scheme have an exercise price per Clipper Share that is greater than the Offer price of 5 pence per Clipper Share. Any person exercising any or all of their options would therefore pay more to acquire Clipper Shares than they could realise through accepting those shares to the Offer and they would consequently lose money by exercising those options. If, however, any option holder wishes to exercise an option they should contact Clipper directly in accordance with the terms of the letter to share option holders that will be sent to them separately.

13. Financing of the Offer

The consideration payable under the Offer will be financed out of Race Bidco's own cash resources.

Excluding amounts payable under the Loan Note Alternative to those Clipper Shareholders who have irrevocably undertaken to receive the Loan Note Alternative as set out in Appendix III to this announcement, full acceptance of the Offer would result in a maximum consideration in cash of approximately £544,511 being payable by Race Bidco to Clipper Shareholders. RSM Bentley Jennison is satisfied that the necessary financial resources are available to Race Bidco to satisfy this cash consideration due under the Offer in full.

The Loan Notes are not guaranteed or secured as to interest or principal and there is no market in these instruments. There is the risk of loss of some or all of the principal and/or accrued interest in the event of the failure or insolvency of Race Bidco. RSM Bentley Jennison does not give any confirmation, guarantee, warranty or undertaking that Race Bidco will be able to satisfy the repayment of the Loan Notes on the Final Redemption Date.

14. Compulsory Acquisition

If Race Bidco receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more in value of the Clipper Shares to which the Offer relates (and which represent not less than 90 per cent. of the voting rights carried by such Clipper Shares), and if all other conditions of the Offer have been satisfied or waived (to the extent that they are capable of being waived), Race Bidco intends to exercise its rights pursuant to the provisions of Part 28 of the CA 2006 to acquire compulsorily any remaining Clipper Shares in respect of which acceptances have not then been received on the same terms as the Offer.

15. General

There is no minimum acceptance condition or any conditions precedent to the Offer. The Offer is unconditional in all respects. Certain terms of the Offer are set out in Appendix I to this announcement and on the further terms that will be set out in the Offer Document and the Form of Acceptance, and such further terms as may be required to comply with the provisions of the City Code.

Race Bidco intends that the Offer Document setting out the details of the formal Offer will be posted to Clipper Shareholders as soon as reasonably practicable and in any event within 28 days of the date of this announcement.

Appendix IV to this announcement contains details of the bases of calculations and sources of information included in this announcement.

Appendix V to this announcement contains definitions of certain expressions used in this announcement.

Save as disclosed in this announcement, as at 13 November 2009, being the latest practicable date prior to this announcement, neither Race Bidco, any of the Race Bidco Directors (and their close relatives and related trusts) nor, so far as Race Bidco is aware, any person acting in concert with Race Bidco, has any interest in or any right to subscribe for or has any short positions (whether conditional or absolute and whether in the money or otherwise) (including any short positions under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery) in or has borrowed or lent (save for any borrowed shares which have been either on-lent or sold) any 'relevant securities' of Clipper nor does any such person have any arrangement with Clipper or Race Bidco or any of their respective associates in relation to 'relevant securities' of Clipper. For these purposes, 'relevant securities' means

securities of Clipper which are being offered for or which carry voting rights, equity share capital of Clipper and securities of Clipper carrying conversion or subscription rights into any of the foregoing, and, 'arrangement' includes any indemnity or option arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to 'relevant securities' of Clipper which may be an inducement to deal or refrain from dealing in such securities. 'Interest' includes, in summary, any long economic exposure, whether conditional or absolute, to changes in the price of securities and a person is treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities. In the interests of confidentiality, Race Bidco has not made enquires in this respect of certain parties who may be presumed by the Panel to be acting in concert with it for the purposes of the Offer.

This announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval or an offer to buy or subscribe for any securities pursuant to the Offer or otherwise. The Offer will be made solely by the Offer Document and the Form of Acceptance accompanying the Offer Document, which will contain the full terms and condition of the Offer, including details of how the Offer may be accepted. The Offer Document will be posted today to those Clipper Shareholders able to receive it. Copies of the Offer Document and the Form of Acceptance (for use by holders of Clipper Shares in certificated form only) will be available for inspection during usual business hours on Monday to Friday of each week (public holidays excepted) during the Offer Period at the offices of Hammonds LLP at 7 Devonshire Square, London EC2M 4YH.

Those Clipper Shareholders receiving the Offer Document are strongly advised to read it in full, as it will contain important information, and where relevant to seek appropriate independent advice in relation to its contents.

The laws of the relevant jurisdictions may affect the availability of the Offer to persons who are not resident in the United Kingdom. Persons who are not resident in the United Kingdom or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe, any applicable requirements. Any person (including nominees, trustees and custodians) who would, or otherwise intends to, forward this announcement, the Offer Document and/or the Form of Acceptance or any accompanying document to any jurisdiction outside the United Kingdom, should refrain from doing so and seek appropriate professional advice before taking any action.

Unless otherwise determined by Race Bidco and permitted by applicable law and regulation, the Offer will not be made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or email) of interstate or foreign commerce of, or by any facility of a national securities exchange of, nor will it be made in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities. Accordingly, copies of any documents relating to the Offer must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent, in whole or in part, in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not directly or indirectly mail, transmit or otherwise forward, distribute or send them in, into or from any such jurisdiction as to do so may invalidate any purported acceptance of the Offer.

The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the jurisdiction in which they are resident. Persons who are not resident in the United Kingdom should inform themselves about, and observe, applicable requirements.

This announcement does not constitute, or form part of, any offer for, or any solicitation of any offer for, securities of Clipper. Any acceptance or other response to the Offer should be made only on the basis of information referred to in the Offer Document and the Form of Acceptance which Race Bidco intends to despatch in due course to Clipper Shareholders and, for information only, to holders of options under the Clipper Share Option Scheme.

The Offer and acceptances of it will be governed by English Law. The Offer will be subject to the applicable requirements of the City Code, the Panel and the London Stock Exchange and other legal and regulatory requirements.

RSM Bentley Jennison, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Race Bidco as financial adviser within the meaning of the Rules of the Financial Services Authority and for no one else in connection with the Offer. RSM Bentley Jennison is not advising any other person or treating any other person as its client in relation thereto and will not be responsible to anyone other than Race Bidco for providing the protections afforded to clients of RSM Bentley Jennison, or for giving advice to any other person in relation to the Offer, the contents of this announcement or any other matter referred to herein.

Zeus Capital, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Clipper and no one else in relation to the Offer and will not be responsible to anyone other than Clipper for providing the protections afforded to clients of Zeus Capital nor for providing advice in relation to the contents of this announcement or any Offer or arrangement referred to herein.

Forward looking statements

This document, including information included or incorporated by reference in this document, may contain “forward-looking statements” concerning Race Bidco and Clipper. All statements other than statements of historical fact included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “will”, “may”, “targets”, “plans”, “continue”, “believes”, “expects”, “intends”, “anticipates”, “aims”, “estimates” or words or terms of similar substance or the negative thereof identify forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Race Bidco Group’s operations; and (iii) the effects of government regulation on Race Bidco Group’s business.

These forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of Clipper or of Race Bidco. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. You are cautioned not to place undue

reliance on the forward looking statements, which speak only as of the date they were made. All subsequent oral or written forward-looking statements attributable to Clipper or Race Bidco or any of their members or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements included in this document are based on information available to the relevant parties on the date hereof. Investors should not place undue reliance on forward-looking statements, and neither Clipper, Race Bidco nor their directors undertakes any obligation in respect of, and do not intend to update or revise any forward-looking statements, except as required by the City Code or pursuant to applicable law.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, “interested” (directly or indirectly) in one per cent. or more of any class of “relevant securities” of Clipper, all “dealings” in “relevant securities” of Clipper (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the “offer period” otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an “interest” in “relevant securities” of Clipper, they will be deemed to be a single person for the purpose of Rule 8.3 of the City Code.

Under the provisions of Rule 8.1 of the City Code, all “dealings” in “relevant securities” of Clipper by Race Bidco or by Clipper, or by any of their respective “associates”, must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, and the number of such securities in issue, can be found on the Panel’s website at www.thetakeoverpanel.org.uk.

“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the City Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “dealing” under Rule 8 of the City Code, you should contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel’s website or contact the Panel on telephone number +44 (0) 20 7638 0129.

In accordance with Rule 2.10 of the City Code, Clipper confirms that it has had in issue, excluding Treasury Shares, 38,992,942 ordinary shares of 1 pence each. The ISIN for Clipper Shares is GB00026435662.

16 November 2009

Enquiries:

Race Bidco plc

02392 526 000

2. Security of principal and interest

All amounts of principal and interest payable by Race Bidco to the holders of Loan Notes in respect of the Loan Notes will be unsecured.

3. Interest

- (a) Interest on the outstanding principal amount of the Loan Notes will accrue from day to day, will be calculated on the basis of a 365 day year (366 days in the case of a leap year) and will be payable (subject to any requirement to deduct tax therefrom) on redemption.
- (b) The rate of interest for an Interest Period on the Loan Notes will be two per cent. of the principal amount outstanding per annum less any tax required to be deducted by law.

4. Redemption of Loan Notes

- (a) Any Loan Notes not previously redeemed or purchased will be repaid in full at par on the Final Redemption Date, together with accrued interest to that date (subject in the latter case to any requirement to deduct tax therefrom).
- (b) If the Loan Notes are redeemed by Race Bidco prior to the Final Redemption Date, seven days' notice of redemption must be given.
- (c) A holder of Loan Notes shall be entitled to require redemption of all or part of the Loan Notes held by him at par, together with accrued interest on the occurrence of certain events of default described in paragraph 5 below.
- (d) Any relevant Loan Note holder shall be bound to deliver to Race Bidco the certificate for his Loan Notes or an indemnity in respect thereof on or before the date upon which any Loan Notes are to be repaid or prepaid.

5. Events of default

All amounts of principal and/or interest owing in respect of the Loan Notes will be immediately due and payable:

- (i) if Race Bidco shall cease or threaten to cease all or a substantial part of its operations (other than for the purpose of a voluntary reconstruction the terms of which have been previously sanctioned by the holders of the Loan Notes); or
- (ii) if Race Bidco shall for the purposes of section 123(1) of the Insolvency Act 1986 be deemed to be unable to pay its debts; or
- (iii) if an order is made or an effective resolution passed for winding up Race Bidco (except a voluntary winding up for the purpose of reconstruction or amalgamation the terms of which have been previously sanctioned by the holders of the Loan Notes).

6. Purchase of Loan Notes

Race Bidco will be entitled at any time to purchase Loan Notes by tender, private treaty or otherwise by agreement with the relevant holders of Loan Notes.

7. Cancellation

All Loan Notes purchased or repaid by Race Bidco shall be cancelled and shall not be available for reissue.

8. Registration and transfer

The Loan Notes are not transferable except for a transfer in amounts or multiples of £1,000 in nominal amount (or the entire holding) by or to a person becoming entitled to the Loan Notes upon the death or bankruptcy of a holder of Loan Notes or a person as a result of any other event giving rise to the transmission of such Loan Notes by operation of law or a beneficiary who is absolutely entitled to the Loan Notes under a settlement or trust.

Any permitted transfer under the Loan Note Instrument shall be by instrument in writing in any usual or common form or in any other form approved by the board of Race Bidco save that no transfer may be made to more than four joint holders and no transfer need be registered within 30 days prior to the Final Redemption Date.

Every instrument of transfer shall be left at the registered office of Race Bidco for registration accompanied by the certificate for the Loan Notes to be transferred, and Race Bidco shall procure that promptly thereafter it shall register such transfer and enter the transferee as the holder of the Loan Notes in the register. Transfers by the personal representatives of a holder of Loan Notes are permitted provided the personal representatives are registered as a holder of Loan Notes and reasonable evidence of their valid appointment is provided to Race Bidco.

9. No listing

No application has or will be made to any stock exchange for the Loan Notes to be listed or otherwise traded or dealt in.

10. Taxation

10.1 Taxation of chargeable gains

The following statements are intended as a general guide to the position under current UK tax legislation and H.M. Revenue and Customs practice at the date of this document and relate only to certain limited aspects of the taxation position of Clipper Shareholders who are individuals and resident in the UK for tax purposes.

Liability to taxation will depend on the individual circumstances of each Clipper Shareholder, and they should consult an appropriate independent professional adviser on your tax position.

Liability to UK taxation on chargeable gains (“Capital Gains Tax” or “CGT”) will depend on the individual circumstances of each Shareholder.

It is anticipated that the Loan Notes will be “Non-Qualifying Corporate Bonds” (“non-QCBs”). If certain conditions are satisfied, the gain on that part of the consideration which takes the form

of non-QCBs will be “rolled over” for tax purposes until the point that there is a redemption or disposal of the non-QCBs.

10.2 Taxation of interest on Loan Notes

Withholding tax

Interest on the Loan Notes will be paid after deduction of UK income tax at the lower rate (currently 20 per cent) unless Race Bidco has been directed by H.M. Revenue and Customs, in respect of a particular holding of Loan Notes by persons who are not resident in the UK, to make the interest payment free of deduction or subject to a reduced rate of deduction (by virtue of relief under the provisions of an applicable double tax treaty). Such a direction will only be made following an application in the appropriate manner to the relevant tax authorities by the holder of the Loan Notes.

Race Bidco will not gross up payments of interest on the Loan Notes to compensate for any tax it is required to deduct at source.

Individual holders of the Loan Notes

The gross amount of interest on the Loan Notes will form part of the recipient's income for the purposes of UK income tax, credit being allowed for the tax withheld. Individual holders of Loan Notes who are taxable only at the basic rate will have no further tax to pay in respect of the interest, whilst individuals who are taxable at the higher rate will have to pay further tax in respect of the interest. In certain cases, holders of Loan Notes may be able to recover an amount in respect of the credit from H.M. Revenue and Customs. A charge to UK income tax may arise under the "accrued income scheme" on a transfer of the Loan Notes by a person who is resident or ordinarily resident in the United Kingdom in respect of the interest on the Loan Notes which has accrued since the preceding Interest Payment Date.

11. Governing law

The Loan Notes and the Loan Note Instrument will be governed by and construed in accordance with English Law.

APPENDIX III

DIRECTORS' SHAREHOLDINGS AND IRREVOCABLE UNDERTAKINGS

1. Clipper Directors' holdings of Clipper Shares

Name	Number of Clipper Shares	% of issued Clipper Shares
Sir Robin Knox-Johnston (1)	-	-
William Ward (2)	-	-
Jeremy Knight	-	-
David Stublely	433,333	1.11%

- (1) Sir Robin Knox-Johnston transferred his entire holding of 9,899,498 Clipper Shares to Race Bidco pursuant to the Exchange Deed, however as at 13 November 2009 (being the last practicable date prior to the publication of this document) he remained the legal holder of these shares pending the transfer document being stamped with the appropriate stamp duty. The transfer document has been submitted for stamping.

- (2) William Ward transferred his entire holding of 11,075,125 Clipper Shares to Race Bidco pursuant to the Exchange Deed, however as at 13 November 2009 (being the last practicable date prior to the publication of this document) he remained the legal holder of these shares pending the transfer document being stamped with the appropriate stamp duty. The transfer document has been submitted for stamping.

William Ward additionally holds the 19,526,527 deferred shares in the issued share capital of Clipper, being the entire issued deferred share capital. The deferred shares have no rights to the payment of any dividend or distribution and do not permit the holder to attend and vote at a general meeting of Clipper neither do they permit the holder to receive any payment on a repayment of capital unless each Clipper Share has been repaid in full together with a payment of £1 million on each Clipper Share.

2. Race Bidco's holding of Clipper Shares

Name	Number of Clipper Shares	% of issued Clipper Shares
Race Bidco plc (1)	20,974,623	53.79%

- (1) Race Bidco purchased 20,974,623 Clipper Shares from Sir Robin Knox-Johnston and William Ward pursuant to the Exchange Deed. As at 13 November 2009 (being the last practicable date prior to the publication of this document) Race Bidco is the beneficial holder of these Clipper Shares and will become the legal holder of these shares pending the transfer document being stamped with the appropriate stamp duty. The transfer document has been submitted for stamping.

3. Clipper Directors' holdings of Race Bidco Shares

Name	Number of Race Bidco Shares	% of issued Race Bidco Shares
Sir Robin Knox-Johnston	12,500,000	33.33%
William Ward (1)	25,000,000	66.67%
Jeremy Knight	-	-
David Stubbley	-	-

- (1) William Ward additionally holds 12,500 deferred shares in the issued share capital of Race Bidco, being the entire issued deferred share capital. The deferred shares have no rights to the payment of any dividend or distribution and do not permit the holder to attend and vote at a general meeting of Race Bidco.

4. Irrevocable undertakings

(a) *To accept the Offer*

An irrevocable undertaking to accept the Offer have been given to Race Bidco by David Stubbley in respect of his entire beneficial holding of 433,333 Clipper Shares representing, in aggregate, approximately 1.11 per cent. of the issued Clipper Shares. The irrevocable undertaking is also in respect of Clipper Shares that may be issued to, or acquired by, David Stubbley pursuant to the terms of the Clipper Share Option Scheme. David Stubbley has 250,000 Clipper Shares subject to options.

These irrevocable undertakings will remain binding even if a Competing Takeover Offer (or a revised offer by Race Bidco) is made for Clipper, and will cease to be binding only if the Offer closes, lapses or is withdrawn.

Irrevocable undertakings to accept, or (where applicable) procure acceptance of, the Offer have been given to Race Bidco by certain other significant Clipper Shareholders representing, in aggregate, approximately 18.28 per cent of the issued Clipper Shares.

Name	Number of Clipper Shares
Carl Green	3,279,279
John Yandell	2,250,000
Ronald Maydon	744,984
Robert Dench	666,667

Neil Easton

187,178

These irrevocable undertakings will remain binding even if a Competing Takeover Offer (or a revised offer by Race Bidco) is made for Clipper, and will cease to be binding only if the Offer closes, lapses or is withdrawn.

(b) To elect to receive the Loan Note Alternative

Irrevocable undertakings to elect to receive the Loan Note Alternative have been given to Race Bidco by certain other significant Clipper Shareholders representing, in aggregate, approximately 18.28 per cent of the issued Clipper Shares.

Name	Number of Clipper Shares
Carl Green	3,279,279
John Yandell	2,250,000
Ronald Maydon	744,984
Robert Dench	666,667
Neil Easton	187,178

These irrevocable undertakings will remain binding even if a Competing Takeover Offer (or a revised offer by Race Bidco) is made for Clipper, and will cease to be binding only if the Offer closes, lapses or is withdrawn.

APPENDIX IV

BASES OF CALCULATION AND SOURCES OF INFORMATION

1. The value placed by the Offer on the whole of the existing issued ordinary share capital of Clipper is based on, excluding Treasury Shares, 38,992,942 Clipper Shares in issue.
2. The amount of the cash payment in respect of full acceptance of the Offer is calculated based upon the number of Clipper Shares in issue (as described above) less the number of Clipper Shares issued by Race Bidco plc (being 20,974,623 Clipper Shares), less the number of Clipper Shares the subject of irrevocable undertakings to elect to receive the Loan Note Alternative and assuming that no Clipper Shares are issued pursuant to the Clipper Share Option Scheme.
3. Financial information in respect of Clipper contained in the announcement relating to the three years ended 30 April 2009 has been extracted or derived, without material adjustment, from the annual reports for the relevant periods and/or other public statements made by Clipper.
4. Information relating to Race Bidco has been provided by persons duly authorised by the Board of Race Bidco.

APPENDIX V

DEFINITIONS

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

“Acquisition”	the proposed acquisition of the whole of the issued and to be issued share capital of Clipper by Race Bidco by means of the Offer;
“Australia”	the Commonwealth of Australia, its territories and possessions;
“Business Day”	a day on which banks are generally open for business in London (excluding Saturdays, Sundays and public holidays);
“CA 2006”	the Companies Act 2006;
“Canada”	Canada, its provinces and territories and all areas under its jurisdiction and political sub divisions thereof;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not held in CREST);
“City Code”	the City Code on Takeovers and Mergers;
“Clipper”	Clipper Ventures plc;
“Clipper Directors”	the directors of Clipper as set out in paragraph 2.1 of Appendix V to this document;
“Clipper Group”	Clipper and its subsidiaries and subsidiary undertakings;
“Clipper Share Option Scheme”	the Clipper Employee Share Option Scheme;
“Clipper Shareholders”	holders of Clipper Shares, and each an “Clipper Shareholder”;
“Clipper Shares”	includes: (i) the existing issued or unconditionally allotted and fully paid (or credited as fully paid) ordinary shares of 1 pence each in Clipper; and (ii) any further such shares which are unconditionally allotted or issued and fully paid while the Offer remains open for acceptance or, subject to the provisions of the City Code, by such earlier date as Race Bidco may determine but, in each case, excludes any shares held as Treasury Shares on such date as Race Bidco may determine before the date on which the Offer closes (which may be a different date to the date referred to in (ii));
“Competing Takeover Offer”	a takeover offer (made by a third party other than Race Bidco) which is within the meaning of section 974 of the CA 2006 and which shall be deemed to include a scheme of arrangement or any other recapitalisation or other transaction where the effect of the takeover offer (made by a third party) or the scheme or recapitalisation or other transaction is to vest more than 50 per cent. of the shares of Clipper in a third party other than Race

	Bidco;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);
“Euroclear”	Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited);
“Exchange Deed”	the exchange deed entered into between (1) Race Bidco; (2) William Ward; and (3) Sir Robin Knox-Johnston, as described in paragraph 8.1(a) of Appendix V to this document;
“Final Redemption Date”	16 May 2011;
“First Closing Date”	7 December 2009;
“Form of Acceptance”	the form of acceptance and authority (in respect of certificated Clipper Shares) relating to the Offer which accompanies this document;
“in the money”	for share option schemes, options which have an exercise price below the Offer Price;
“Independent Directors”	Jeremy Knight and David Stubbley;
“Japan”	Japan, its cities, prefectures, territories and possessions;
“Loan Note”	the Two per cent Unsecured Loan Stock 2011 of £1 each of Race Bidco to be issued by Race Bidco pursuant to the Loan Note Alternative, particulars of which are set out in Appendix II of this document;
“Loan Note Alternative”	the proposed alternative under which eligible Clipper Shareholders who validly accept the Offer may elect to receive Loan Notes in lieu of all (subject to scaling back) or part of the cash to which they would otherwise become entitled under the Offer;
“Loan Note Instrument”	the instrument constituting the Loan Notes;
“Loan Note Restricted Jurisdiction”	the United States, Canada, Australia, Japan or any other jurisdiction to which the extension or acceptance of the Loan Note Alternative to such jurisdiction would violate the law of that jurisdiction;
“London Stock Exchange”	London Stock Exchange plc;

“Offer”	the recommended cash offer being made by Race Bidco for the entire share capital, issued and to be issued, of Clipper on the terms and subject to the conditions set out in this document including, where the context requires, any subsequent revision, variation, extension or renewal thereof;
“Offer Period”	the period commencing on 16 November 2009 and ending on the First Closing Date;
“Offer Price”	5 pence per Clipper Share;
“Panel”	the Panel on Takeovers and Mergers;
“Race Bidco”	Race Bidco plc;
“Race Bidco Directors” or “Board of Race Bidco”	Sir Robin Knox-Johnston and William Ward;
“Race Bidco Group”	Race Bidco and the Clipper Group;
“Race Bidco Shares”	ordinary shares of 0.1 pence each in the capital of Race Bidco;
“relevant securities”	Clipper Shares or any other securities conferring voting rights and any other securities convertible into or exchangeable for rights to subscribe for, or options in respect of, or derivatives referenced to, any of the foregoing;
“Treasury Shares”	any Clipper Shares held by Clipper as treasury shares (as defined in section 724 of CA 2006);
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated form”	means recorded on the relevant register of members of Clipper as being held in uncertificated form;
“United States” or “US”	the United States of America, its territories and possessions, all areas subject to its jurisdiction or any political subdivision thereof, any state of the United States of America and the District of Columbia; and
“Zeus Capital”	a trading name of Zeus Capital Limited.

All references to legislation in this document are to English legislation, unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

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

Terms defined in the CREST manual (issued by Euroclear) shall, unless the context otherwise requires, bear the same meanings where used in this document.