

Camellia Plc

Disposal Update

5 May 2011

On 8 September 2010 the company announced that an agreement had been entered into for the sale of the group's entire shareholdings in its Bangladeshi associated undertakings, United Insurance Company Limited and United Leasing Company Limited subject to various regulatory consents. It was subsequently agreed that the sale would be completed by no later than 30 November and not 15 November 2010 as was stated in the announcement.

A further announcement was made on 7 October 2010 following the company being made aware that in a writ petition filed alleging breaches of Bangladesh securities regulations in connection with the transaction, the High Court Division of the Supreme Court of Bangladesh had issued an interim order upon the Bangladeshi Securities and Exchange Commission ("SEC"), Dhaka Stock Exchange and Chittagong Stock Exchange not to consent to the transfers of these shareholdings until disposal of the *rule nisi* issued in the writ petition. The group's subsidiaries that are selling the shares have received legal advice which confirms that there has been no such breach.

Extensive discussions have taken place in an attempt to agree an extension of the completion date but it has not been possible to come to any agreement with the purchasers. The High Court Division of the Supreme Court of Bangladesh has now confirmed that the agreement stands terminated. Completion of the sale of shares contemplated in the agreement will therefore not take place.

Further enquiries please contact Camellia Plc
Malcolm Perkins
01622 746655