Water Hall Group plc
("Water Hall" or the "Company")
Termination of Offer Talks

On 20 September 2012 Petards announced that it had received a preliminary approach from Water Hall which may or may not lead to an offer being made for Petards.

Rule 2.6(a) of the Takeover Code (the "Code") required that Water Hall, by no later than 5.00 p.m. today (the "Relevant Deadline") unless the Panel had consented otherwise, either announced a firm intention to make an offer for Petards in accordance with Rule 2.7 of the Code or announced that it does not intend to make an offer.

Since 20 September 2012 the Board of Water Hall has put forward proposals for a merger of the two companies and subsequently detailed indicative terms of a paper offer at a premium to the prevailing share price, neither of which proved acceptable to the Board of Petards. Furthermore, the Board of Petards has not requested an extension of the Relevant Deadline and Water Hall is therefore unable to proceed with an offer in accordance with Rule 2.7 of the Code at this time without the cooperation of Petards. Accordingly, the Board of Water Hall, as required by the Code, confirms that it does not intend to make an offer for Petards.

Water Hall is restricted from announcing an offer or possible offer for Petards (and / or taking any other action which would otherwise be restricted under Rule 2.8 of the Code) within the next six months following the date of this announcement except in the circumstances set out in Note 2 to Rule 2.8 of the Code.

Commenting Raschid Abdullah, Chairman of Water Hall said:
"The Board of Water Hall is disappointed that offer talks have been terminated in this way when it considered that the proposed indicative terms were attractive but have been denied to the wider shareholder base".

Enquiries:

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