

CHAIRMAN'S UPDATE

DECEMBER 2003 / JANUARY 2004



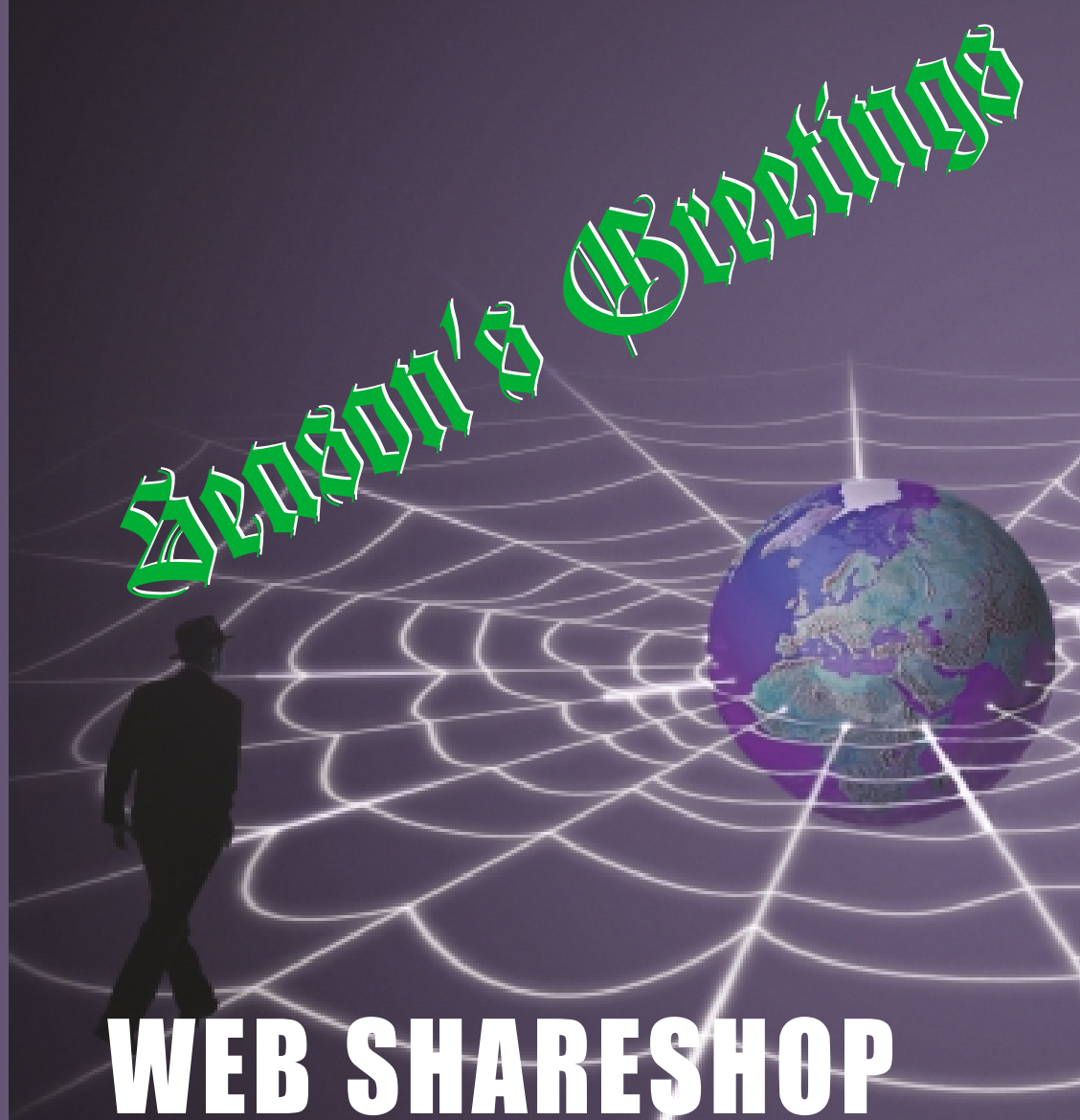
Chairman's Greetings

WEB SHARESHOP

(HOLDINGS) PLC

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WEB SHARESHOP

(HOLDINGS) PLC

Company Information

Directors R Bruce Rowan - Chairman
ACR (Tony) Scutt - Non-executive

John Watkins, FCA

Secretary John Watkins, FCA

Registered office and business address 123 Goldsworth Road
Woking
Surrey
GU21 1LR

email@websharshop.com

Tel: 01483 771992

Registered number 3981468

Share price information Financial Times
Evening Standard

www.prices.londonstockexchange.com

Company announcements

www.websharshop.com

www.londonstockexchange.com/rns/announcement.asp

Expected financial timetable

Interim announcement for six months to 31 January 2004
by 26 February 2004

Final result announcement for year to 31 July 2004
by 21 September 2004

Annual general meeting by 29 October 2004

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Woodsome Park
Fenay Bridge
Huddersfield
HD8 0LA
Telephone 0870 162 3131

Chairman's update for shareholders

– December 2003/January 2004

I am pleased to report that your Company continues to make very satisfactory progress:

- The net asset value based on mid-market closing prices on Friday 28 November was **.*. pence per share, an increase of **.*. pence during the eight weeks since I wrote to you in early October. These values are on a fully diluted basis.
- The Company has raised a total of £182,900 of new capital, net of expenses, by the issue of 3.758m new Ordinary shares at a price of 5 pence per share and thus boosted the resources available for trading. This has been completed with the support of 20 existing shareholders and others. Accordingly, the Company has very successfully completed the fundraising which I forecast in my 2003 Chairman,s report.
- The Company has made two further acquisitions and now holds eight trade investments.
- All resolutions before the Annual General Meeting were passed unanimously.
- The Company is pleased to announce that it has strengthened the Board by the appointment of Mr Tony Scutt as a non-executive director with effect from 1 December 2003. Tony has been a Shareholder of the Company since inception and comes with a wealth of experience as an investment analyst. The Directors welcome Tony and look forward to his contribution.

The Company share price has risen during the past two months to stand at **. pence at the close on 28 November; this is well under the net asset backing of **. per share, a discount to net asset value of **%.

It is the Board's intention to issue an interim statement as soon as possible during February and to issue updates at least quarterly thereafter. However, if you wish to do so, please telephone me on 020 7486 3997 at any time.

I am pleased to report that we have now re-launched our website at www.websharshop.com; this will be kept up to date with all announcements.

We have a strong business model which will achieve sound results for your Company. The Board looks forward to 2004 with much excitement.

Thank you for your continuing support.

R Bruce Rowan
Chairman & Chief Executive

1 December 2003