

CHFP025

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Declaration in relation to assistance for the acquisition of shares

155(6)a

**Please complete
legibly, preferably
in black type, or
bold block lettering**

Note
Please read the notes
on page 3 before
completing this form.

* insert full name
of company

Ø insert name(s) and address(es) of all the directors

**To the Registrar of Companies
(Address overleaf - Note 5)**

For official use

T T T

Company number

1623042

Name of company

* Advanced Composites Limited

Xweg Rider 1

† delete as appropriate

**\$ delete whichever
is inappropriate**

~~XXXXXXXXXXXX~~ ~~XXXXXXXXXXXX~~ of the above company do solemnly and sincerely declare that:

The business of the company is:

[illegible]

(c) something other than the above\$

The company is proposing to give financial assistance in connection with the acquisition of shares in the

~~XXXXXX~~ [company's holding company] Advanced Composites Group Holdings Limited

The assistance is for the purpose of ~~the acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition].†

The number and class of the shares acquired or to be acquired is: 3,378,125 ordinary shares.
2,471,875 A ordinary shares, 1,893,660 B ordinary shares and 3,756,336 deferred shares

Presenter's name address and reference (if any) :

Slaughter and May (Ref: DTF/RMI)
One Bunhill Row
London
EC1Y 8YY

For official Use
General Section

Post room

LD3 #LFG
COMPANIES HOUSE

0319
08/06/04

The assistance is to be given to: (note 2) UMECO plc of Concorde House, Warwick New Road,
Leamington Spa, Warwickshire, CV32 5JG

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Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

Rider 2

The person who [has acquired] ~~will acquire~~ the shares is:

† delete as
appropriate

UMECO plc

The principal terms on which the assistance will be given are:

Rider 3

The amount of cash to be transferred to the person assisted is £ N/A

The value of any asset to be transferred to the person assisted is £ N/A

The date on which the assistance is to be given is on or about 27 May 2004

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write in this
margin

Please complete
legibly, preferably
in black type, or
bold block lettering

* delete either (a) or
(b) as appropriate

~~X~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~X~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~X~~It is intended to commence the winding up of the company within 12 months of that date, and the declarants have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.]* (note 3)

And ~~X~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Hannor Gate Industrial Estate Derbyshire

Declarants to sign below

[Signature]

Day Month Year
on

27	05	2004
----	----	------

[Signature]

before me *[Signature]*

[Signature]

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

[Signature]

[Signature]

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Riders to forms 155(6)a - Advanced Composites Limited

Rider 1

JONATHAN PETER MABBITT of the Lodge, 291 Alfreton Road, Little Eaton, Derbyshire, DE21 5AD

MARK MALITSKIE of 52 High Street, Broughton, Kettering, Northamptonshire, NN14 1NQ

ALAN BRIAN MOORE of Rowan Cottage, Hackney Lane, Barlow, Sheffield, S18 7TD

RICHARD JOHN KIRBY BEAUMONT of 10 Milverton Terrace, Leamington Spa, Warwickshire CV32 5BA

ANDREW BRIAN MOSS of Saddlebow Cottage, Saddle Bow Lane, Claverdon, Warwick, Warwickshire CV35 8PQ

CLIVE JOHN SNOWDON of New End Barn, Sperrall Lane, Great Alne, Alcester, Warwickshire B49 6JD

being all the directors (with the exception of Hugh Adrian Potts, who will be making a separate statutory declaration)

Rider 2

The assistance will take the form of:

Accession as an additional guarantor to a term and revolving facilities agreement dated 18 March 2004 (the "**Facilities Agreement**") between UMECO plc, the Original Guarantors (as defined therein), Lloyds TSB Bank plc as agent and lender and Lloyds TSB Corporate, a division of Lloyds TSB Bank plc, as arranger, in each case by Advanced Composites Group Holdings Limited, Advanced Composites Limited, Advanced Composites Group Limited and Advanced Composites Group, Inc., in order to secure, among other things, the obligations of UMECO plc under the Facilities Agreement.

Rider 3

The principal terms on which the assistance will be given are:

- 1.1 Advanced Composites Limited, as an additional guarantor, irrevocably and unconditionally:
- (A) guarantees to Lloyds TSB Bank plc and any additional lenders under the Facilities Agreement (the "**Finance Parties**" and each a "**Finance Party**"), punctual performance by UMECO plc and any additional borrowers (the "**Borrower**") of all that Borrower's obligations under the Facilities Agreement, any fee letter, any accession letter, any resignation letter and any other document designated as such by Lloyds TSB Bank plc (as agent) and UMECO plc (the "**Finance Documents**");
 - (B) undertakes with each Finance Party that whenever a Borrower does not pay any amount when due under or in connection with any Finance Document Advanced Composites Limited shall immediately on demand pay that amount as if it was the principal obligor; and



- (C) indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

1.2 Continuing guarantee

The guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Borrower or any other guarantor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

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A handwritten signature in black ink, appearing to be 'J. W. W.', is located in the bottom right corner of the page.



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Birmingham B3 2DL
United Kingdom

Tel 0121 232 3000
Fax 0121 232 3500
DX 709850 Birmingham 26
E-mail john.m.burton@kpmg.co.uk

Private & confidential

The Directors
Advanced Composites Limited
Concorde House
24 Warwick New Road
Leamington Spa
Warwickshire CV32 5JG

Our ref jgim/6/jmb/lmb-1050

Contact John Burton
0121 232 3060

27 May 2004

Dear Sirs

Auditors' report to the directors of Advanced Composites Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 27 May 2004 in connection with the proposal that the company should give financial assistance for the purchase of shares in its parent company, Advanced Composites Group Holdings Limited.

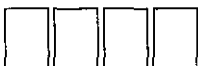
This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section 156(4) of that Act and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work under section 156(4) of that Act or for this report.

We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

KPMG LLP
Registered Auditor



KPMG LLP,
KPMG LLP, a UK limited liability partnership,
is a member of KPMG International, a Swiss
cooperative

Registered in England No OC301540
Registered office:
8 Salisbury Square,
London EC4Y 8BB