

G

CHFP025

Please do not
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COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

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

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

For official use

Company number

[] [] [] []

2341764

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

Name of company

* AAF CONSULTANTS LIMITED

* insert full name
of company

*/We SEE APPENDIX 1

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

† delete as
appropriate

~~[the sole director]~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate

~~(a) that of a (recognised bank) (licensed institution) within the meaning of the Banking Act 1979~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~

(c) something other than the above§

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

~~[company]~~ [company's holding company WACO UK

Limited]†

The assistance is for the purpose of ~~that 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: SEE APPENDIX 2

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

DLA
Princes Exchange
Princes Square
LEEDS
LS1 4BY
DX: 12017 LEEDS
REF: GLH/B160207.LFD

For official Use
General Section

Post room



HLE
COMPANIES HOUSE

0114
11/01/01

The assistance is to be given to: (note 2) SEE APPENDIX 3

Please do not
write in this
margin

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

The assistance will take the form of:

SEE APPENDIX 4

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

† delete as
appropriate

PURCHASER ONE IN RESPECT OF ACQUISITION ONE (as defined in Appendix 2&3) &

PURCHASER TWO IN RESPECT OF ACQUISITION TWO (as defined in Appendix 2&3)

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

SEE APPENDIX 5

The amount of cash to be transferred to the person assisted is £ NIL

The value of any asset to be transferred to the person assisted is £ NIL

The date on which the assistance is to be given is WITHIN 8 WEEKS OF DATE HEREOF

Please do not
write in this
margin

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

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

~~*/~~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) ~~*/~~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) ~~It is intended to commence the winding-up of the company within 12 months of that date, and I/we
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 ~~I/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 Calwick Lane
Broadchurch
E. Ymhuda of A.L. Wulker

Declarants to sign below



Day Month Year
on

1	9	1	2	2	0	0	0
---	---	---	---	---	---	---	---

before me 

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

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

Appendices to Target Form 155(6)a

APPENDIX 1

Name: Eugenio P C De Sa
Address: 8 Outer Trinities
Grove Hill Road
Beverley
North Humberside
HU17 0HN

Name: Andrew L Walker
Address: Eastgate House
50 Newgate Street
Cottingham
North Humberside
HU16 4DZ

APPENDIX 2

1. In respect of Acquisition One the number and class of shares acquired is: 9,461,164 ordinary shares of 7.5 pence each; and
2. in respect of Acquisition Two the number and class of shares acquired is: 17,816,164 ordinary shares of 7.5 pence each

Definitions

"Acquisition One" means the recommended unconditional cash offer by KPMG Corporate Finance on behalf of Purchaser One made on 24 September 1999 as revised on 5 November 1999, to acquire 9,461,164 ordinary shares of 7.5 pence each in the issued share capital of Waco UK Limited ("**Waco**"); and

"Acquisition Two" means the acquisition by Purchaser Two of the entire issued share capital of Waco comprising 17,816,164 ordinary shares of 7.5 pence each.

APPENDIX 3

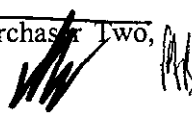
Waco International Limited ("**Purchaser One**") a company incorporated in South Africa;

AAF Industries Limited ("**Purchaser Two**") (company number 3865868), whose registered office is at c/o Theodore Goddard, 150 Aldersgate Street, London EC1A 4EJ; and

HSBC Bank plc ("**Bank**"), acting through its branch at Sheffield SPC, Ground Floor, 79 Hoyle Street, Sheffield, S3 7EW.


APPENDIX 4

The execution, or in the case of paragraph 5 below, the continued provision of the following documents (as the same may be amended, varied, supplemented or substituted from time to time):

1. a facility letter ("**Facility Letter**") for the provision of a £10,000,000 term loan facility to be made to Waco by the Bank to enable Waco to loan monies to Purchaser Two to repay existing facilities, granted by ABSA Bank, used to acquire Waco. The £10,000,000 term loan facility and the £5,000,000 overdraft facility (referred to in paragraph 2 of this Appendix 4) are to be used in part to assist Purchaser Two in the discharge of liabilities owed by (inter alia) Purchaser Two to ABSA Bank in respect of:
 - 1.1 the recommended unconditional cash offer by KPMG Corporate Finance on behalf of Purchaser One made on 24 September 1999 as revised on 5 November 1999, to acquire 9,461,164 ordinary shares of 7.5 pence each in the issued share capital of Waco using the funds provided by ABSA Bank; and
 - 1.2 the acquisition by Purchaser Two of the entire issued share capital of Waco on 1 January 2000.
2. an overdraft and engagements facility letter ("**Overdraft Facility Letter**") relating to an overdraft and engagements facility of £5,000,000 and granted to the Company, amongst others, by the Bank;
3. a debenture ("**Debenture**"), creating security over the Company's assets and undertaking, to be executed by the Company in favour of the Bank;
4. ~~a deed of subordination ("**Deed of Subordination**") to be made between Purchaser Two, Crystal Springs Limited and the Bank; and~~ 
5. an unlimited multilateral guarantee ("**Guarantee**") granted by the Company in favour of the Bank dated 30 August 1994 securing (inter alia) all monies and obligations owed by, inter alia, Waco and certain other subsidiary companies of Waco to the Bank (whether jointly or severally, as principal or as surety.)

6. an intra group funding agreement ("**Intra Group Funding Agreement**") for the provision of interest free loan facilities to be made available, inter alia, by the Company, amongst others, to Purchaser Two to assist Purchaser Two in the repayment of monies lent by ABSA Bank and to assist the Company, amongst others, in the repayment of monies and discharge of obligations owed to the Bank.

APPENDIX 5

1. Under the terms of the Facility Letter, Waco will use the facility granted thereunder to lend monies in part to Purchaser Two to be used by Purchaser Two for the payment and discharge of all monies, liabilities and obligations at any time owing by Purchaser One and Purchaser Two to ABSA Bank.
2. Under the terms of the Overdraft Facility Letter, the Company will agree, inter alia, to use cash for the payment and discharge of all monies, liabilities and obligations at any time owing to the Bank by itself and other members of the Group and may use the facilities granted thereunder in the payment of professional fees incurred in connection with the negotiation and preparation of the documentation listed in this Appendix 5.
3. Under the terms of the Debenture, the Company will create fixed and floating charges over all of its assets and undertaking in order to secure the payment and discharge of all monies, liabilities and obligations at any time owing by it to the Bank including without limitation under the Guarantee.
4. Under the terms of the Deed of Subordination amounts owing to Crystal Springs Limited by Purchaser Two shall be subordinated to the claims of the Bank under or in connection with the Facility Letter, Overdraft Facility Letter, the Deed of Subordination and the Security Documents (as defined therein). 
5. Under the terms of the Guarantee the Company is to secure, amongst other obligations, sums due under the Facility Letter and Overdraft Facility Letter.
6. Under the terms of the Intra Group Funding Agreement, the Company (amongst others) agree to provide interest free loan facilities to be made available to Purchaser Two to assist Purchaser Two in the repayment of monies and discharge of monies owed to ABSA Bank and to assist the Company, amongst others, in the repayment of monies and discharge of obligations owed to the Bank.

Definitions

"Group" means Waco and its subsidiary companies

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Company number

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* insert full name
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appropriate

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reference (if any) :

DLA
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Princes Square
LEEDS
LS1 4BY
DX: 12017 LEEDS
REF: GLH/B160207.LFD

For official Use
General Section

Post room

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And ~~I/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 BRITISH CONSULATE OPORTO

Declarants to sign below

Day Month Year
on

1	9	1	2	2	0	0	0
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before me Zilda MARTINS NEIVA Gomes

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



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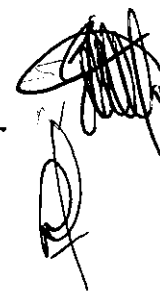
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- 

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Definitions

"Group" means Waco and its subsidiary companies

Auditors' report to the directors of AAF Consultants Limited pursuant to section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 19 December 2000 in connection with the proposal that the company should give financial assistance for the purpose of reducing or discharging a liability incurred for the purpose of the acquisition of shares in Waco UK Limited.

Respective responsibilities of directors and auditors

The company's directors are responsible for the statutory declaration in accordance with applicable United Kingdom law. It is our responsibility as established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance to review the bases for the declaration, based on our enquiries into the state of the company's affairs, and to provide a report to the directors.

Basis of opinion

We have enquired into the state of the company's affairs so far as necessary for us to review the bases for the statutory declaration.

Opinion

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.



Arthur Andersen
Chartered Accountants
1 City Square
Leeds
LS1 2AL

19 December 2000