### Report of a Meeting **Approving Voluntary** Arrangement

Pursuant to Section 4 of the

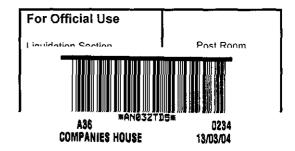
	Insolvency Act 1986	For Official Use
	To the Registrar of Companies	
		Company Number 3241871
	Name of Company	
(a) Insert full name of company	(a) SBS Group PLC	
:		
(b) Insert full name(s) and address(es)	I (b) William Antony Batty  Antony Batty & Co New House, Suite 24 67 –68 Hatton Garden London EC1N 8JY	
(c) Insert date	The Chairman of a meeting held in pursuance of Section 4 of the Insolvency Act 1986 on (c) 10 March 2004 enclose a copy of my report of the said meeting.	

Signed	(y) full
•	<del></del>

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

W A Batty Antony Batty & Co New House, Suite 24 67 -68 Hatton Garden London EC1N 8JY

81113



### ANTONY BATTY & COMPANY

Licensed Insolvency Practitioners

New House, Suite 24 67 – 68 Hatton Garden London EC1N 8JY

Telephone: 020 7831 1234 Facsimile: 020 7430 2727

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TO WHOM IT MAY CONCERN

11 March 2004

Dear Sirs,

### SBS GROUP PLC - COMPANY VOLUNTARY ARRANGEMENT

I write to inform you that at meetings of the creditors and members of the above named company held on 10 March 2004, the company's proposal for a Company Voluntary Arrangement was accepted and I was duly appointed as Supervisor.

Copies of the voting records at the creditors and members meetings are attached.

The proposal was modified as follows:-

"The Governor and Company of the Bank of Scotland ("the Bank") as creditor of SBS Group Plc waive any right to the receipt of shares under the terms of the CVA, but reserves all its rights and remedies whether under any security granted to it or otherwise to pursue all and any subsidiaries of the Borrower for all of the secured liabilities as defined in a corporate guarantee dated 16 August 1999 and made between the Bank and various SBS Group companies."

This report on the meetings of creditors and members has been filed in the Royal Courts of Justice in accordance with Section 4 of the Insolvency Act 1986.

I note that a small number of creditors have not yet completed and returned the acknowledgement of claim form which was attached to the notice of the meetings. In order to be registered for distribution purposes, I shall be grateful if the creditors concerned would return the form, duly completed, as soon as possible.

Creditors should also complete and return the enclosed form to ensure that shares to which they are entitled to are issued in the correct name.

Failure to complete and return the form may result in being excluded from any distribution.

Yours faithfully,

W A Batty Supervisor

The Institute of Chartered Accountants in England & Wales authorises WA Batty to act as an Insolvency Practitioner under S. 390 (2) of the Insolvency Act 1986. WA Batty acts and contracts as Administrator without personal liability.

## SBS Group Plc MEMBERS' MEETING VOTING RECORD

### Resolution 1: To accept the Company's proposals for a Company Voluntary Arrangement

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Members	maina	for	Dara	lution	,
Memoers	vomv	ior	Reso.	un con	1

A Hamilton	322
A MacDonald	1,500
British Smaller Companies VCT Pic	40,000
C Dunks	5,000
E Colledge	900
F Wotherspoon	108,747
G Jones	503
G Jones	1.383,690
G Steward	655
H Durrant	715
H Misny	300
I Zarb	1,500
J Banks	879
1 Clendinnine	393
J Cole	310
Lord May	1,000
M Tongue	400
N Foster	300
N MacKrell	330
P Farmer	345
R Pinfield	450
T Sawyer	500
Waksman Family Investments LLC	6,985,814

8,534,553

Members voting against Resolution 1

nil

#### Conclusion

The resolution to accept the voluntary arrangement with modifications was accepted by members voting in person and by proxy.

W A Batty Supervisor

SBS Group Ple CREDITORS' MEETING VOTING RECORD				·				
Resolution 1: To accept the Company's proposals for a Company Voluntary Arrangement	ompany Voluntary Arrangement	Claim	Voting for the purposes of requisite major	or inc of majorities		voting for the purposes of inconnected pers	ou co	
Creditor	Proxy Holder	Received	under Ri Insolven	under Rule 1.19 of the Insolvency Rules 1986		in terms of Rule 1.19(4) of the Insolvency Rules 1986	L.19(4) y Rules 1986	
		¥		For	Against	For	Against	
Specific Instructions								
HM Customs & Excise	Chainnan	£ 122,940.00		¥	122,940.00		ы	122,940.00
Zerlina Assets Ltd	Chairman	£ 4,482,000.00	બ	4,482,000.00		£ 4,482,000.00	00.00	
Introstate Ltd	Chainnan	£ 4,704,948.00	બ	4,704,948.00				
Proxy holders discretion								
West Words Lid	G Jones	3 666.00				9	00'999	

In the tenns of Rule 1.19 of the Insolvency Rules 1986, the Proposal must be accepted by a requisite majority of 75% of creditors voting in favour of the proposal

4,704,948.00

12,606,783.00

1.56%

Percentage of the Non-associated creditors voting against the Proposal

Total creditors notified and entitled to vote.

As per list of creditors in the Proposal

Loss - connected parties included in the list

9.186.948.00

Where connected persons (as defined by 5.249 of the Insolvency Act 1986) of the company are involved in the voting procedure, under Rule 1.19(4) of the Insolvency Rules 1986, the resolution to accept the Proposal must not be rejected by greater than 50% of the unconnected creditors in a vote who were notified and entitled to vote - in a vote taken of the unconnected creditors.

The Covernor & Company of the Bank of Scotland plc assigned £4,482,000 of their debt to Zerlina Assets Limited on 25 February 2004,

Conclusion
The resofdion to accept the voluntary arrangement with modification was accepted by the requisite majority of creditors voting in person and by proxy.

W.A. Batty Supervisor -

# SBS GROUP PLC – COMPANY VOLUNTARY ARRANGEMENT CREDITOR ELECTION FORM

Name of creditor:
Amount of claim:
Please issue us with shares in accordance with the CVA proposal: (Tick box)
Exact name and address to whom the shares should be issued
Full name(s)
Address:
Or
We waive all our rights to the shares being issued in accordance with the CVA proposals:
Signed by:
For and on behalf of:
Position:
Please return by 30 April 2004 to:
Antony Batty Supervisor, Voss Net Plc New House, Suite 24 67 – 68 Hatton Garden

London EC1N 8JY