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CHFP025

COMPANIES FORM No. 155(6)b

**Declaration by the directors  
of a holding company in  
relation to assistance for the  
acquisition of shares**

155(6)b

Please do not  
write in this  
margin

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

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

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

Name of company

\* THE MW GROUP LIMITED

For official use

[ ] [ ] [ ] [ ] [ ] [ ]

Company number

3622514

~~We~~ See Appendix 1 attached.

† delete as  
appropriate

~~XXXXXXXXXX~~ [all the directors]† of the above company (hereinafter called 'this company') do  
solemnly and sincerely declare that:

§ delete whichever  
is inappropriate

The business of this company is:

- (a) ~~that of a person authorised under section 1 of the Insurance Companies Act 1982 to carry on  
insurance business in the United Kingdom~~
- (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§

This company is ~~not~~ [a] holding company of\* MAPPIN & WEBB LIMITED

\_\_\_\_\_ which is  
proposing to give financial assistance in connection with the acquisition of shares  
in [this company] [ \_\_\_\_\_ ]

~~XX~~  
~~the holding company of this company.~~

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

Eversheds LLP  
Kett House  
Station Road  
Cambridge  
CB1 2JY  
5807 Cambridge  
REF: rumbles150867#374373

For official Use  
General Section



The assistance is for the purpose of ~~that acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)

Please do not write in this margin

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

The number and class of the shares acquired or to be acquired is: 2,782,959 Ordinary Shares.  
1,160,263,535 Deferred Shares and 2,671,641 A Ordinary Shares.

The assistance is to be given to: (note 2) \_\_\_\_\_  
See Appendix 2 attached.

The assistance will take the form of:

See Appendix 3 attached.

The person who [has acquired] ~~will acquire~~ the shares is:  
Spider Acquisitions Limited (Company No. 05610510)

† delete as appropriate

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

See Appendix 4 attached.

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

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 the date hereof

~~X~~We have formed the opinion, as regards this 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) ~~XX~~ We have formed the opinion that this 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 this company within 12 months of that date, and the~~  
~~have formed the opinion that this 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 Renoir House, 135-137  
New Bond Street, London

Declarants to sign below

Day Month Year

on 2 1 1 2 2 0 0 5

before me

ROBERT KINGSMILL  
SOLICITOR ALLEN  
ALLEN  
GREENWICH  
LONDON

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  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB



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

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

**Declarants to sign below**

A handwritten signature in black ink, appearing to be "R. J. [unclear]". The signature is written over the printed name "R. J. [unclear]" at the bottom of the page.

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

**The Registrar of Companies  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB**

Please do not  
write in this  
margin

The date on which the assistance is to be given is within 8 weeks of the date hereof

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

~~X~~We have formed the opinion, as regards this 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)

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

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

(b) ~~X~~We have formed the opinion that this company will be unable to pay its debts as they fall due during the year immediately following that date]\* (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

Declarants to sign below

GOLDSMITH HOUSE ELLAND ROAD  
LEICESTER



Day Month Year  
on 

2	1	1	2	2	0	0	5
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before me A. E. Ewman SOLICITOR (GATELEY WAREING LLP)

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.
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CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB



**Appendix 1 to Form 155(6)b**

**Names and Addresses of all Directors of THE MW GROUP LIMITED  
(Company Number 03622514)**

Jerzy Stanislaw Piasecki	Lockend House Mill Lane Lower Shiplake Henley on Thames Oxfordshire RG9 3ND
Gunnar Sigurdsson	24 Kelsall Mews Richmond TW9 4BP
Stephen Clive Sargent	Spinney End 5 Harcourt Spinney Market Bosworth Nuneaton Warwickshire CV13 0LH
James Edward West	4 Church Lane Stanford on Avon Northampton Northamptonshire NN6 6JP

G. S.  
JAN.  
RM

**Appendix 2 to Form 155(6)b**

**Name of person to whom the assistance is to be given**

Spider Acquisitions Limited Company No 5610510 (the "Buyer")

G.S.  
JAN  
RML

### Appendix 3 to Form 155(6)b

**The form of the financial assistance to be given by Mappin & Webb Limited (Company No. 00053237) (the "Relevant Subsidiary")**

**The term defined in Appendix 2 has the same meaning in this Appendix 3**

1. Entry into a facility amendment letter (the "Facility Amendment Letter") in the form set out in Schedule 9 to a facilities agreement dated 22 November 2005 (the "Original Facilities Agreement") comprising term and revolving credit loans in the maximum aggregate principal amount of £28,000,000 made available by Landsbanki Islands hf (the "Lender") to the Buyer and Mappin & Webb Limited (together the "Borrowers"). The Original Facilities Agreement included a guarantee and indemnity (the "Guarantee") given by:

Mappin & Webb Holdings Limited (Company No. 00100620)

Mappin & Webb (CI) Limited (Company No. 3749451)

The Jewellers & Silversmiths Co (1994) Limited (Company No 28008 Guernsey)

Carrington & Co Limited (Company No. 180165)

Watches of Switzerland Limited (Company No 00434487)

and the Relevant Subsidiary (the "Guaranteeing Subsidiaries"), the Buyer and The MW Group Limited (the "Target") and any other subsidiaries of the Buyer who accede to the Original Facilities Agreement in the future (being together referred to as the "Group").

2. Prior to entry into the Facility Amendment Letter the Guarantee applies only to revolving credit facilities made available under the Original Facilities Agreement for purposes other than the acquisition by the Buyer of the Target (the "Acquisition"). The effect of the Facility Amendment Letter extends the Guarantee of the Remaining Guarantors (as defined below) so that they guarantee to the Lender the punctual performance by the Borrowers of their obligations under the Original Facilities Agreement, the A Term Loan Guarantee (as defined in the Facilities Agreement), any fee letter, any document entered into by any Obligor (defined below) creating security over the Obligor's assets (including, without limitation, the Debenture (as defined below)), the Facility Amendment Letter and any other document from time to time agreed as such by the Lender and the Buyer (the "Finance Documents") and they indemnify the Lender against any cost, loss or liability suffered by the Lender due to any obligation guaranteed by them becoming unenforceable, invalid or illegal. Under the Facility Amendment Letter, the Guaranteeing Subsidiaries, the Buyer and the Target confirm and agree that Carrington & Co Limited, The Jewellers & Silversmiths Co (1994) Limited and Mappin & Webb (CI) Limited (the "Dormant Companies") are released from all of their obligations and liabilities under the Guarantee but that the Guarantee of the Guaranteeing Subsidiaries (excluding the Dormant Companies), the Buyer and the Target (the "Remaining Guarantors") shall remain unaffected.

G. Sig  
Jaw  
KMD



3. A debenture dated 22 November 2005 (the "Debenture") was entered into between the Buyer, the Target and each of the Guaranteeing Subsidiaries (save for The Jewellers & Silversmiths Co (1994) Limited) and the Lender (the "Parties"). The Debenture granted fixed and floating charges over all the assets and undertaking of each member of the Group (excluding The Jewellers & Silversmiths Co (1994) Limited) securing, inter alia, any liability of the Buyer, the Target and each of the Guaranteeing Subsidiaries including any person that may become an Obligor (the "Obligors") to the Lender under the Finance Documents. As the Facility Amendment Letter increases the guaranteed obligations as referred to in paragraph 2 above, following entry into the Facility Amendment Letter, the obligations and liabilities secured by the Debenture extend to those guaranteed obligations as so increased.
4. The Facility Amendment Letter to be entered into between, the Buyer, the Target, the Guaranteeing Subsidiaries and the Lender is for the purpose of (in part) reducing or discharging directly or indirectly in whole or in part the liability incurred for the purpose of the Acquisition.

G. Si  
H.W.  
Rmk

#### **Appendix 4 to Form 155(6)b**

##### **Principal terms on which financial assistance will be given by the Relevant Subsidiary**

Terms defined in Appendix 2 and Appendix 3 have the same meaning in this Appendix 4

1. By executing the Facility Amendment Letter the Relevant Subsidiary will irrevocably and unconditionally jointly and severally with the other Remaining Guarantors:
  - 1.1 guarantee to the Lender the punctual performance by each Borrower of all that Borrower's obligations under the Finance Documents;
  - 1.2 undertake with the Lender that whenever a Borrower does not pay any amount when due under or in connection with the Finance Documents, the Relevant Subsidiary shall immediately on demand pay that amount as if it was the principal obligor; and
  - 1.3 give an indemnity to the Lender immediately on demand against any cost loss or liability suffered by the Lender 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 the Lender would otherwise have been entitled to recover;

the obligations at paragraph 1 being the "Guaranteed Obligations".
2. After the Facility Amendment Letter has been entered into, the Debenture will secure amongst other things the Guaranteed Obligations.
3. Under the Debenture, the Relevant Subsidiary as security for the payment and performance of all present and future obligations and liabilities of each Obligor to the Lender under the Finance Documents charges with full title guarantee in favour of the Lender all its assets and undertaking by way of fixed and floating charges by way of security for the same including any real property charged by way of legal mortgage under the Debenture.

G. S. J.  
J. P. W.  
R. M. M.



**KPMG LLP**  
1 Puddle Dock  
London EC4V 3PD  
United Kingdom

Tel +44 (0) 20 7311 1000  
Fax +44 (0) 20 7311 2918  
DX 38050 Blackfriars

The Directors  
The MW Group Limited  
C/o Baugur UK Ltd.  
Renoir House  
135-137 New Bond Street  
London W1S 2TG

21 December 2005

Dear Sirs

**Auditors' report to the directors of The MW Group Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of the Company dated 21 December 2005 in connection with the proposal that the Company and its subsidiaries listed below, of which this Company is the ultimate parent company, should give financial assistance for the purchase of 100% of the Company's shares.

**Subsidiary undertakings:**

- Mappin & Webb Holdings Limited
- Mappin & Webb Limited
- Watches of Switzerland 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