

**CHFP025**

## Declaration in relation to assistance for the acquisition of shares

**155(6)a**

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

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

For official use

Company number

04396961

Name of company

\* Stonebeach Limited (the "SB")

\* insert full name  
of company

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

XWeg Please see appendix 1 and being

† delete as appropriate

~~XXXXXXXXXXXX~~ [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

[illegible][illegible]

~~insurance business to be reported for~~

(c) something other than the above§

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

~~XXXXXXXXXX~~ [company's holding company Patisserie Valerie Limited (Co. No.02139436)

(the "Parent")

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: 100 ordinary shares of  
£1.00 each in the Parent

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

Pinsent Masons  
Dashwood House  
69 Old Broad Street  
London EC2M 1NR

119516 Finsbury  
REF: 3448/20829451

For official Use  
General Section

Post room



A17  
COMPANIES HOUSE

636  
27/09/2006

The assistance is to be given to: (note 2) Patisserie Valerie Holdings Limited of  
32 Bedford Row, London, WC1R 4HE (Co. No. 5914839) (the "Purchaser")

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:

Please see appendix 2

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

† delete as  
appropriate

the Purchaser

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

Please see appendix 3

The amount of cash to be transferred to the person assisted is £ Please see appendix 4

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 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)

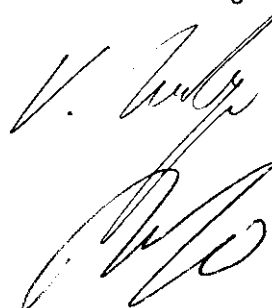
(b) ~~It is intended to commence the winding up of the company within 12 months of that date, and the~~  
~~have formed the opinion that the company will be able to pay its debts in full within 12 months of the~~  
~~commencement of the winding up.]~~\* (note 3)

And ☒ 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

Dashwood House  
69 Old Broad Street  
London EC2M 1NR

Declarants to sign below



Day Month Year  
on 

1	5	0	9	2	0	0	5
---	---	---	---	---	---	---	---

before me  ALISON SMITH CJB

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

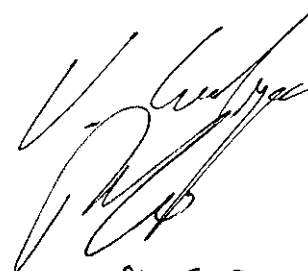
or, for companies registered in Scotland:-

The Registrar of Companies  
37 Castle Terrace  
Edinburgh  
EH1 2EB

Company no. 04396961

STONEBEACH LIMITED - ("SB")

Form 155(6)a



Alison Smith

Alison Smith Ltd

This declaration may be made in any number of counterparts, and this has the same effect as if the declaration made on the counterpart forms were made on a single copy of this form.

These are the appendices to the declaration in Form 155(6)a made by the directors of the SB.

**APPENDIX 1**

Robert Scalzo  
17 Arterberry Road  
Wimbledon  
London  
SW20 8AF

Victor Scalzo  
Flat 33  
1 Reed Place  
Kenwyn Road  
London SW4 7LD

✓/5      28

## APPENDIX 2

1. The assistance will take the form of the execution and delivery by SB of the documents referred to below (as the same may be amended, varied, supplemented or substituted from time to time) in connection with the acquisition of the whole of the issued share capital of Patisserie Valerie Limited (the "**Company**") and Leonardo Limited by Patisserie Valerie Holdings Limited (the "**Purchaser**") pursuant to the terms of a draft agreement between the sellers as named therein (the "**Sellers**") (1) and the Purchaser (2) (the "**Acquisition**") pursuant to a facility agreement and overdraft facility dated on or about the date of this statutory declaration entered into between, inter alia, (1) the Purchaser and (2) HSBC Bank plc (the "**Bank**") (the "**Facility Agreements**") (each a "**Document**" and together the "**Documents**") (as each of such documents may be amended, restated, substituted, novated or transferred from time to time, and the parties to such documents shall include their successors in title, permitted assigns and permitted transferees, together the "**Finance Documents**"):-
  - 1.1 a guarantee to be entered into by the Purchaser, the Company, its subsidiaries being SB, Hewmark Limited ("**HL**") and Patisserie Valerie Express Limited ("**PVEL**"), together with Leonardo Limited ("**LL**") in favour of the Bank pursuant to which the Purchaser, the Company together with SB, HL, PVEL and LL, among other things, guarantees to the Bank of all present, future, actual and/or contingent liabilities whatsoever of the Purchaser to the Bank (the "**Guarantee**");
  - 1.2 an existing legal charge over the leasehold property known as 162 Piccadilly London W1J 9EF (the "**Property 1**") granted on 3 November 2005 by SB in favour of the Bank to be a continuing security given by SB to secure all the present and future indebtedness and liabilities to the Bank howsoever arising of SB (subject to any limitation contained therein) (the "**Legal Charge 1**");
  - 1.3 a new legal charge to be entered into by SB in relation to the property known as The Pavillion Building, 37 Brushfield Street, Spitalfields, London, E1 6EU (the "**Property 2**") within 8 weeks of the date hereof in favour of the Bank to be a continuing security given by SB to secure all the present and future indebtedness and liabilities to the Bank howsoever arising of SB (subject to any limitation contained therein) (the "**Legal Charge 2**");
  - 1.4 an intra-group loan agreement for an amount of up to £6,000,000 pursuant to which, among other things, the Company together with SB, HL, PVEL and LL will be obliged to lend monies to the Purchaser, on the terms and conditions thereof, to enable the Purchaser to meet its debt service requirements as they fall due (as such document may be amended, supplemented or substituted from time to time) (the "**Intra-Group Loan Agreement**");
  - 1.5 the letter of support between inter alia, the Company together with SB, HL, PVEL and LL as a lender and the Purchaser (as borrower) (the "**Letter of Support**");
  - 1.6 a guarantee to be entered into by the Purchaser, the Company, its subsidiaries being SB, HL and PVEL, together with LL in favour of the **Investors** (being Risk Capital Partners LLP, Victor Scalzo and Robert Scalzo) pursuant to which the Purchaser, the Company together with SB, HL, PVEL and LL, among other things, guarantees to the Investors of all present, future, actual and/or contingent liabilities whatsoever of the Purchaser to the Investors (the "**Investor Guarantee**");
  - 1.7 a debenture (the "**Investor Debenture**") to be entered into by the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL in favour of the Investors pursuant to which the Purchaser, the Company together with SB, HL, PVEL and LL, among other things, will grant fixed and floating charges in favour of the Investors as security for the obligations under an investment agreement to be entered into on or about the date of this statutory declaration between the Purchaser, Risk

RS 1/5

Capital LLP, The Original Managers (as defined therein) and Risk Capital Partners Limited pursuant to which the Investors will subscribe for loan notes in the Purchaser;

### APPENDIX 3

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

1. Under the terms of the Guarantee the Guarantors, being the Company, the Purchaser LL, HL, SB and PVEL, agree to pay (jointly and individually with each other) to the Bank on written demand the whole and every part of all monies and liabilities whatever, whenever and however incurred, whether with or without your knowledge or consent, and whether now or in the future due, or becoming due, from the Borrower to the Bank and whether incurred jointly or individually or in any other capacity (the "**Bank Guaranteed Debt**"). The guarantee comprised by the Guarantee shall be continuing security for the Bank Guaranteed Debt.
2. Under the terms of the Legal Charge 1, SB, with full title guarantee will continue to charge by way of legal mortgage and (as appropriate) assign and transfer to the Bank as continuing security for the payment and discharge of all money and liabilities whatever, whenever and however incurred whether now or in the future due, or becoming due, from SB to the Bank (and each and every party of it) the Property 1 together with the property assets of SB specified in the Legal Charge 1. Under the terms of the Legal Charge 1, SB undertook to apply to HM Chief Land Registrar to enter a restriction in the form set out in the Legal Charge 1 against the title number of the Property 1.
3. Under the terms of the Legal Charge 2, SB, with full title guarantee will charge by way of legal mortgage and (as appropriate) assign and transfer to the Bank as continuing security for the payment and discharge of all money and liabilities whatever, whenever and however incurred whether now or in the future due, or becoming due, from SB to the Bank (and each and every party of it) the Property 2 together with the property assets of SB specified in the Legal Charge 2. Under the terms of the Legal Charge 2, SB undertook to apply to HM Chief Land Registrar to enter a restriction in the form set out in the Legal Charge 2 against the title number of the Property 2.
4. Under the terms of the Intra Group Loan Agreement (defined terms used in this paragraph 2 are set out in Schedule 6 hereto) the Company together with SB, HL, PVEL and LL will agree that on request by the Purchaser at any time, it will be obliged (subject to certain solvency restrictions) to lend such sums to the Purchaser in the maximum aggregate amount of £6,000,000. The proceeds of each Advance may be used, inter alia, to allow the Purchaser to meet its debt repayments and requirements under the Facility Agreements and any other related documentation as they fall due.
5. Under the Letter of Support, the Purchaser as borrower will make available to the Lenders (being the Company together with SB, HL, PVEL and LL) such sums as necessary to enable each Lender to meet its individual working capital needs. In this paragraph 4 Lender means the companies whose names and registered offices are set out in Part 1 of the Schedule of the Intra Group Loan Agreement (the "**Part 1 Lenders**"), and those further companies, if any, who shall in the future become party to the Intra Group Loan Agreement by entering into a restatement of the Intra Group Loan Agreement whose names and registered offices are set out in Part 2 of the Schedule of the Intra Group Loan Agreement (the "**Part 2 Lenders**"), and together with the Part 1 Lenders, the "**Lenders**" and each a "**Lender**";
6. Under the terms of the Investor Guarantee the Guarantors, being the Company, the Purchaser LL, HL, SB and PVEL, agree to pay (jointly and individually with each other)

to the Investors on written demand the whole and every part of all monies and liabilities whatever, whenever and however incurred, whether with or without their knowledge or consent, and whether now or in the future due, or becoming due, from the Borrower to the Investors and whether incurred jointly or individually or in any other capacity (the "Investors **Guaranteed Debt**"). The guarantee comprised by the Guarantee shall be continuing security for the Investors Guaranteed Debt.

7. Under the terms of the Investor Debenture :

7.1 The Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL, agrees to pay and discharge the Investors Guaranteed Debt when the same is due to be paid and discharged. It acknowledges that the Investors Guaranteed Debt shall, in the absence of express written agreement by the Investors to the contrary, be due and payable to the Investors upon demand.

7.2 Each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL, with full title guarantee, and as security for the payment and discharge of the Investors Guaranteed Debt, charges:-

7.2.1 By way of legal mortgage all freehold and leasehold land now vested in each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL, together with all buildings fixtures, fittings and fixed plant and machinery now or at any time afterwards on it. This includes (without limitation) the land described or referred to in Part I of the First Schedule of the Investor Debenture subject only to the other mortgages or matters (if any) mentioned in Part 2 of the First Schedule of the Investor Debenture.

7.2.2 By way of first fixed charge, the chattels (including all additions and improvements to, and replacements of, them from time to time), securities, intellectual property and/or other property mentioned in the Second Schedule of the Investor Debenture.

7.2.3 By way of first fixed charge (except as already charged above):-

(a) All the present and future right, title and interest of each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL in or to any freehold or leasehold land or other immovable property wherever situated and all fixtures, fittings and fixed plant and machinery now or at any time afterwards on it.

(b) All chattels now or at any time afterwards belonging to either the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL. This excludes any of them for the time being forming part of the stock in trade or work-in-progress of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL, or which are, for the time being, otherwise effectively charged by way of legal mortgage or fixed charge by the Investor Debenture.

(c) The benefit of all rights, licences, guarantees, rent deposits, contracts, deeds, undertakings and warranties relating to any land or other property mentioned above and/or to any trade or business from time to time carried on by each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL.

(d) All book debts and other debts and monetary claims and any rents, licence fees or other payments due from any lessee, licensee or occupier of any immovable property wherever situated now or at any time afterwards due owing or incurred to each of the

Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL. In addition, the full benefit of all guarantees and securities for them and all liens, reservations of title and other rights enabling each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL to enforce any such debts or claims (collectively called the "debts"). This excludes such debts and claims (if any) as the Investors may from time to time have agreed in writing with each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL which shall not be subject to this fixed charge and also such debts and claims as charged in accordance with paragraph (e) below.

- (e) Any credit balance on any account of either of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL with the HSBC Bank plc.
- (f) Any credit balance on any account of either of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL with any Bank (other than the HSBC Bank plc) or other person.
- (g) All goodwill and uncalled capital for the time being of each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL.
- (h) All stocks, shares, debentures, bonds, loan capital and other securities of any description of any other person (including, without limitation, any subsidiary or subsidiary undertaking of each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL). In addition,
  - (i) all rights to subscribe to or convert other securities into or otherwise acquire any such securities now or at any time afterwards belonging to each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL;
  - (ii) all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to, any of these (together with any securities mentioned in the Second Schedule of the Investor Debenture, collectively called, the "securities").
- (i) All letters patent, trademarks, service marks, designs, utility models, copyrights, design rights, applications for registration of any of them and the right to apply for them in any part of the world. In addition, moral rights, inventions, confidential information, know-how and rights of a similar nature arising or subsisting anywhere in the world in relation to all or any of the above (whether registered or unregistered) now or at any time afterwards belonging to each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL (together with any of the same mentioned in the Second Schedule of the Investor Debenture, collectively called the "intellectual property).
- (j) All policies of life insurance or assurance and all rights and claims to which each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL is now, or may at any time afterwards, become entitled in relation to the proceeds of them or of any other policies of insurance of any description.



- (k) All rights and other property to which each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL is now, or may at any time afterwards, become entitled as a result of, or in connection with, any proceedings threatened or commenced under the Insolvency Act 1986 or any similar legislation in any jurisdiction.
- (l) The benefit of all agreements for the provision by each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL to any person of any loan or credit or other financial accommodation of any description (including, without limitation, any finance leases and hire or hire-purchase agreements) now, or at any time afterwards, entered into by each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL.
- (m) The proceeds of sale of any property mentioned above.

7.2.4 By way of floating charge, all the undertaking of each of the Purchaser, the Company, its subsidiaries being SL, HL and PVEL, together with LL and all its property whatsoever and wheresoever both present and future. This will not include any part of the same which is, for the time being, effectively charged by way of legal mortgage or fixed charge by the Investor Debenture and recognised as effectively so charged under the laws of the jurisdiction in which the same is situated.

- 8. The liabilities which are guaranteed and secured pursuant to the Facility Agreements include principal and interest payable together with costs and expenses (including, but not limited to legal and enforcement costs and expenses), plus the subject matter of any indemnities contained in the underlying Facility Agreements and any commitment commissions and agency or arrangement fees.

**APPENDIX 4**

V/S  
DS

The amount of cash to be transferred to the person assisted is:

1. Nil at today's date, but subject to
2. any amounts (up to a maximum of £6,000,000) to be transferred under the Intra-Group Loan Agreement.



HURST MORRISON THOMSON

The Board of Directors  
Stonebeach Limited  
105 Marylebone High Street  
London  
W1U 1RS

5 Fairmile Henley-on-Thames  
Oxfordshire RG9 2JR  
telephone: 01491 579866  
facsimile: 01491 573397  
email: hmt@hmtgroup.co.uk  
www.hmtgroup.com

5 September 2006

**REPORT OF THE COMPANY'S AUDITORS TO THE DIRECTORS OF STONEBEACH 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 5 September 2006 in connection with the proposal that the Company should give financial assistance for the purchase of 100 ordinary shares of £1.00 each in the share capital of the Company's holding company, Patisserie Valerie Limited (the "Holding Company"), being the whole of the Holding Company's issued share capital, particulars of which are given in the statutory declaration.

**Basis of Opinion**

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

**Opinion**

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

Yours faithfully

Hurst Morrison Thomson LLP