

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

# 155(6)a

Please do not  
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**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

2352435

Name of company

\* The Hamleys Group Limited (formerly Hamleys plc)

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

\* insert full name  
of company

I/We ☐ See Appendix 1

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

† delete as appropriate

~~XXXXXXXXXXXX~~ [the sole director] [all the directors]<sup>†</sup> of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever  
is inappropriate

is that of a recognised bank, licensed institution, within the meaning of the Banking Act, 1973.

to that of a person authorized under section 3 or 4 of the Internal Securities Act, 1933 to act as

~~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] [REDACTED]

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

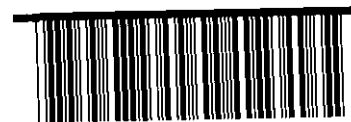
XXXXXXXXXXXXXXXXXXXX  
Purchase of final acquisition XXXX

The number and class of the shares acquired or to be acquired is: The entire issued share capital  
of the Company being 23,740,354 Ordinary Shares of 5 5/9 pence.

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

Allen & Overy  
One New Change  
London EC4M 9QQ

For official Use  
General Section



A07  
COMPANIES HOUSE

0421  
08/12/03

Ref: AWJB/BRD/BK:1067127.1/  
43893-00001

The assistance is to be given to: (note 2) Soldier Limited  
(whose registered office is at 2 Foubert's Place, London, W1F 7PA)

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legibly, preferably  
in black type, or  
bold block  
lettering

The assistance will take the form of:

See Appendix 2

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

† delete as  
appropriate

Soldier Limited

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

See Appendix 3

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 See Appendix 4

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

~~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 ~~X~~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 ~~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

2 Foubert's Place  
London W1

Declarants to sign below

Ia Pa  
Handwritten signature

Day Month Year

on 28 11 2003

before me

W. Smith

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

RICHARD STVILLE  
95 Gresham St  
London EC2V 7NA

## 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

The Hamleys Group Limited  
Company Number 2352435  
(the "Company")

**Appendix 1**

**List of Directors**

The names and addresses of all the Directors of the Company are as follows:

Ian Robert Parker  
1 Seymour Road  
London W4 5ES

John Dudley Watkinson  
Fir Tree Cottage  
36 West Perry  
Huntingdon  
Cambridgeshire PE18 0BX

This is the Appendix 1 referred to in the Form155(6)a declared by the Directors of the Company on 28th November, 2003.

The Hamleys Group Limited  
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**Appendix 2**

**Form which assistance will take**

In this Statutory Declaration (including the appendices) the following expressions have, unless otherwise defined, the following meanings:

**"Accession Letter"** means a document substantially in the form set out in Exhibit D to the Senior Facilities Agreement.

**"Additional Sponsor Funds"** means the amount of cash invested in Topco by the Sponsor pursuant to the terms of the Shareholder Undertaking, either by way of equity subscription or loan.

**"Additional Borrower"** means a company that becomes an Additional Borrower in accordance with clause 23 (*Matters concerning the Borrowers*) of the Senior Facilities Agreement.

**"Ancillary Facilities Lender"** means National Westminster Bank plc.

**"Ancillary Facilities Letters"** means each of the letters in the agreed form entered into, or to be entered into, between an Ancillary Facilities Lender and any Facility C Borrower setting out the fees payable, and the terms and conditions on and subject to which the ancillary facilities are made available by such Ancillary Facilities Lender, to such Facility C Borrower.

**"Bidco"** means Soldier Limited (company number 4672637), a company incorporated under the laws of England and Wales with its registered office at 2 Foubert's Place, London W1F 7PA.

**"Borrower"** means Bidco or an Additional Borrower, unless such an Additional Borrower has ceased to be a Borrower under the Senior Facilities Agreement.

**"Chargors"** means the Company, Hamleys of London Limited, The Bear Factory Limited, Hamleys Financial Services Limited, Hamleys Bear Investment Limited and Hamleys Properties Limited, and **"Chargor"** means any one of them.

**"Dutch Share Pledge"** means the pledge dated 13th August, 2003 between (among others) Hamleys of London Limited and the Security Trustee in relation to shares in Hamleys B.V. (a Dutch incorporated company).

**"Dutch Supplemental Share Pledge"** means the second pledge over shares in the agreed form between Hamleys of London Limited and the Security Trustee in relation to shares in Hamleys B.V. (a Dutch incorporated company).

**"Exempt Property"** means the real property assets of the each Chargor in respect of which the consent of a third party (including the landlord) has yet to be obtained in accordance with the terms of the Target Group Debenture, being those properties listed in schedule 2 (Exempt Properties) of the Target Group Supplemental Debenture.

**"Facility C Borrowers"** means Bidco and those Target Group members who accede to the Senior Facilities Agreement in such capacity pursuant to clause 23.2 (*Additional Borrowers*) of the Senior Facilities Agreement.

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**"Fee Letter"** means the letter dated 17th June, 2003 between the Senior Arranger and Bidco (or the Senior Agent and Bidco) setting out any of the fees referred to in Clause 10 (*Fees*) of the Senior Facilities Agreement.

**"Group"** means Topco and its subsidiaries and the Target Group.

**"Hamleys of London"** means Hamleys of London Limited.

**"Hedging Documents"** means the documents evidencing the hedging agreements.

**"Hedging Lender"** means The Royal Bank of Scotland plc.

**"Intercreditor Agreement"** means the intercreditor and security trust agreement entered into between (among others) Topco, Bidco, the Senior Finance Parties and the Mezzanine Finance Parties and the Security Trustee.

**"Intra-Group Funding Agreement"** means the loan agreement in the agreed form between the Company and certain of its subsidiaries as lenders and Bidco as borrower.

**"LNG Issuer"** means The Royal Bank of Scotland plc.

**"Mezzanine Agent"** means Íslandsbanki hf.

**"Mezzanine Arranger"** means Íslandsbanki hf.

**"Mezzanine Facility Agreement"** means the £10,320,000 mezzanine facility agreement dated 17th June, 2003 between, among others, Topco, Bidco, Íslandsbanki hf. and The Royal Bank of Scotland plc.

**"Mezzanine Fees Letter"** means the letter dated 17th June, 2003 between the Mezzanine Arranger and Bidco (or the Mezzanine Agent and Bidco) and any other letter setting out any of the fees referred to in Clause 10 (*Fees*) of the Mezzanine Facilities Agreement.

**"Mezzanine Finance Documents"** means the Mezzanine Facility Agreement, any Hedging Documents, any Mezzanine Fees Letter, the Security Documents and any other document designated as such by the Mezzanine Agent and Topco.

**"Mezzanine Finance Parties"** means the Mezzanine Agent, the Mezzanine Arranger, the Mezzanine Lender, the Hedging Lender and the Security Trustee.

**"Mezzanine Lender"** means Íslandsbanki hf.

**"Obligors"** means each of Topco, Bidco, any other Borrowers, the Security Providers, and any other person (other than a Senior Finance Party or a Mezzanine Finance Party) from time to time party to a Senior Finance Document or a Mezzanine Finance Document, and **"Obligor"** means any one of them.

**"Party"** means a party to the Senior Facilities Agreement and includes its successors in title, permitted assigns and permitted transferees.

**"Secured Documents"** means the Senior Finance Documents and the Mezzanine Finance Documents.

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**"Secured Obligations"** means, in respect of a Chargor, all moneys, obligations and liabilities covenanted to be paid or discharged by such Chargor pursuant to Clause 2 of the Target Group Debenture (as supplemented by the Target Group Supplemental Debenture).

**"Security Documents"** means (i) the Topco/Bidco Debenture, (ii) the Target Group Debenture, (iii) (when executed) the Target Group Supplemental Debenture, (iv) the Subordination Deed, (v) the Intercreditor Agreement, (vi) (when executed) the Intra-Group Funding Agreement, (vii) the Shareholder Undertaking, (viii) the Dutch Share Pledge, (ix) (when executed) the Dutch Supplemental Share Pledge, (x) the Sponsor Account Charge and (xi) any other document (a) creating a Security Interest or (b) containing a guarantee, in either case executed by a member of the Group, any affiliate or a member of the Group, or any shareholder of a member of the Group, in respect of amounts owing to a Senior Finance Party or a Mezzanine Finance Party under a Senior Finance Document or a Mezzanine Finance Document respectively.

**"Security Interest"** means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, standard security, assignment, trust arrangement, transfer of title by way of security for the purpose of providing security, or other security interest of any kind securing any obligation of any person or any other agreement or arrangement having similar effect (including title transfer and/or retention arrangements having a similar effect) and includes any agreement to create any of the foregoing.

**"Security Provider"** means each person that is from time to time party to a Security Document pursuant to which it grants a Security Interest over all or substantially all of its assets.

**"Security Trustee"** means The Royal Bank of Scotland plc.

**"Senior Agent"** means The Royal Bank of Scotland plc.

**"Senior Arranger"** means The Royal Bank of Scotland plc.

**"Senior Facilities Agreement"** means the £33,950,000 senior facilities agreement dated 17th June, 2003 between, among others, Bidco and The Royal Bank of Scotland plc.

**"Senior Finance Documents"** means the Senior Facility Agreement, the Ancillary Facilities Letters, any Hedging Documents, any Fee Letter, any Accession Letter, the Security Documents and any other document designated as such by the Senior Agent and Topco.

**"Senior Finance Parties"** means the Senior Agent, the Senior Arranger, the Senior Lender, the LNG Issuer, the Ancillary Facilities Lender, the Hedging Lender and the Security Trustee.

**"Senior Lender"** means The Royal Bank of Scotland plc.

**"Shareholder Undertaking"** means the undertaking dated 13th August, 2003 between Baugur Group hf, the Sponsor, Topco, Bidco and the Security Trustee.

**"Sponsor"** means BG Holding ehf, a private limited company incorporated in Iceland with registration number 520603-4330, whose office is at Túngata 6, 101 Reykjavik, Iceland.

**"Sponsor Account Charge"** means the deed dated 13th August, 2003 between the Sponsor and the Security Trustee.

The Hamleys Group Limited

Company Number 2352435

(the "Company")

**"Subordination Deed"** means the subordination deed dated 17th June, 2003 between Topco, Bidco, Baugur Group hf, the Sponsor and the Security Trustee in respect of (among other things) the subordination of, inter alia, the Additional Sponsor Funds, the Bidco articles of association, the Topco articles of association and the Topco-Bidco Loan Agreement.

**"Target Group"** means the Company and its subsidiaries from time to time.

**"Target Group Debenture"** means the debenture dated 13th August, 2003 between the Company, certain of its subsidiaries and the Security Trustee, as amended on 2nd September, 2003.

**"Target Group Supplemental Debenture"** means the deed in the agreed form to be entered into by the Company, certain of its subsidiaries and the Security Trustee.

**"Topco"** means Corporal Limited (Company No. 4615349) of 2 Foubert's Place, London W1F 7PA.

**"Topco/Bidco Debenture"** means a debenture entered into by each of Topco and Bidco in favour of the Security Trustee.

**"Topco/Bidco Loan Agreement"** means the loan agreement between Topco as lender and Bidco as borrower dated 17th June, 2003.

The assistance will take the form of the execution, delivery and performance by the Company of:

- 1) the Target Group Supplemental Debenture whereby the Company will, among other things, (a) covenant and guarantee to the Security Trustee to pay all monies and discharge all obligations and liabilities due owing or incurred to the Senior Finance Parties and the Mezzanine Finance Parties by it or any other Obligor under or pursuant to the Secured Documents and (b) will provide Security Interests over its assets in favour of the Security Trustee; and
- 2) the Intra-Group Funding Agreement whereby the Company agrees to provide facilities to Bidco in order for Bidco to repay amounts that become due under the Senior Facilities Agreement and the Mezzanine Facility Agreement.

This is the Appendix 2 referred to in the Form155(6)a declared by the Directors of the Company on 28th November, 2003.



The Hamleys Group Limited  
Company Number 2352435  
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**Appendix 3**

**Principal terms of the assistance given**

All capitalised terms in this Appendix 3, unless the contrary intention appears, have the meanings given to them in Appendix 2.

By entering into the Target Group Supplemental Debenture the Company will, amongst other things:

- 1) covenant that it will pay to the Security Trustee all moneys and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to the Senior Finance Parties and the Mezzanine Finance Parties or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to the Secured Documents;
- 2) irrevocably and unconditionally guarantee (a) the due performance by each other Obligor of all its obligations under or pursuant to the Secured Documents to which it is a party and (b) the payment of all moneys and discharge of all liabilities now or hereafter due, owing or incurred to the Senior Finance Parties and the Mezzanine Finance Parties or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to the Secured Documents by each Obligor;
- 3) irrevocably and unconditionally indemnify the Senior Finance Parties and the Mezzanine Finance Parties against any loss or liability arising from any failure of an Obligor to perform or discharge any purported obligation or liability or from any invalidity or unenforceability of any of the same against an Obligor;
- 4) as a continuing and further security for the discharge and payment of the Secured Obligations and with full title guarantee (a) charge to the Security Trustee by way of legal mortgage all freehold and leasehold property wheresoever situate now owned by the Company or in which the Company has an interest; (b) create fixed and floating charges (and other security) over all its other assets and undertakings (and all rights in respect thereof) in favour of the Security Trustee and in the manner described in clause 3 of the Target Group Debenture (subject to certain provisos); and
- 5) make certain representations to the Security Trustee.

By entering into the Intra-Group Funding Agreement the Company will, amongst other things, agree to make advances to Bidco for the purposes of repaying amounts due under the Senior Facilities Agreement and the Mezzanine Facility Agreement (which amounts include moneys, obligations and liabilities incurred by Bidco for the purposes of the acquisition of the shares of the Company to which this Form relates).

This is the Appendix 3 referred to in the Form155(6)a declared by the Directors of the Company on 28th November, 2003.

The Hamleys Group Limited  
Company Number 2352435  
(the "Company")

**Appendix 4**

**Date on which assistance is to be given**

On any date prior to eight weeks from the date of this Statutory Declaration.

This is the Appendix 4 referred to in the Form155(6)a declared by the Directors of the Company on 28th November, 2003.



2 Cornwall Street  
Birmingham  
B3 2DL  
United Kingdom

Tel +44 (0) 121 232 3332  
Fax +44 (0) 121 232 3546  
DX 709850 Birmingham 26

**Private & confidential**

The Directors  
The Hamleys Group Limited  
188-196 Regent Street  
London  
W1R 6BT

Our ref app/tsu/acm/aj/stat

Contact Simon Purkess  
0121 232 3033

28<sup>th</sup> November 2003

Dear Sirs

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

We have examined the attached statutory declaration of the directors dated 28<sup>th</sup> November 2003 in connection with the proposal that the Company should enter into bank guarantees and provide security for acquisition debt assumed or to be assumed in relation to the acquisition of the entire issued share capital of The Hamleys Group Limited. 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 Auditors*



KPMG LLP  
KPMG LLP, a UK limited liability partnership,  
is a member of KPMG International,  
a Swiss non operating association

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