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This document, which comprises an AIM admission document drawn up in accordance with the AIM Rules, has been issued in connection with the application for admission to trading of the entire issued and to be issued ordinary share capital of the Company to trading on AIM. This document contains no offer to the public within the meaning of the FSMA, the Act or otherwise. Accordingly, this document does not comprise a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the Financial Services Authority.

Application has been made for the entire issued and to be issued ordinary share capital of the Company following the Placing to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares on 4 July 2006. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. London Stock Exchange plc has not itself examined or approved the contents of this document.

The Directors of Tasty plc, whose names and functions appear on page 4 of this document, accept responsibility, both collectively and individually, for the information contained in this document. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The whole of this document should be read. An investment in the Company includes a significant degree of risk and potential investors should consider carefully the risk factors set out in Part II of this document.

Tasty plc

(Incorporated and registered in England and Wales with registered number 5826464)

**Placing by Evolution Securities Limited
Nominated Adviser and Broker
of 3,365,385 Ordinary Shares of 10 pence each at 52 pence per share
and admission to trading on AIM**

<i>Authorised</i>		<i>Share capital immediately following the Placing</i>	<i>Issued and fully paid</i>	
<i>Amount</i>	<i>Number</i>		<i>Amount</i>	<i>Number</i>
£5,000,000	50,000,000	Ordinary Shares of 10 pence each	£2,278,609.40	22,786,094

The new Ordinary Shares to be issued pursuant to the Placing will, on Admission, rank *pari passu* in all respects with all existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

The Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (“Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, taken up, delivered or transferred in or into the United States, Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan or to or for the account or benefit of any national, resident or citizen of Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan or any person located in the United States. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Evolution Securities, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as nominated adviser and broker to the Company in connection with the proposed Placing and Admission and will not be acting for any other person or otherwise be responsible to any person for providing the protections afforded

to customers of Evolution Securities or for advising any other person in respect of the proposed Placing and Admission. Evolution Securities's responsibilities as the Company's nominated adviser and broker under the AIM Rules are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document. No representation, express or implied, is made by Evolution Securities as to any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued).

Evolution Securities has been appointed as nominated adviser and broker to the Company. In accordance with the AIM Rules, Evolution Securities has confirmed to the London Stock Exchange that it has satisfied itself that the Directors have received satisfactory advice and guidance as to the nature of their responsibilities and obligations to ensure compliance by the Company with the AIM Rules and that, to the best of its knowledge and belief, having made due and careful enquiry, all relevant requirements of the AIM Rules have been complied with. No liability whatsoever is accepted by Evolution Securities for the accuracy of any information or opinions contained in this document or for the omission of any material information, for which it is not responsible.

In making any investment decision in respect of the Placing, no information or representation should be relied upon in relation to the Placing or in relation to the Ordinary Shares other than as contained in this document. No person has been authorised to give any information or make any representation other than that contained in this document and, if given or made, such information or representation must not be relied upon as having been authorised by the Company or Evolution Securities, their respective directors, employees or professional advisers.

The Placing Shares are being offered to certain institutional and other investors in the United Kingdom. The distribution of this document outside the United Kingdom may be restricted by law and, therefore, persons outside the United Kingdom who receive this document should inform themselves about and observe any restrictions as to the placing of the Placing Shares and the distribution of this document in the relevant jurisdiction. Any failure to comply with these restrictions may constitute a breach of the securities laws of the relevant jurisdiction.

No action has been taken or will be taken by the Company, its Directors or Evolution Securities that would permit a public offering of the Ordinary Shares or the possession or distribution of this document or any other offering or publicity materials relating to the Ordinary Shares in any country or jurisdiction where action for that purpose is required, other than in the United Kingdom. This document does not constitute an offer to sell or a solicitation of an offer to buy or subscribe for Ordinary Shares to any person to whom, or in any jurisdiction where, such offer or solicitation would be unlawful.

The contents of this document should not be construed as legal, business or tax advice. Each prospective investor should consult their own legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice.

The Placing is conditional, *inter alia*, on Admission taking place on or before 4 July 2006 (or such later date as the Company and Evolution Securities may agree, being not later than 31 July 2006).

Copies of this document will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices Evolution Securities, 100 Wood Street, London EC2V 7AN from the date of this document until the date being one month after the date on which Admission takes place, which is expected to be 4 July 2006.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Keith Lassman (<i>Non-executive Chairman</i>) Daniel Jonathan Plaut* (<i>Chief Executive Officer</i>) Samuel Kaye (<i>Executive Director</i>) Adam Kaye (<i>Non-executive Director</i>) All of whose business address is at: 19 Cavendish Square, London W1A 2AW
Registered and Head Office	19 Cavendish Square London W1A 2AW
Company Secretary	Keith Lassman
Nominated Adviser and Broker	Evolution Securities Limited 100 Wood Street London EC2V 7AN
Solicitors to the Company	Howard Kennedy 19 Cavendish Square London W1A 2AW
Solicitors to the Placing	Lawrence Graham LLP 190 Strand London WC2R 1JN
Reporting Accountants and Auditors	BDO Stoy Hayward LLP 8 Baker Street London W1U 3LL
Bankers	Barclays Bank plc 27th Floor 1 Churchill Place London E14 5HP
Registrars	Computershare Investor Services PLC PO Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH

*from here on referred to as Jonny Plant

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

“Act”	the Companies Act 1985 (as amended)
“Admission”	the admission of the Ordinary Shares, issued and to be issued pursuant to the Placing, to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM rules for companies and their nominated advisers and brokers published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Board” or “Directors”	the directors of the Company, whose names are set out on page 4 of this document
“Combined Code”	the combined code on corporate governance published in July 2003 by the Financial Reporting Council
“Company” or “Tasty”	Tasty plc
“City Code”	the City Code on Takeovers and Mergers
“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by CRESTCo
“CRESTCo”	CRESTCo Limited, a company incorporated under the laws of England and Wales
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)(as amended)
“EIS”	enterprise investment scheme
“EMI”	enterprise management incentive scheme, as referred to in the Finance Act 2000
“Evolution Securities”	Evolution Securities Limited
“Executive Directors”	each of Daniel Jonathan Plaut and Samuel Kaye
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Group”	the Company and its subsidiary undertaking, Took Us
“London Stock Exchange”	London Stock Exchange plc
“Nominated Adviser”	Evolution Securities, the Company’s nominated adviser and broker (as defined in the AIM Rules)
“Non-executive Directors”	each of Keith Lassman and Adam Kaye
“Official List”	the Official List of the London Stock Exchange

“Option Agreements”	the share option agreements, further details of which are set out in paragraph 10.5, 10.6 and 10.7 of Part V
“Ordinary Shares”	ordinary shares of 10 pence each in the capital of the Company
“Placing”	the conditional placing of the Placing Shares by Evolution Securities as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement
“Placing Agreement”	the conditional agreement dated 27 June 2006 and made between (1) Evolution Securities, (2) the Company and (3) the Directors relating to the Placing, further details of which are set out in paragraph 9 of Part V of this document
“Placing Price”	52 pence per Placing Share
“Placing Shares”	the 3,365,385 new Ordinary Shares to be issued at the Placing Price by the Company pursuant to the Placing
“Remuneration Committee”	the remuneration committee of the Board
“Shareholder”	a holder of Ordinary Shares
“Share Option Scheme”	the Tasty plc Enterprise Management Incentive Scheme, further details of which are set out in Part I and in paragraph 6 of Part V of this document
“Took Us”	Took Us A Long Time Limited
“UK”	the United Kingdom of Great Britain and Northern Ireland
“UKLA” or “United Kingdom Listing Authority”	the Financial Services Authority, acting in its capacity as the competent authority for the purposes of Part VI of the FSMA
“uncertificated” or “in uncertificated form”	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“US”, “USA” or “United States”	the United States of America, each state thereof, its territories and possessions and the District of Columbia and all other areas subject to its jurisdiction
“VCT”	Venture Capital Trust

PLACING STATISTICS

Placing Price	52 pence
Number of Placing Shares being placed on behalf of the Company	3,365,385
Estimated net proceeds of the Placing receivable by the Company	£1.4 million
Number of Ordinary Shares in issue following the Placing	22,786,094
Market capitalisation of the Company at the Placing Price following the Placing	£11.8 million
Percentage of the enlarged ordinary issued share capital available in the Placing	14.77%

EXPECTED TIMETABLE OF EVENTS

	<i>2006</i>
Publication of this document	27 June
Admission and dealings commence in the Ordinary Shares on AIM	4 July
CREST accounts credited by	4 July
Where applicable, despatch of definitive share certificates by	31 July

PART I

Information on the Group

Introduction

The business of the Group was established in June 2003 and the Group currently owns and operates a chain of three restaurants based in London. The restaurants serve principally dim sum and other oriental food including Chinese, Japanese, Thai and Vietnamese. The restaurant format is currently known as 'dim t'.

The Placing is raising approximately £1.75 million for the Company which will be used principally to expand the number of restaurants in the chain and to set up a new central kitchen facility.

The Business

The Groups' restaurants offer a variety of dim sum, which are generally hand made by skilled chefs. The restaurants also offer a choice of other oriental foods including a 'make your own' noodle bar enabling customers to choose the type of noodles and topping they want.

The presentation of the restaurants is in a modern oriental style with the intention of providing customers with a contemporary ambience and comfortable environment to enjoy their meal.

History

In 2003, Jonny Plant, Samuel Kaye and Adam Kaye invested in the Group to provide expansion capital to roll out new dim t restaurants. The Group acquired its first dim t restaurant in Hampstead in August 2003.

In November 2003, the restaurant in Highgate, London was opened while Charlotte Street, the third restaurant in London was opened in July 2004. Since opening Charlotte Street, London, the Directors have installed the appropriate systems to enable a roll out of the restaurant chain.

In addition to the Group's existing restaurants, the Group has completed leases or agreements for leases in respect of a further three leasehold sites in Tunbridge Wells, Gloucester Road and Loughton and has entered into negotiations on three other leasehold sites. The Directors estimate that site fit-out costs will be between £400,000 and £650,000 per restaurant, dependent on size of unit and its condition.

Operations

The Group currently operates the dim t branded format in what the Directors consider as being the popular mid-market restaurant market. All the current restaurants are licensed and open daily from 12 noon until at least 10.30pm, 7 days a week.

The Directors estimate that the Group's restaurants have an average of 80 to 110 covers and currently average spend per head (averaged over lunch and dinner) across the three restaurants is approximately £12. The Group operates a centrally approved buying policy in order to monitor and control costs and margins whilst maintaining consistency of the product. This, together with physical stock checks at the end of each week, provides the Directors and restaurant managers with information to monitor each restaurant's takings and margins. Menus are changed from time to time to reflect seasonal conditions, customer demands and to achieve target margins.

Future Strategy

The Directors believe that there is a significant opportunity for the Group to expand its chain of current restaurants and plans to open at least six further restaurants during the next 18 months. Continuing expansion thereafter may require further financing.

Market and Competition

In the Directors' opinion, the Group operates in the mid-market segment of the restaurant market with a broad appeal across socio-economic and age groups. In this market there are many existing chains and single owner restaurants, but the Directors believe that, despite this competition, there is still significant opportunity for restaurants offering quality food, value for money and good service. The Group does not currently operate a promotional or marketing strategy but relies on word of mouth to build upon its reputation and local customer base.

Furthermore, the Directors believe that the dim t offering is differentiated from existing mainstream restaurant offerings by the variety of the dim sum menu, the ambience and environment of the restaurants, which are contemporarily-styled.

Details of the Company's Restaurants

<i>Locations</i>	<i>Estimated Covers</i>	<i>Approximate Size sq. foot</i>	<i>Opening date/ Expected opening date</i>
Hampstead, London	Up to 86	2,060	August 2000
Highgate, London	Up to 105	1,850	November 2003
Charlotte Street, London	Up to 106	3,480	July 2004
Tunbridge Wells, Kent	Up to 130	3,800	July 2006
Gloucester Road, London	Up to 130	2,900	October 2006
Loughton, Essex	Up to 100	3,000	Not available

Financial Information

The trading record of the Company, which has been extracted from the financial information on Took Us A Long Time Limited, being the operating subsidiary of the Company, is set out in section B of Part IV, is summarised below:

	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
Turnover	1,933	2,016
Cost of sales	(1,339)	(1,066)
Gross profit	594	950
Administrative expenses	(1,313)	(840)
Operating (loss)/profit	(719)	110
Interest receivable	9	31
(Loss)/profit on ordinary activities before taxation	(710)	141

Current Trading and Prospects

The Board is satisfied with the current trading across the restaurants in the Group, with Hampstead and Charlotte Street making particularly satisfactory contributions.

Reasons for the Flotation

The net proceeds received from the Placing, together with the Group's existing banking facilities and net cashflow, will be principally used to enable the Company to proceed with its expansion strategy with a view to opening at least six further restaurants by December 2007. Furthermore, the Group is intending to enter into a lease to establish a central kitchen, as set out further in paragraph 11.3 of Part V. However, to continue the Company's expansion, the Company will need to raise further finance. Following Admission the Company will be able to effect a placing for cash of up to 25 per cent. of its enlarged issued share capital without referring back to Shareholders.

In addition to the financial benefits of the Placing and Admission, the Directors believe that the Company's status as a publicly traded company will provide further benefits including:

- strengthening its financial covenant with landlords and their agents;
- creating a market in the Ordinary Shares;
- having the ability to incentivise the Company's key management and employees under the Share Option Scheme;
- being able to access capital in the future; and
- raising the Company's profile.

Directors and Key Personnel

Brief biographies of the Directors and key personnel of the Group are set out below. Paragraph 5.7 of Part V of this document contains further details of current and past directorships and certain other important information regarding the Directors.

Directors

Keith Lassman LLB, MSI, aged 48 – Non-executive Chairman

Mr Lassman is a senior partner in the corporate finance department of London law firm, Howard Kennedy. Mr Lassman brings considerable experience to the Board in a broad range of corporate finance transactions including acquisitions, disposals and capital raising. He is also a Non-executive Director of Greatfleet plc and Deal Group Media plc (both listed on AIM), Deputy Chairman of the EIS Association and a member of the Securities Institute.

Jonny Plant, aged 38 – Chief Executive Officer

Mr Plant is a graduate in Accounting & Finance who converted to Property Valuation & Law at City University. He joined a London-based commercial surveying practice in 1991, qualified as a Chartered Surveyor in 1994 and for seven years was involved with valuation, general agency, and landlord and tenant matters. Mr Plant gained particular expertise in the retail and catering sectors especially through extensive restaurant acquisition work for Wagamama. In 1998, Mr Plant joined Alan Yau and was in charge of commercial operations, new projects and property matters for the company. While there he project managed and opened numerous thai, chinese and dim sum restaurants.

Samuel Kaye, aged 34 – Executive Director

Mr Kaye studied catering at Westminster College, London and in 1993, founded ASK Central plc with his brother Adam. The first ASK restaurant was opened at Haverstock Hill in 1993. ASK Central plc was sold in 2004.

Adam Kaye, aged 37 – Non-Executive Director

Mr Kaye founded ASK Central plc with his brother Sam in 1993. Mr Kaye studied catering at Westminster College, London and subsequently worked at City Centre Restaurants, before opening the first ASK restaurant at Haverstock Hill in 1993. ASK Central plc was sold in 2004.

Key Personnel

Darren Pollock FCCA, aged 42 – Financial Controller

Mr Pollock qualified as a Chartered Certified Accountant in 1992 whilst training within private practice. Mr Pollock set up his own firm, Pollock Taylor, in 1994 and has built up a portfolio of clients covering a variety of business sectors and gained experience in a wide range of corporate and business transactions. During this time Mr Pollock developed a particular expertise within the restaurant sector. Mr Pollock was a co-founder of the original dim t restaurant concept with responsibility for accounting and financial matters.

Mr Pollock will have responsibility for developing the Group's financial reporting systems in line with its planned rate of growth.

Share Options

The Directors believe that the commitment shown by the Company's employees has played a major role in the Company's development to date. Therefore, the Directors propose to offer to key employees the opportunity to participate in the future success of the Company through EMI share options. Details of the options granted by the Company under the Share Option Scheme are set out at paragraph 6 of Part V.

In addition, the Company has granted share options to Keith Lassman and Lesley Jones, further details of which are set out at paragraph 10.5 and 10.6 of Part V.

The Company has also granted share options to Evolution Securities, further details of which are set out at paragraph 10.7 of Part V.

Corporate Governance

The Directors intend to take account of the requirements of the Corporate Governance Guidelines of the Quoted Companies Alliance to the extent that they consider it appropriate and having regard to the Company's size, board structure, stage of development and resources.

Upon Admission, the Board will consist of four directors, two of whom will be Non-executives. The Board intends to appoint a third Non-executive Director who will be independent in accordance with Corporate Governance Guidelines of the Quoted Companies Alliance as soon as practicable after Admission.

The Board has established an Audit Committee and Remuneration Committee with formally delegated duties and responsibilities. Keith Lassman and Adam Kaye are on each of these committees. Keith Lassman acts as Chairman. The Audit Committee will receive and review reports from management and the auditors relating to the annual and interim accounts and the accounting and internal control systems in use throughout the Group. The audit committee will have unrestricted access to the auditors.

The Remuneration Committee will review the scale and structure of the executive Directors' remuneration and the terms of their service contracts. The remuneration and terms and conditions of appointment of the Non-Executive Directors are set by the Board. No Director may participate in any meeting at which discussions or decisions regarding his own remuneration take place. The Remuneration Committee will also administer the Share Option Schemes.

The Company has adopted a share dealing code for Directors and employees of the Group and will take appropriate steps to ensure compliance by such persons.

Dividend Policy

The Directors intend to retain future earnings from operations to finance the opening of new restaurants. As a result, the Directors do not anticipate paying cash dividends in the foreseeable future.

Lock-in Arrangements

The Directors and certain other Shareholders have agreed that they will not sell any of their Ordinary Shares for a period of 12 months from the date of Admission, except in each case in certain limited circumstances. The Directors and two other Shareholders, have further agreed that they will not sell more than 50 per cent. of their holdings of Ordinary Shares for a further period of 12 months, except in each case in certain limited circumstances.

Details of the Placing

The 3,365,385 Ordinary Shares being placed represent approximately 14.77 per cent. of the enlarged issued share capital of the Company, all of which are being placed on behalf of the Company. At the Placing Price,

the Placing will raise approximately £1.4 million for the Company, net of expenses. The Placing has been fully underwritten by Evolution Securities under the Placing Agreement.

Admission, settlement and dealings

Application has been made to the London Stock Exchange for all of the Ordinary Shares, issued and to be issued pursuant to the Placing, to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares on 4 July 2006.

EIS and VCT Qualifying Investments

Provisional clearance has been received from the Inland Revenue that the Company will qualify for the taxation advantages offered under EIS and is also a qualifying investment for VCTs. Further information on tax reliefs available to Placees is contained in paragraph 16 of Part V of this document.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The Directors have applied for the Ordinary Shares to be admitted to CREST with effect from Admission and CrestCo Limited has agreed to such admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if the relevant shareholders so wish.

CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

Further information

Your attention is drawn to Part II of this document which contains certain risk factors relating to any investment in the Company and to Parts III, IV and V of this document which contain further additional information on the Group.

PART II

Risk factors

In addition to all of the other information set out in this document, potential investors should carefully consider the risk factors set out below which the Directors consider to be the most significant to the business of the Group.

If any of the circumstances identified in the risk factors were to materialise, the Group's business, financial condition and operating results could be materially affected. In such cases the price of the Company's shares could decline, and investors may lose all or part of their investment. An investment in the Company may not be suitable for all recipients of this document. Potential investors are therefore strongly recommended to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000 and who specialises in advising upon the acquisition of shares and other securities before making a decision to invest.

Dependence on key executives and personnel

The Company's future success is substantially dependent on the continued services and performance of its Executive Directors and senior management and its ability to continue to attract and retain highly skilled and qualified personnel. The Directors cannot give assurances that members of the senior management team and the Executive Directors will remain with the Company. The loss of the services of the Executive Directors, members of senior management and other key employees could damage the Company's business. As described in this document, the Company has put in place a share incentive scheme in order to enhance its ability to retain key personnel.

Further details on the Directors and senior management are contained in Part I of this document.

The market

The Company is likely to face competition from other entities operating in its business sector which may have greater resources than the Company and, as a result, the Company could be affected by the competitive pressures that result.

It is possible that recessionary pressures and other economic factors (such as rising interest rates, tax increases and falling house prices) may decrease the disposable income that customers have available to spend on eating out and other leisure activities and/or adversely affect customers' confidence and willingness to spend. This could lead to a reduction in the revenues of the Company's restaurants. However, the Directors believe that the casual dining sector, with its emphasis on a high quality, value for money offering, will be well placed competitively to cope with any such recessionary pressures.

Smoking ban

The Government published a draft bill in October 2005 under which it has proposed new regulations which will ban smoking in pubs, restaurants and other licensed premises that serve food. At this stage, the Directors do not believe that any such ban will adversely affect the Company. However, until any such ban becomes law it is too early to determine what effect, if any, it may have on the Company's restaurants and on the casual dining sector as a whole.

Food related health concerns and liability

The food and beverage industries can be adversely affected by litigation and complaints from customers or regulatory authorities resulting from quality, illness, injury or other health concerns or other issues relating to one product or a number of products including products provided by the Company. Such litigation, concerns, complaints and any adverse publicity surrounding such issues may have a material adverse effect on the Company or the restaurant sector generally and, therefore, the Company.

Flu pandemic

In the event that the possibility disclosed in recent reports of a flu pandemic materialises, there may be a material adverse impact on the Company's workforce and on current trading.

Terrorist activity

The Company has, and intends to open further, restaurants in London. There is a risk that further terrorist activity in London as occurred during 2005 could have a detrimental impact on trading.

Past performance is not an indicator of future performance

This admission document includes information about the historical financial performance of the Group. Past performance is not, however, a guarantee as to the future financial performance of the Group, which may be materially different from its past performance and which may be adversely affected by, amongst other things, the risk factors described in this Part II.

Securities traded on AIM

The Ordinary Shares will be traded on AIM rather than the Official List. An investment in shares traded on AIM may carry a higher risk than those listed on the Official List. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, overall market or sector sentiment, legislative changes in the Company's sector and other events and factors outside of the Company's control.

Stock markets have from time to time experienced severe price and volume fluctuations, a recurrence of which could adversely affect the market price for the Ordinary Shares. Admission to AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares.

Share price effect of sales of Ordinary Shares

The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by certain Shareholders following expiry of the lock-in period (or otherwise), as detailed in Part I of this document, or the perception that sales of such shares could occur.

Forward-looking statements

Certain statements contained in this document may constitute forward-looking statements. Forward-looking statements include statements concerning the plans, objectives, goals, strategies and future operations and performance of the Group and the assumptions underlying these forward-looking statements. The Group uses the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should", and any similar expressions to identify forward-looking statements. Any such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as of the date of this document. The Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein, save as required to comply with any legal or regulatory obligations, to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. All subsequent written or oral forward-looking statements attributable to the Group, or persons acting on behalf of the Group, are expressly qualified in their entirety by the cautionary statements contained throughout this document. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward looking statements.

PART III

Financial Information on Tasty plc

Section A – Accountant’s report on Tasty plc



BDO Stoy Hayward LLP
Corporate Finance

BDO Stoy Hayward LLP
8 Baker Street
London
W1U 3LL

The Directors
Tasty plc
19 Cavendish Square
London
W1A 2AW

The Directors
Evolution Securities Limited
100 Wood Street
London
EC2V 7AN

27 June 2006

Dear Sirs

Tasty plc (“Tasty”)

Introduction

We report on the financial information set out in Section B of Part III. This financial information has been prepared for inclusion in the admission document dated 27 June 2006 of Tasty (the “Admission Document”) on the basis of the accounting policies set out in note 1 to the financial information. This report is required by paragraph (a) of Schedule Two of the AIM Rules and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

As described in Section B of Part III of the Admission Document, the directors of Tasty are responsible for preparing the financial information on the basis of preparation set out in note 1 to the financial information and in accordance with applicable UK accounting standards, as applicable for the relevant period. It is our responsibility to form an opinion on the financial information as to whether the financial information gives a true and fair view, for the purposes of the Admission Document and to report our opinion to you.

It is our responsibility to form an opinion on the financial information as to whether the financial information gives a true and fair view, for the purposes of the Admission Document and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document a true and fair view of the state of affairs of Tasty as at the date stated in accordance with the basis of preparation set out in note 1 to the financial information and has been prepared in accordance with applicable UK accounting standards as described in note 1 to the financial information.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully

BDO Stoy Hayward LLP

Chartered Accountants

PART III

Section B – Financial Information on Tasty plc

Responsibility

The directors of Tasty are responsible for preparing the financial information set out below on the basis of preparation set out in note 1 to the financial information and in accordance with applicable UK accounting standards as applicable for the relevant period.

Balance sheet as at 31 May 2006

	<i>As at</i>
	<i>31 May 2006</i>
	£
Current assets	
Cash	2
Net assets	<u>2</u>
Share capital and reserves	
Called up share capital	2
Shareholders' funds – equity (note 2)	<u>2</u>

Notes to the financial information

Tasty plc was incorporated on 23 May 2006.

1 Accounting policies

Basis of preparation

The financial information has been prepared under the historical cost convention and in accordance with applicable UK accounting standards as applicable for the relevant period.

Between the date of incorporation and 31 May 2006, the Company did not trade, nor did it receive any income, incur any expenses nor pay any dividends. Consequently, no profit and loss account is presented.

2 Share capital

	<i>As at</i> <i>31 May 2006</i> <i>£000</i>
Authorised	
3,000,000 ordinary shares of 100p each	3,000
Allotted, called up and fully paid	—

The Company was incorporated with an authorised share capital of £3,000,000 divided into 3,000,000 ordinary shares of £1 each. On incorporation, two ordinary shares were issued and credited as fully paid.

3 Post balance sheet events

On 26 June 2006, the Company sub-divided each of its ordinary shares of £1 each into ten shares of 10 pence each and acquired the entire authorised share capital of Took Us. The consideration for this was 19,420,709 Ordinary Shares, which were issued and credited as fully paid up.

PART IV

Financial Information on Took Us A Long Time Limited

Section A – Accountant’s report on Took Us A Long Time Limited



BDO Stoy Hayward LLP
Corporate Finance

BDO Stoy Hayward LLP
8 Baker Street
London
W1U 3LL

The Directors
Tasty plc
19 Cavendish Square
London
W1A 2AW

The Directors
Evolution Securities Limited
100 Wood Street
London
EC2V 7AN

27 June 2006

Dear Sirs

Took Us A Long Time Limited (“Took Us”)

Introduction

We report on the financial information set out in Section B of Part IV. This financial information has been prepared for inclusion in the admission document dated 27 June 2006 of Tasty plc (the “Admission Document”) on the basis of the accounting policies set out in note 1 to the financial information. This report is required by paragraph (a) of Schedule Two of the AIM Rules and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

As described in Section B of Part IV of the Admission Document, the directors of Tasty are responsible for preparing the financial information on the basis of preparation set out in note 1 to the financial information and in accordance with applicable UK accounting standards, as applicable for the relevant period. It is our responsibility to form an opinion on the financial information as to whether the financial information gives a true and fair view, for the purposes of the Admission Document and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the

financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document a true and fair view of the state of affairs of Took Us as at the dates stated and of its results and cash flows for the periods then ended, in accordance with the basis of preparation set out in note 1 to the financial information and has been prepared in accordance with applicable UK accounting standards as described in note 1 to the financial information and has been prepared in a form that is consistent with the accounting policies adopted in Took Us's latest annual accounts.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully

BDO Stoy Hayward LLP

Chartered Accountants

PART IV

Section B – Financial information on Took Us A Long Time Limited

Responsibility

The directors of Tasty are responsible for preparing the financial information set out below on the basis of preparation set out in note 1 to the financial information and in accordance with applicable UK accounting standards, as applicable for the relevant period.

Profit and Loss Account

		<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
	<i>Notes</i>			
Turnover	2	–	1,933	2,016
Cost of sales		–	(1,339)	(1,066)
Gross profit		–	594	950
Administrative expenses		–	(1,313)	(840)
Operating (loss)/profit	5	–	(719)	110
Interest receivable		–	9	31
(Loss)/profit on ordinary activities before taxation		–	(710)	141
Taxation on loss/profit from ordinary activities	6	–	–	89
(Loss)/profit on ordinary activities after taxation and sustained for the year	14	–	(710)	230
Basic and diluted (loss)/earnings per share	7	–	(49.87p)	9.24p

Balance sheets

		<i>At</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
	<i>Notes</i>			
Fixed assets				
Tangible assets	9	–	1,175	1,117
Current assets				
Stocks	10	–	15	25
Debtors	11	–	197	304
Cash at bank and in hand		–	180	1,230
		–	392	1,559
Creditors: amounts falling due within one year	12	–	(270)	(328)
Net current assets		–	122	1,231
		–	1,297	2,348
Capital and reserves				
Called up share capital	13	–	2,007	2,691
Share premium account	14	–	–	137
Profit and loss account	14	–	(710)	(480)
Shareholders' funds – equity		–	1,297	2,348

Cash flow statements

		<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
Net cash (outflow)/inflow from operating activities	<i>Notes</i> 19	–	(184)	218
Returns on investments and servicing of finance				
Interest received		–	9	31
Capital expenditure and financial investment				
Purchase of intangible fixed assets		–	(400)	–
Purchase of tangible fixed assets		–	(1,252)	(21)
		<u>–</u>	<u>(1,652)</u>	<u>(21)</u>
Cash (outflow)/inflow before use of liquid resources and financing		–	(1,827)	228
Management of liquid resources				
Increase in short term deposits		–	–	(1,018)
Financing				
Issue of share capital		–	2,007	822
Increase in cash	20	<u>–</u>	<u>180</u>	<u>32</u>

Notes to the financial information

The company was incorporated on 19 May 2003.

1 Accounting policies

The financial information has been prepared under the historical cost convention and is in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents the total restaurant receipts in the period, excluding value added tax.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

- Leasehold properties – straight line over the life of the lease
- Fixtures, fittings and equipment – 10% per cent. per annum, straight line

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Goodwill

Goodwill arising on the acquisition of a business is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired.

Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first financial year following full acquisition;
- in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Goodwill was fully impaired in the period ended 31 December 2004.

Liquid resources

Liquid resources include payments to acquire current asset investments. For the purpose of the cash flow statement, liquid resources are defined as current asset investments and short term cash deposits.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Employees

	<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
Staff costs consist of:			
Wages and salaries	–	894	668
Social security costs	–	92	70
	<u>–</u>	<u>986</u>	<u>738</u>

The average number of employees, including directors, during the year was 54 (2004: 52; 2003: 1).

4 Directors

	<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
Directors' remuneration consists of:			
Remuneration and other benefits	–	133	50
Compensation for loss of office	–	30	–
	<u>–</u>	<u>163</u>	<u>50</u>

5 Operating loss/profit

	<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
This has been arrived at after charging:			
Depreciation	–	77	79
Operating leases – land and buildings	–	187	202
Auditors' remuneration – audit services	–	10	9
– non-audit services	–	2	2
Impairment of goodwill – exceptional	–	400	–
	<u>–</u>	<u>400</u>	<u>–</u>

6 Taxation on loss/profit from ordinary activities

	<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
<i>Current tax</i>			
UK corporation tax on profits of the year	–	–	(6)
<i>Deferred tax</i>			
Origination and reversal of timing differences (note 18)	–	–	95
Taxation credit on profit on ordinary activities	–	–	89

The tax assessed for the year is different to the standard rate of corporation tax in the UK. The differences are explained below:

	<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
(Loss)/profit on ordinary activities before tax	–	(710)	141
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2004 – 19%)	–	(135)	27
Effects of:			
Expenses not deductible for tax purposes	–	12	4
Capital allowances for year in excess of depreciation	–	–	(9)
Tax losses not utilised	–	123	–
Utilisation of tax losses brought forward	–	–	(16)
Current tax charge for year	–	–	6

7 Loss/earnings per share

Basic loss/earnings per ordinary share is based on the loss/profit for each period being the loss or profit after taxation, of £230,759 (2004: loss of £710,487, 2003: nil) and on 2,496,125 (2004: 1,424,512, 2003: 7) ordinary shares of £1 each, being the weighted average number of ordinary shares in issue during the period.

There are no potentially dilutive shares in issue.

8 Intangible assets

	<i>Goodwill</i> £'000
<i>Cost</i>	
At 19 May 2003 and 30 June 2003	–
Additions	400
At 31 December 2004 and at 31 December 2005	<u>400</u>
<i>Amortisation</i>	
At 19 May 2003 and 30 June 2003	–
Impairment charge	400
At 31 December 2004 and at 31 December 2005	<u>400</u>
<i>Net book value</i>	
At 31 December 2005	<u>–</u>
At 31 December 2004	<u>–</u>
At 30 June 2003	<u>–</u>

9 Tangible assets

	<i>Long leasehold property</i> £'000	<i>Fixtures, fittings and equipment</i> £'000	<i>Total</i> £'000
<i>Cost</i>			
At 19 May 2003 and 30 June 2003	–	–	–
Additions	806	446	1,252
At 31 December 2004	<u>806</u>	<u>446</u>	<u>1,252</u>
Additions	–	21	21
At 31 December 2005	<u>806</u>	<u>467</u>	<u>1,273</u>
<i>Depreciation</i>			
At 19 May 2003 and 30 June 2003	–	–	–
Provided for the period	32	45	77
At 31 December 2004	<u>32</u>	<u>45</u>	<u>77</u>
Provided for the year	32	47	79
At 31 December 2005	<u>64</u>	<u>92</u>	<u>156</u>
<i>Net book value</i>			
At 31 December 2005	<u>742</u>	<u>375</u>	<u>1,117</u>
At 31 December 2004	<u>774</u>	<u>401</u>	<u>1,175</u>
At 30 June 2003	<u>–</u>	<u>–</u>	<u>–</u>

10 Stocks

	<i>At</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
Food and beverages	–	15	25

There is no material difference between the replacement cost of stocks and the amounts stated above.

11 Debtors

	<i>At</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
Other debtors	–	130	131
Prepayments and accrued income	–	67	78
Deferred taxation asset (note 18)	–	–	95
	<u>–</u>	<u>197</u>	<u>304</u>

All amounts shown under debtors fall due for repayment within one year, except the deferred taxation asset.

12 Creditors: amounts falling due within one year

	<i>At</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
Trade creditors	–	207	162
Taxation and social security	–	36	44
Other creditors	–	27	116
Corporation tax	–	–	6
	<u>–</u>	<u>270</u>	<u>328</u>

13 Share capital

	<i>Authorised</i>					
	<i>At</i>		<i>At</i>		<i>At</i>	
	<i>30 June</i>	<i>31 December</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>	<i>31 December</i>
	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Ordinary shares of £1 each	1,000	8,655,000	8,655,000	1	8,655	8,655
'A' ordinary shares of £1 each	–	285,000	285,000	–	285	285
'B' ordinary shares of £1 each	–	285,000	285,000	–	285	285
'C' ordinary shares of £1 each	–	375,000	375,000	–	375	375
'D' ordinary shares of £1 each	–	200,000	200,000	–	200	200
'E' ordinary shares of £1 each	–	200,000	200,000	–	200	200
	<u>1,000</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>1</u>	<u>10,000</u>	<u>10,000</u>

	<i>Allotted, called up and fully paid</i>					
	<i>At</i>		<i>At</i>		<i>At</i>	
	<i>30 June</i>	<i>31 December</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>	<i>31 December</i>
	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Ordinary shares of £1 each	7	861,666	1,546,158	–	862	1,546
'A' ordinary shares of £1 each	–	285,000	285,000	–	285	285
'B' ordinary shares of £1 each	–	285,000	285,000	–	285	285
'C' ordinary shares of £1 each	–	375,000	375,000	–	375	375
'D' ordinary shares of £1 each	–	200,000	200,000	–	200	200
	<u>7</u>	<u>2,006,666</u>	<u>2,691,158</u>	<u>–</u>	<u>2,007</u>	<u>2,691</u>

During the relevant period, the following share issues, redesignations and repurchases occurred:

- On incorporation, the company issued 7 shares at £1 each for a total consideration of £7.
- On 14 July 2003 the company issued 59,993 shares at £1 each for a total consideration of £39,993.
- On 21 August 2003, a further 940,000 shares were issued at £1 each for a total consideration of £940,000.
- On 21 August 2003 the company redesignated 1,000,000 ordinary shares as 150,000 'A' ordinary shares, 150,000 'B' ordinary shares, 300,000 'C' ordinary shares, 200,000 'D' shares and 200,000 'E' ordinary shares.
- On 21 November 2003, a further 500,000 shares were issued at £1 each for a total consideration of £500,000.
- On 22 July 2004, a further 265,000 'A' ordinary 254,500 'B' ordinary and 80,000 'C' ordinary shares were issued at £1 each for a total consideration of £599,500.
- On 25 August 2004, the company repurchased 200,000 'E' ordinary shares for total consideration of £200,000.
- On 29 October 2004, a further 107,166 shares were issued, at £1 each for a total consideration of £107,166.
- On 15 April 2005, a further 684,492 shares were issued at £1.20 each for a total consideration of £821,390 to fund the expansion of the business.

All shares rank *pari passu*.

14 Reserves

	<i>Share premium £'000</i>	<i>Profit and loss account £'000</i>
At 19 May 2003 and 30 June 2003	–	–
Retained loss for the period ended 31 December 2004	–	(710)
At 31 December 2004	–	(710)
Retained profit for the year	–	230
Premium on issue of share capital	137	–
At 31 December 2005	<u>137</u>	<u>(480)</u>

15 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	<i>At 30 June 2003 Land and buildings £'000</i>	<i>At 31 December 2004 Land and buildings £'000</i>	<i>At 31 December 2005 Land and buildings £'000</i>
Operating leases which expire:			
Over five years	–	171	190

16 Acquisitions and related party transactions

During the period ended 31 December 2004 the company made the following acquisitions for cash:

- (a) Intellectual property in respect of the “dim t” brand for £400,000 from Darren Pollock and Martin Knap, shareholders of the company.
- (b) The lease for the Hampstead restaurant was purchased from Greenstone Enterprises Limited for £90,000, a company in which Darren Pollock and Martin Knap were shareholders.
- (c) Fixtures and fittings in relation to the Hampstead restaurant were purchased from East – West Restaurants Limited for £10,000, a company in which Martin Knap was a shareholder.

No fair value adjustments were considered necessary as at the date of acquisition.

There were no related party transactions during the period ended 31 December 2005.

17 Reconciliation of movement in shareholders' funds

	<i>At</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
(Loss)/profit for the period	–	(710)	230
Introduction of share capital	–	2,207	821
Consideration paid for purchase of own shares	–	(200)	–
Movement in shareholders' funds during the year	–	1,297	1,051
Opening shareholders' funds	–	–	1,297
Closing shareholders' funds	–	1,297	2,348

18 Provisions for liabilities and charges

	<i>Deferred</i> <i>taxation</i> <i>£'000</i>
Balance at beginning of all periods	–
Profit and loss credit during the year ended 31 December 2005	95
Balance at 31 December 2005	95

Deferred taxation asset

	<i>Provided</i>			<i>Unprovided</i>		
	<i>At</i> <i>30 June</i> <i>2003</i> <i>Number</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>Number</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>Number</i>	<i>At</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>At</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
Accelerated capital allowances	–	–	(75)	–	–	(51)
Tax losses carried forward	–	–	170	–	–	174
Deferred tax asset	–	–	95	–	–	123

19 Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities

	<i>6 weeks</i> <i>ended</i> <i>30 June</i> <i>2003</i> <i>£'000</i>	<i>18 months</i> <i>ended</i> <i>31 December</i> <i>2004</i> <i>£'000</i>	<i>Year</i> <i>ended</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
Operating (loss)/profit	–	(719)	110
Depreciation	–	77	79
Impairment of goodwill	–	400	–
Increase in stocks	–	(15)	(10)
Increase in debtors	–	(197)	(13)
Increase in creditors	–	270	52
Net cash (outflow)/inflow from operating activities	–	(184)	218

20 Reconciliation of net cash inflow to movement in net funds

	<i>6 weeks ended 30 June 2003 £'000</i>	<i>18 months ended 31 December 2004 £'000</i>	<i>Year ended 31 December 2005 £'000</i>
Increase in cash in the period	–	180	32
Cash outflow from increase in liquid resources	–	–	1,018
Change in net funds resulting from cash flows	–	180	1,050
Opening net funds	–	–	180
Closing net funds	–	180	1,230

21 Analysis of net funds

	<i>At 19 May 2003 and 30 June 2003 £'000</i>	<i>Cash flow £'000</i>	<i>At 31 December 2004 £'000</i>	<i>Cash flow £'000</i>	<i>At 31 December 2005 £'000</i>
Cash in hand and at bank	–	180	180	32	212
Liquid resources – cash on short term deposit	–	–	–	1,018	1,018
Total	–	180	180	1,050	1,230

22 Financial instruments

(a) Fair value of financial instruments

In the directors' opinion, there is no material difference between the book value and the current value of any of the company's financial instruments.

(b) Cash deposits

The company invests surplus funds for periods between 1 and 31 days at prevailing money market rates.

(c) Undrawn committed bank facilities

The company had no overdraft facility during the period.

(d) Currency exposure

The company had no material currency exposure in the period.

(e) Hedges

The company had no material hedged transactions or positions in the period.

(f) Treasury policy

The company treasury is operated by the director as a centralised service managing interest rates and financing. Operations are financed by retained profits and shareholders funds. The company does not trade in financial instruments.

23 Post Balance Sheet Events

On 19 May 2006, the company issued 83,229 shares at £1.27 each for a total consideration of £105,700.

On 26 June 2006, the company redesignated its entire issued ordinary "A" to "E" share capital as ordinary shares.

PART V

ADDITIONAL INFORMATION

1. The Company and its subsidiaries

- 1.1 The Company was incorporated with limited liability in England and Wales on 23 May 2006 as a public company under the Act with registered number 5826464. The Company changed its name to Tasty plc on 19 June 2006. The Company is domiciled in the United Kingdom and its commercial name is Tasty plc.
- 1.2 The address of the registered office of the Company is 19 Cavendish Square, London W1A 2AW and its telephone number is 020 7637 1166. The address of the principal place of business of the Company is 32 Charlotte Street, London W1T 2NQ.
- 1.3 The Company is the ultimate parent company of the Group. There is also one wholly-owned subsidiary as outlined below:

<i>Name</i>	<i>Company Ownership</i>	<i>Date of incorporation</i>
Took Us A Long Time Limited	100%	19 May 2003

The above Company has its registered offices at 115 Park Street, London, W1K 7DY.

- 1.4 The Company operates under the Companies Act 1985 (as amended).

2. The Directors

The Directors of the Company are:

<i>Name</i>	<i>Previous Name</i>	<i>Function</i>	<i>Age</i>	<i>Date of Appointment</i>
Adam Kaye	None	Non-executive Director	37	23 May 2006
Samuel Kaye	None	Executive Director	34	20 June 2006
Jonny Plant	None	Executive Director	38	23 May 2006
Keith Lassman	None	Non-executive Director	48	20 June 2006

and their business address is the same as the registered office of the Company.

Further details relating to the Directors are disclosed in paragraph 5 below.

3. Share and loan capital

- 3.1 On incorporation, the authorised share capital of the Company was £3,000,000 comprising 3,000,000 ordinary shares of £1 each. The issued share capital was £2 comprising 2 ordinary shares of £1 each, which were issued unpaid, to the subscribers to the Memorandum of Association.
- 3.2 Details of changes in the share capital of the Company in the period covered by the financial information set out in Parts III and IV of this document and up to the date of this document are set out in paragraph 3.3 below.
- 3.3 By resolutions passed on:
- 3.3.1 19 June 2006, it was resolved that the Company change its name from Dim Tea plc to Tasty plc; and
- 3.3.2 26 June 2006, it was resolved:
- (i) to increase the authorised share capital of the Company to £5,000,000.

- (ii) to sub-divide each of the ordinary shares of £1 each in the Company into 10 ordinary shares of 10 pence each;
- (iii) to give the Directors authority to allot shares up to an aggregate nominal amount of £4,999,998, expiring on the date of the next annual general meeting of the Company;
- (iv) to disapply statutory pre-emption rights in relation to allotments of shares (a) pursuant to the Placing, (b) up to an aggregate nominal amount of 25 per cent. of the issued share capital of the Company following Admission and (c) in connection with a rights issue;
- (v) to adopt new articles of association; and
- (vi) to give the Company authority to make market purchases.

3.4 On 26 June 2006, 19,420,689 Ordinary Shares were issued, credited as fully paid up and the 20 issued unpaid Ordinary Shares were credited as fully paid in consideration of the transfer to the Company of the entire issued share capital of Took Us.

3.5 Up to 3,365,385 new Ordinary Shares are to be allotted and issued pursuant to the Placing. The Placing Shares are denominated in Sterling and created under the Act. It is anticipated that the Placing Shares will be allotted on 27 June 2006, conditional upon Admission. Admission is expected to take place on 4 July 2006.

3.6 The Company's ISIN (International Security Identification Number) is GB00B17MN067.

3.7 At the date of this document, the authorised and issued fully paid share capital of the Company is:

<i>Class of shares</i>	<i>£</i>	<i>Authorised no.</i>	<i>£</i>	<i>Issued (fully paid) no.</i>
Ordinary Shares	5,000,000	50,000,000	1,942,070.90	19,420,709

3.8 The authorised and issued fully paid share capital of the Company immediately following Admission will be as follows:

<i>Class of shares</i>	<i>£</i>	<i>Authorised no.</i>	<i>£</i>	<i>Issued (fully paid) no.</i>
Ordinary Shares	5,000,000	50,000,000	2,278,609.40	22,786,094

3.9 The authorised but unissued share capital of the Company immediately following Admission will be £2,721,390.60 representing approximately 54.0 per cent. of the authorised share capital (on the assumption that the Placing is fully subscribed) and the par value of each Ordinary Share is 10 pence.

3.10 The amount and percentage of immediate dilution resulting from the Placing is 14.77 per cent.

3.11 Save as disclosed in this paragraph 3, there has been no issue of share or loan capital of the Company since its incorporation and all issued shares have been fully paid at par or credited as fully paid.

3.12 No commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company since its incorporation.

3.13 Other than pursuant to the Option Agreements and the options granted pursuant to the Share Option Scheme, on Admission no share or loan capital of the Company will be under option or will be agreed conditionally or unconditionally to be put under option.

3.14 Other than pursuant to the Placing, none of the Ordinary Shares have been marketed or are available in whole or in part to the public in conjunction with the application for the Ordinary Shares to be admitted to AIM.

3.15 The Placing Shares will be in registered form. No temporary documents of title will be issued and prior to the issue of definitive certificates, transfers will be certified against the register. It is expected

that definitive share certificates for the Placing Shares which are not to be held through CREST will be posted to allottees within 10 business days of Admission. Placing Shares to be held through CREST will be credited to CREST accounts on Admission. The Articles permit the holding of Ordinary Shares in CREST.

- 3.16 The provisions of section 89(1) of the Act (which, to the extent not disapplied pursuant to section 95 of the Act, confer on shareholders rights of pre-emption in respect of the allotment of equity securities (as defined in section 94 of the Act) which are, or are to be, paid up in cash (other than any allotments to employees under an employees' share option scheme) apply to the authorised but unissued share capital of the Company except to the extent already disapplied (see paragraph 3.3 above).
- 3.17 There are no shares not representing capital in the Company.

4. Memorandum and articles of association

The memorandum of association of the Company provides that the Company's principal objects are those of a holding company. The objects of the Company are set out in full in clause 4 of its memorandum of association.

As described in paragraph 3.3.2 of this Part V, the Company has recently adopted new articles of association (the "Articles"). The Articles contain, *inter alia*, the following provisions:

4.1 Share capital

The Company may by ordinary resolution:

- 4.1.1 increase its share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe;
- 4.1.2 consolidate its share capital into shares of larger amounts than its existing shares;
- 4.1.3 cancel any shares which have not been taken, or agreed to be taken, by any person and diminish the amount of its share capital by the amount of the shares so cancelled; and
- 4.1.4 sub-divide its shares, or any of them, into shares of smaller amounts than is fixed by the Memorandum of Association of the Company.

The Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner subject to the provisions of the Act. The Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholders. Subject to the provisions of the Act and the rights of holders of any class of shares, the Company may purchase its own shares, including redeemable shares.

4.2 Voting

Subject to any special terms as to voting upon which any shares for the time being may be held, on a show of hands every member who (being an individual) is present in person or by proxy not being himself a member or (being a corporation) is present by its duly appointed representative shall have one vote, and on a poll every member present in person, or by representative, or proxy, shall have one vote for every share in the capital of the Company held by him. A proxy need not be a member of the Company. Where, in respect of any shares, any registered holder or any other person appearing to be interested in such shares fails to comply with any notice given by the Company under section 212 of the Act then, not earlier than 14 days after service of such notice, the shares in question may be disenfranchised. All shareholders, irrespective of the source of their shareholdings, hold shares which have equal voting rights.

4.3 Dividends

The Company may by ordinary resolution in general meeting declare dividends provided that they shall be paid in accordance with the Act and out of profits available for distribution and shall not exceed the amount recommended by the Directors. The Directors may from time to time pay such

interim dividends as appear to the Directors to be justified by the profits of the Company and are permitted by the Act.

Subject to the rights of persons, if any, holding shares with special dividend rights, and unless the terms of issue otherwise provide, all dividends shall be apportioned and paid *pro rata* according to the amount paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is payable. Amounts paid or credited as paid in advance of calls shall not be regarded as paid on shares for this purpose.

All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years after having been declared shall be forfeited and shall revert to the Company.

Where, in respect of any shares, any registered holder or any other person appearing to be interested in the shares of the Company fails to comply with any notice given by the Company under section 212 of the Act then, provided that the shares concerned represent at least 0.25 per cent. in nominal value of the issued shares of the relevant class, the Company may withhold dividends on such shares.

There is no fixed date on which an entitlement to a dividend arises.

4.4 *Modification of rights*

All or any of the special rights for the time being attached to any class of shares for the time being forming part of the capital of the Company may, subject to the provisions of the Act, be varied or abrogated either:

4.4.1 in such manner (if any) as may be provided by such rights; or

4.4.2 in the absence of any such provision, with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class, but not otherwise. To every such meeting all the provisions of the Articles of Association of the Company relating to general meetings and to the proceedings thereat shall, so far as applicable and with the necessary modifications, apply except that the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons at least, holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and any holder of shares of the class in question present in person or by proxy may demand a poll.

4.5 *Transferability*

Transfers of Ordinary Shares which are in registered form shall be effected in the manner authorised by the Act and other statutes and the Articles. In respect of the transfer of a certificated share, the instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The Directors may, subject to not affecting the free transferability of any such share on the London Stock Exchange, decline to recognise any instrument of transfer of a certificated share unless:

4.5.1 the instrument of transfer (duly stamped) is deposited at the Company's registered office accompanied by the share certificate for the shares to which it relates and such other evidence as the Directors may reasonably require showing the right of the transferor to make the transfer;

4.5.2 the instrument of transfer is in respect of only one class of share;

4.5.3 the instrument of transfer is in favour of not more than four transferees; and

4.5.4 the instrument of transfer is in respect of a share in respect of which all sums presently payable to the Company have been paid. Where, in respect of any shares, any registered holder or any person appearing to be interested in such shares fails to comply with any notice given by the Company under section 212 of the Act then, provided that the shares concerned represent at least 0.25 per cent. in nominal value of the issued shares of the relevant class, the Company may prohibit transfers of such shares or agreements to transfer any of such shares.

Transfers of uncertificated shares are permitted pursuant and subject to the CREST Regulations. No provisions of the Articles shall apply to any uncertificated shares to the extent that such provisions are inconsistent with the holding of shares in certificated form, the transfer of shares by means of a Relevant System (as defined in the Articles) or the CREST Regulations.

4.6 *Directors*

Unless otherwise determined by ordinary resolution, the number of directors (other than alternative directors) shall be not less than two and not more than ten. Subject to certain exceptions, a Director shall not vote (or be counted in the quorum) in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest and, if he shall do so, his vote shall not be counted.

Any remuneration paid for the services of the Directors are fixed (initially £500,000) by the Company in general meeting, may be divided between the Directors as they shall agree or, failing agreement, equally and shall be deemed to accrue from day to day. The Directors may remunerate a Director who serves on any committee or devotes special attention to the business of the Company, or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, by way of salary, lump sum, percentage of profits or otherwise as the Directors may determine. The remuneration of any executive director as an employee shall be such as the Board may from time to time decide.

At each annual general meeting of the Company, one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire. A retiring Director may, if eligible, offer himself for re-election.

Each Director (other than an alternate director) may appoint another Director or (subject to the approval of a majority of the Directors) any other person to be an alternate director of the Company, and may at any time remove an alternate director so appointed by him from office and, subject to any requisite approval, appoint another person in his place.

The Company may purchase and maintain for any Director insurance against any liability which by virtue of any law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company. No person is capable of being appointed a director of the Company if at the time of the appointment he has attained the age of 70.

4.7 *Borrowing powers*

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled share capital, and (subject to the Act) to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and its subsidiaries so as to ensure that the aggregate of the amounts borrowed by the Company and all its subsidiaries and remaining outstanding at any time shall not, without previous sanction of an ordinary resolution of the Company, exceed an amount equal to three times the aggregate of the nominal amount of the paid up share capital of the Company and the amount shown as standing to the credit of its capital and revenue reserves as defined in the Articles (but excluding certain amounts as defined therein).

4.8 *Distribution of assets on liquidation*

If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company or any other sanction required by the Act, divide amongst the members *in specie* or in kind the whole or any part of the assets of the Company, those assets to be set at such values as he deems fair. The liquidator may also vest the whole or part of the assets of the Company in trustees on trust for the benefit of the contributories.

4.9 *Uncertificated shares*

The Directors may implement such arrangements as they think fit in order for any class of shares to be held, evidenced and transferred in uncertificated form. The Company will not be required to issue

a certificate to any person holding shares in uncertificated form and the Company may, in certain circumstances, require the holder of such shares to convert such shares into certificated shares.

4.10 *General meetings*

Annual general meetings of the Company shall be held at such time and place as the Board may determine, all general meetings other than annual general meetings are deemed special general meetings and the Board may convene a special general meeting whenever, and at such time and place as it thinks fit. The Board shall also convene an extraordinary general meeting on the requisition of shareholders pursuant to the laws applicable to the Company. A general meeting shall be convened by not less than 21 days notice in writing. The quorum for meetings is two or more Shareholders present in person or by proxy. No Shareholder is entitled to be present at or vote at any general meeting of the Company unless all amounts due in respect of his shares have been paid.

4.11 *CREST*

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Ordinary Shares are eligible for settlement in CREST. The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST, as soon as practicable after Admission has occurred.

5. **Directors' and other interests**

5.1 The interests (all of which are beneficial) of the Directors and their immediate families and, so far as is known to the Directors or could with reasonable diligence be ascertained by them, persons connected with them (within the meaning of section 346 of the Act) which, if the connected person were a Director would otherwise be disclosed pursuant to this paragraph, in the share capital of the Company as at the date of this document and on Admission, are or are expected to be, as follows:

<i>Director</i>	<i>Before Admission</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Adam Kaye	4,627,525	23.83%	5,188,280	22.77%
Samuel Kaye	4,633,650	23.86%	5,226,742	22.94%
Jonny Plant	3,272,500	16.85%	3,426,346	15.04%
Keith Lassman	0	0	19,230	0.08%

There are no measures in place to ensure that such control is not abused.

5.2 In addition to the persons referred to in paragraph 5.1 above, the Company is aware of the following persons who with their immediate families, at the date of this document have, or who are expected following Admission to have, an interest in three per cent. or more of the issued share capital of the Company:

<i>Interested Person</i>	<i>Before Admission</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Darren Pollock	2,574,201	13.25%	2,581,893	11.33%
Jonathan Kaye	1,458,331	7.51%	1,496,792	6.57%
Philip Kaye	1,458,331	7.51%	1,458,331	6.40%

5.3 Save as disclosed in paragraph 5.2 above, the Company is not aware of any person who will, immediately following Admission, (on the basis that the Placing is fully subscribed) be interested, directly or indirectly, in three per cent or more of the issued share capital of the Company or could, directly or indirectly, jointly or severally, exercise control over the Company.

- 5.4 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.
- 5.5 Save as disclosed in paragraphs 8, 10 and 11, no Director has any interest in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Group and which were effected by any member of the Group in the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.
- 5.6 The persons, including the Directors, referred to in paragraph 5.2 of this Part V, do not have voting rights in respect of the share capital at the Company (issued or to be issued) which differ from any other shareholder of the Company.
- 5.7 The Directors currently hold, and have during the five years preceding the date of this document held, the following directorships or partnerships, other than the Company, (or otherwise been a member of the administrative, management or operating bodies thereof):

<i>Name</i>	<i>Current Directorships/ Partnerships</i>	<i>Previous Directorships/ Partnerships</i>
Keith Lassman	Affiliate Marketing Limited The EIS Association Limited Howard Kennedy Limited Dealgroupmedia (UK) Limited Deal Group Media plc The Data Broking Company Limited Money Savers UK Limited Greatfleet plc Thedeal.net Limited The Leads Group Limited Howard Kennedy (<i>partnership</i>)	Snugbug Limited Speymill Group plc Trevor James Holdings Limited Ebridge Limited Numerica Capital Markets Limited
Jonny Plant	Took Us A Long Time Limited	It Took Us A Long Time Limited
Samuel Kaye	Ask Restaurants Limited Ask Central Limited Ask 25 Limited Kaye Properties Limited Proper Proper T Limited Kropifko Properties Limited Mean Ole Frisco Limited Happy Endings Limited KLP (<i>partnership</i>)	Zanelight Limited Belsize Mews (Residents) Limited
Adam Kaye	Kropifko Properties Limited Ask Restaurants Limited It's Restaurants Limited Ask Central Limited Ask 25 Limited Mean Ole Frisco Limited Kaye Properties Limited Cask Investments Limited The Foodstore Group Limited Nolamor Limited Villandry Foodstore Restaurant Limited Proper Proper T Limited Relish Restaurants Limited Relish 1 Limited Happy Endings Limited KLP (<i>partnership</i>)	

- 5.8 The Directors have no unspent convictions in relation to fraudulent offences.
- 5.9 None of the Directors have been the subject of any public criticisms by any statutory or regulatory authority (including recognised professional bodies).
- 5.10 None of the Directors has been a director of a company at the time of, or within the 12 months preceding the date of, that company being the subject of a receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors.
- 5.11 None of the Directors has been a partner of a partnership at the time of, or within 12 months preceding the date of, that partnership being placed into compulsory liquidation or administration or being entered into a partnership voluntary arrangement, nor in that time have the assets of any such partnership been the subject of a receivership.
- 5.12 No asset of any Director nor any partnership of which the Director has been a partner has at any time been the subject of a receivership.
- 5.13 None of the Directors are or has been bankrupt nor made at any time an individual voluntary arrangement.
- 5.14 None of the Directors is or has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

6. Share Option Scheme

The following table shows the options granted under the terms of the Share Option Scheme, adopted by the Company on 26 June 2006.

<i>Grantee's name</i>	<i>No. of shares under option</i>	<i>Exercise Price</i>
Jonny Plant	388,402	£0.18
Katja Pitkanen	41,335	£0.18
Lee Kendall	41,335	£0.18
DK Lam	41,335	£0.18
Mariusz Burzycki	6,888	£0.18
Len Verwoerd	6,888	£0.18
Zuzana Patakova	6,888	£0.18

7. Premises

The following are the premises owned or leased by the Group (or under agreement to lease in the case of Gloucester Road and Loughton):

The Group currently occupies (or should shortly occupy in the case of Gloucester Road and Loughton) leasehold premises as listed below. The details of the leases in respect of such premises are as follows:

<i>Address</i>	<i>Lease start date</i>	<i>Lease/ intended Lease expiry date</i>	<i>Current/ Anticipated Annual rent</i>
3 Heath Street, Hampstead, London NW3	24 June 1997	23 June 2017	£55,000
Part ground and first floor, 1-1a Hampstead Lane, Highgate, London N6	25 March 2003	24 March 2028	£55,000
32 Charlotte Street, London W1	15 January 1998	14 January 2023	£85,000
99-101 Mount Pleasant Road, Tunbridge Wells, Kent	21 February 2006	20 February 2036	£120,000
Ground floor and basement, 154-156 Gloucester Road, London SW7	n/a	30 years from start date	£150,000
High Road, Loughton, Essex	n/a	30 years from start date	£70,000

8. Directors' letters of appointment

- 8.1 On 27 June 2006, Mr Samuel Kaye entered into a service agreement with the Company under which he agreed to serve as an Executive Director of the Company at a current annual salary of £7,500 (exclusive of pension contributions) to be reviewed annually. The agreement is terminable by either party on six months prior notice save that such agreement is for an initial term of 12 months.
- 8.2 On 27 June 2006, Mr Jonny Plant entered into a service agreement with the Company under which he agreed to serve as an Executive Director of the Company at a current annual salary of £65,000 (exclusive of pension contributions) to be reviewed annually. The agreement is terminable by either party on six months prior notice save that such agreement is for an initial term of 12 months.
- 8.3 Each Non-executive Director entered into a letter of appointment with the Company which provides for them to act as a Non-executive Director of the Company. Pursuant to such letters, the Chairman will receive a fee of £15,000 per annum and Adam Kaye will receive a fee of £5,000 per annum. Each appointment letter is terminable on 3 months notice by either party, following the initial term of 12 months.
- 8.4 Both Adam and Samuel Kaye work part-time for ASK Restaurants Limited. Those arrangements impose certain restrictions on their activities. Neither Adam or Sam Kaye believe these arrangements will materially affect their roles within the Group.
- 8.5 It is estimated that the aggregate remuneration and benefits in kind payable to the Directors by members of the Group in respect of the current financial year (under the arrangements in force at the date of this document) will be approximately £78,750.
- 8.6 None of the Directors' agreements with the Company provide for benefits upon termination of employment.

9. Placing arrangements

Under an agreement (the "Placing Agreement") dated 27 June 2006 and made between Evolution Securities (1) the Company (2) and the Directors (3), Evolution Securities has agreed (conditionally, *inter alia*, on Admission taking place not later than 31 July 2006) as agent for the Company to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price and, to the extent that it fails to do so, itself to subscribe as principal for such Placing Shares.

Under the Placing Agreement and subject to its becoming unconditional:

- 9.1 the Company has, subject to Admission, agreed to pay Evolution Securities a corporate finance fee of £150,000 together with any applicable VAT;
- 9.2 the Company has agreed to grant the option agreement, as set out in paragraph 10.7 below; and
- 9.3 the Company has agreed to pay all other costs and expenses (including any applicable VAT) of, or incidental to, the Placing including all fees and expenses payable in connection with Admission, expenses of the registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses.

The Placing Agreement contains warranties and indemnities given by the Company and by the Directors to Evolution Securities, including as to the accuracy of the information contained in this document and other matters relating to the Group and its business. Evolution Securities is entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission.

The Directors have undertaken, subject to certain limited exceptions, not to dispose of any of the Ordinary Shares they will hold immediately following Admission for a period of 12 months, and more than 50 per cent. of such shares for a further period of 12 months.

10. Material contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or any member of its group in the two years immediately preceding the date of this document and which are, or may be, material together with any contracts which contain any provisions, under which any member of the Group has any obligation or entitlement which is material to the Group as at the date hereof:

- 10.1 The Placing Agreement, details of which are set out in paragraph 9 above;
- 10.2 Lock-in agreements both dated 27 June 2006 made between the Company and each of Darren Pollock and his wife Joanna Pollock (2) pursuant to which they have undertaken to the Company (subject to certain limited exceptions) not to dispose of any of the Ordinary Shares held by them at any time prior to the first anniversary of Admission and more than 50 per cent of such shares for a further period of 12 months following such first anniversary without the prior written consent of Evolution.
- 10.3 A share exchange agreement dated 26 June 2006 made between the Company and the Vendors (as therein named) whereby the Company acquired the entire issued share capital of Took Us in consideration of the issue of 19,420,709 Ordinary Shares to the Vendors, credited as fully paid up.
- 10.4 A revolving credit facility agreement dated 16 June 2006 between Barclays Bank plc and the Company whereby a revolving loan facility of £1.5 million was granted to Took Us. The facility will be secured by way of a fixed and floating debenture over the assets and undertaking of Took Us and a first legal mortgage over existing restaurant sites and each restaurant site acquired. The facility reduces to £1,325,000 after the first year from the date of drawdown and £1,150,000 after the second year and is repayable on 16 June 2009. The agreement contains standard representations and warranties and rights of early termination as well as certain financial covenants.
- 10.5 An option agreement dated 27 June 2006 between the Company and Keith Lassman pursuant to which an option was granted to acquire 19,230 Ordinary Shares exercisable at any time between 27 June 2008 and 27 June 2016 at an exercise price of 52 pence per Ordinary Share.
- 10.6 An option agreement dated 27 June 2006 between the Company and Lesley Jones pursuant to which an option was granted to acquire 38,461 Ordinary Shares exercisable at any time between 27 June 2008 and 27 June 2016 at an exercise price of 52 pence per Ordinary Share.
- 10.7 An option agreement dated 27 June 2006 between the Company and Evolution Securities pursuant to which an option was granted to acquire 480,769 Ordinary Shares exercisable at any time between Admission and the date 3 years after Admission at an exercise price of 52 pence per Ordinary Share. Evolution Securities has undertaken, subject to certain limited exceptions, not to dispose of any of the Ordinary Shares resulting from the exercise of such options prior to the date being 5 months from the date of Admission and more than 50 per cent. of such Ordinary Shares for a period of 7 months thereafter.

11. Related party transactions

- 11.1 Save as set out in paragraph 10.3 above and in this paragraph 11, the Company has not entered into any related party transactions (being those set out in the standards adopted according to the Regulation (EC) No. 1606/2002) in the last three financial years preceding the date of this document and up to the date of this document.
- 11.2 On 23 February 2006, Proper Proper T Limited, which is the general partner of a limited partnership owned by Adam Kaye and Sam Kaye, granted a full repairing and insuring lease over premises at 99-101 Mount Pleasant Road, Tunbridge Wells, Kent TN1 1QG for a period of 30 years at a current annual rent of £120,000, subject to upward only reviews.
- 11.3 It is proposed that shortly after the Placing and Admission the Company will enter into a full repairing and insuring 25 years lease with Kropifko Properties Limited in respect of premises at Park Royal, London, to be used by the Group as its new central kitchen facilities, with an initial rent of £50,000 p.a. and upward only reviews on each fifth anniversary of the date of grant of the lease.

12. Mandatory offers and compulsory acquisition of shares

- 12.1 The Company is subject to the City Code which, *inter alia*, provides that if any person, or group of persons acting in concert, acquires Ordinary Shares carrying 30 per cent. or more of the voting rights exercisable in general meetings, that person shall be required to make an offer for all the issued Ordinary Shares not already held by him (or persons acting in concert with him) in cash at the highest price paid by that person, or any person acting in concert with him, during the 12 month period prior to the purchase of shares which triggered the obligation. There are certain circumstances where no such offer may be required.
- 12.2 The Act provides that if an offer is made for the issued share capital of the Company, the offeror is entitled to acquire compulsorily any remaining shares if it has received acceptances or purchased shares subsequent to the making of the offer amounting (in aggregate) to 90 per cent. of the shares to which the offer relates. Certain time limits apply. The Act also permits a minority shareholder to require an offeror to buy his shares if that offeror has received acceptances or purchased shares subsequent to the making of the offer amounting (in aggregate) to 90 per cent of the shares to which the offer relates. Certain time limits apply.

13. Working capital

The Directors are of the opinion (having made due and careful enquiry) that, after taking into account available banking facilities and the net proceeds of the Placing, the Group has sufficient working capital for its present requirements, that is for at least the period of 12 months from Admission.

14. Litigation

No member of the Group has at any time in the 12 months immediately preceding the date of this document been, engaged in any governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened by or against any member of the Group, nor of any such proceedings having been pending or threatened at any time in the 12 months preceding the date of this document in each case which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability.

15. Conflicts of Interest

Jonny Plant, Adam Kaye and Sam Kaye are also shareholders in the Company and, under English law, shareholders do not have to act in the best interests of companies in their capacity as shareholders. Save as set out herein, there are no other potential conflicts of interest between any duties to the Company, the Directors and their private interests.

16. United Kingdom Taxation

The statements set out below are intended only as a general guide to certain aspects of current United Kingdom ("UK") tax law and practice and apply only to certain Shareholders. The summary does not purport to be a complete analysis or listing of all the potential tax consequences of holding Ordinary Shares. Prospective purchasers of Ordinary Shares are advised to consult their own tax advisers concerning the consequences under UK tax law of the acquisition, ownership and disposition of Ordinary Shares. This summary is based on current UK tax law and HM Revenue and Customs practice which may be subject to change perhaps with retrospective effect.

The statements are not applicable to all categories of Shareholders, and in particular are not addressed to (i) Shareholders who do not hold their Ordinary Shares as capital assets and who do not hold the Ordinary Shares as an investment and who are not the absolute owners thereof, (ii) special classes of Shareholders such as dealers in securities, broker-dealers, insurance companies and investment companies, (iii) Shareholders who hold Ordinary Shares as part of hedging or commercial transactions, (iv) Shareholders who hold Ordinary Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or otherwise) or (v) Shareholders who are not resident or ordinarily resident in the UK for tax purposes (unless express reference is made to non-UK resident Shareholders).

(a) *Dividends – UK resident Shareholders*

An individual Shareholder who is resident in the UK (for tax purposes) and who receives a dividend from the Company will generally be entitled to a tax credit which such Shareholder may set off against his total income tax liability on the dividend. The tax credit will be equal to ten per cent. of the aggregate of the dividend and the tax credit (the “gross dividend”), which is also equal to one-ninth of the cash dividend received. A UK resident individual Shareholder who is liable to income tax at the starting or basic rate will be subject to tax on the dividend at the rate of ten per cent. of the gross dividend, so that the tax credit will satisfy in full such Shareholder’s liability to income tax on the dividend. A UK resident individual Shareholder who is liable to income tax at the higher rate will be liable to tax on the gross dividend at the rate of 32.5 per cent. The gross dividend will be regarded as the top slice of the Shareholder’s income. After taking into account the 10 per cent. tax credit, such an individual will have to account for additional tax equal to 22.5 per cent. of the gross dividend (which is also equal to 25 per cent. of the cash dividend received). It will not be possible for UK resident shareholders to claim repayment of the tax credit in respect of dividends.

A Shareholder that is a company resident for tax purposes in the UK will not generally be taxable on any dividend it receives from the Company.

(b) *Dividends – Non-UK resident Shareholders*

The right of a Shareholder, who is not resident for tax purposes in the UK, to a tax credit in respect of a dividend received from the Company and to claim payment of any part of that tax credit will depend on the existing terms of any double taxation convention between the UK and the country in which the holder is resident. Shareholders who are not solely resident in the UK should consult their own tax adviser concerning their tax liabilities and dividends received, whether they are entitled to claim any part of that tax credit and, if so, the procedure for doing so.

(c) *Taxation of capital gains*

A disposal of Ordinary Shares by a Shareholder who is either resident or, in the case of individuals, ordinarily resident for tax purposes in the UK may, depending on the shareholder’s circumstances and subject to any available exemption or relief, give rise to a chargeable gain or allowable loss for the purposes of the taxation of chargeable gains. Broadly, individual Shareholders who are not resident or ordinarily resident for tax purposes in the UK will not be liable for UK tax on capital gains realised on the disposal of their Ordinary Shares unless such Ordinary Shares are used, held or acquired for the purposes of a trade, profession or vocation carried on in the UK through a branch or agency or for the purpose of such branch or agency. Such Shareholders may be subject to foreign taxation on any gain under local law.

(d) *Inheritance and gift taxes*

The Ordinary Shares will be assets situated in the UK for the purposes of UK inheritance tax. A lifetime gift of such assets by an individual or a transfer on death under will or intestacy may (subject to certain exemptions and reliefs) be a transfer of value chargeable to UK inheritance tax. This could apply even if the holder is neither resident nor domiciled in the UK (nor deemed to be domiciled here under certain inheritance tax rules relating to long residence or previous domicile).

Draft UK legislation is likely to impose a restrictive inheritance tax regime on making gifts to trusts. The draft legislation should be enacted later this year. Individuals gifting the Ordinary Shares into trust could suffer an immediate tax charge on the gift into trust and further inheritance tax could be payable where assets leave the trust and on every ten year anniversary.

If the Ordinary Shares are held for the requisite 2 year ownership period, 100 per cent. business property relief from inheritance tax may be available providing the company continues to carry on a qualifying activity and meets the further related conditions for the relief to be available.

Investors should take their own professional advice on an inheritance tax issues that may affect their shares.

(e) *UK stamp duty and stamp duty reserve tax (“SDRT”)*

No stamp duty or stamp duty reserve tax is payable on the issue of new Shares by the Company to shareholders.

Any subsequent disposal of Shares by the shareholder will generally give rise to the payment of *ad valorem* stamp duty on the transfer document at the rate of 50 pence per £100, or part, on the amount or value of the consideration paid. Agreements for such transfers are generally subject to stamp duty reserve tax (unless, in general, the transfer of the relevant shares is duly stamped with *ad valorem* duty), generally at the rate of 0.5 per cent. of the amount or value of the consideration paid. Liability to pay any stamp duty reserve tax is generally that of the transferee or purchaser. Where a purchase or transfer is effected through a member of the London Stock Exchange or a qualified dealer, the member or dealer will normally account for the collection and payment of the tax, but in all other cases the transferee or purchaser must account for the tax to HM Revenue and Customs.

(f) *Enterprise Investment Scheme Tax Reliefs*

HM Revenue & Customs has given provisional confirmation that the Company is a qualifying company and that the issue of ordinary shares will be an issue of eligible shares under the Enterprise Investment Scheme (“EIS”) legislation. To obtain the tax reliefs described below it is necessary to subscribe for ordinary shares in a qualifying company and claim the relief. The summary below gives only a brief outline of how the tax reliefs are given assuming the investor is a 40 per cent. tax payer. It does not set out all the rules, which must be met for periods of between three and five years by the Company and the investor. The tax reliefs will only be relevant to investors who pay income tax and/or wish to defer a capital gain. The summary is not a substitute for the investor obtaining professional advice before applying for shares.

The EIS relief has four elements.

1. ***Income Tax Relief***

This allows an investor to reduce the amount of his, or her, liability to income tax in the year of investment.

Relief is obtained at the lower rate of income tax, currently 20 per cent., on the amount invested in the shares of qualifying companies. Investors should be able to deduct an amount equal to 20 per cent. of their investment from their liability to income tax in the current tax year. Relief cannot be claimed on more than £400,000 invested by an individual (in any number of qualifying companies) in any tax year.

To retain this relief the shares must be held by the investor for a period that ends three years after the share issue date or three years after the trade starts, whichever is later. This will be referred to below as the three year period.

2. ***Capital Gains Tax Exemption***

This exempts investors from the liability to capital gains tax when they realise a gain on a disposal of their shares in qualifying companies after the three year period, provided the EIS income tax relief was given on the shares and has not been withdrawn.

3. ***Loss Relief***

In the event of an investor suffering a loss arising from the disposal of the EIS shares at any time, this relief allows the offset of losses against either capital gains or taxable income in the year of the loss.

4. ***Capital Gains Tax Deferral***

Individuals and certain trustees can defer all or part of their capital gains tax liabilities by subscribing for eligible shares in an EIS company. There is no monetary limit on the amount

of the EIS subscription and thus the gain that can be deferred in this way. The gains that can be deferred are those that have arisen in the three years before the EIS shares are issued or those that arise up to one year after that date. Such gains may be the result of the disposal of an asset or, a gain previously deferred by the individual, may have become chargeable to tax.

Investors should note that this relief is a deferral only and that the original capital gain will crystallise on the disposal of the EIS shares at any time, resulting in CGT being payable in the normal way. The investor would however, be able to claim further deferral to the extent that a qualifying reinvestment is made within the time allowed. A transfer of shares on the owner's death does not cause the deferred gain to crystallise.

(g) *Venture Capital Trust*

The Company has received provisional clearance from HM Revenue and Customs of the Company's status as a qualifying VCT investment.

This is only a condensed summary of the tax reliefs available to investors and should not be construed as constituting advice, which a potential investor should obtain from his, or her, own investment or taxation adviser before applying for shares.

Whilst the Company cannot guarantee to conduct its activities in a way to allow it to maintain its status as a qualifying EIS/VCT investment, the Directors intend, as far as possible, to do so.

17. Miscellaneous

- 17.1 There has been no significant change in the financial or trading position of the Company since 31 May 2006, the date to which the financial information on the Company in Section B of Part III of this document was prepared.
- 17.2 There has been no significant change in the financial or trading position of Took Us since 31 December 2005, the date to which the financial information on Took Us in Section B of Part IV of this document was prepared.
- 17.3 The total costs and expenses relating to the Placing (including those fees and commissions referred to in paragraph 10.1 above) payable by the Company are estimated to be approximately £350,000 excluding any VAT payable. The net proceeds of the Placing will be £1.4 million (assuming that the Placing is subscribed in full).
- 17.4 BDO Stoy Hayward LLP, whose registered office is 8 Baker Street, London, W1U 3LL, accepts responsibility for the information contained in Parts III and IV of this document. To the best of the knowledge of BDO Stoy Hayward (which has taken all reasonable care to ensure that such is the case) the information in Parts III and IV of this document are in accordance with the facts and make no omission likely to effect the impact of such information.
- 17.5 BDO Stoy Hayward LLP has given and has not withdrawn its written consent to the inclusion of its report in this document and the references to the report and to its name in the form and context in which they are included.
- 17.6 Evolution Securities is registered in England and Wales under number 2316630, its registered office is at 100 Wood Street, London, EC2V 7AN and it is regulated by the Financial Services Authority.
- 17.7 Save as otherwise disclosed in this document:
- 17.7.1 there are no patents or other intellectual property rights, licences or particular contracts (including industrial, commercial or financial contracts) or new manufacturing processes which are of fundamental importance to the Group's business or upon which the Group's business is otherwise dependent;

- 17.7.2 there have been no interruptions in the Group's business in the 12 months preceding the publication of this document which may have or had a significant effect on the Group's financial position;
- 17.7.3 there have been no principal investments, nor are there any in progress or under active consideration or in respect of which firm commitments have been made;
- 17.7.4 there are no known environmental issues that might affect the Company's utilisation of its tangible fixed assets; and
- 17.7.5 there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 17.8 No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:
- 17.8.1 received, directly or indirectly, from any member of the Group within the 12 months preceding the date of application for Admission; or
- 17.8.2 entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from any member of the Group on or after Admission;
- any of the following:
- (a) fees totalling £10,000 or more;
 - (b) securities in any member of the Group with a value of £10,000 or more calculated by reference to the Placing Price; or
 - (c) any other benefit with a value of £10,000 or more at the date of Admission.
- 17.9 No Director or a member of a Director's family has any related financial products referenced to the Ordinary Shares.
- 17.10 There are no family relationships between the Directors, save that Adam Kaye and Samuel Kaye are brothers.
- 17.11 The number of employees in the Group as at 31 December 2005 was 57 and as at the date of this document is 66.
- 17.12 The auditors for the Group for the period covered by the financial information set out in Part III and IV were BDO Stoy Hayward LLP, who were appointed auditors of the Company on 19 June 2006 and are regulated for audit work by the Institute of Chartered Accountants in England and Wales.

18. Documents available for inspection

Copies of this document will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices Evolution Securities, 100 Wood Street, London EC2V 7AN from the date of this document until the date being one month after the date on which Admission takes place.

Dated 27 June 2006

