

DATED 12 March 2020

(1) ADNAR FINANCE LLC

as Lender

- and -

(2) MARQUIS HOLDCO LIMITED

as Borrower

INTRA-GROUP LOAN AGREEMENT

TABLE OF CONTENTS

1.	DEFINITIONS AND INTERPRETATION	1
2.	FACILITY	2
3.	PURPOSE.....	2
4.	DRAWDOWN.....	3
5.	CERTAIN FUNDS	3
6.	INTEREST.....	3
7.	REPAYMENT, PREPAYMENT AND CANCELLATION.....	3
8.	SET-OFF AND TAX.....	4
9.	FEES, COSTS AND EXPENSES	4
10.	NO ASSIGNMENT BY THE BORROWER	4
11.	NOTICES.....	4
12.	MISCELLANEOUS	5
13.	GOVERNING LAW AND JURISDICTION	5

THIS INTRA-GROUP LOAN AGREEMENT (THE “AGREEMENT”) is made on 12 March 2020

BETWEEN:

- (1) **ADNAR FINANCE LLC** (the “**Lender**”); and
- (2) **MARQUIS HOLDCO LIMITED** (registered number: **12467685**), whose registered office is at 20 Lydden Road, London, United Kingdom, SW18 4LR (the “**Borrower**”).

BACKGROUND:

- (A) The Lender has agreed to provide a loan facility to the Borrower on and subject to the terms and conditions of this Agreement.
- (B) The Borrower’s direct subsidiary, Brigadier Acquisition Company Limited (“**Brigadier**”), has proposed a cash offer (the “**Takeover Offer**”) for the entire issued and to be issued share capital of Moss Bros Group plc (the “**Target**”). The Takeover Offer is intended to be effected by way of a scheme of arrangement between the Target and Target shareholders, sanctioned by the High Court of England and Wales under Part 26 of the Companies Act 2006 (the “**Scheme**”). Brigadier intends, however, to reserve the right to elect to effect the Takeover Offer by way of a contractual offer under Section 974 of the Companies Act 2006.

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

“**Announcement**” means the announcement of the Takeover Offer to be made by Brigadier under Rule 2.7 of the Code;

“**Business Day**” means any day (other than a Saturday or a Sunday) on which banks are open for general business in London;

“**Cash Confirmation Representation Letter**” means the letter of representation and undertaking dated on or around 11 March 2020 between, *inter alios*, Marquis UK Holdings LLC, the Borrower, Three Wishes Limited, World Asia Trading Limited, Regiment Acquisition Company Limited and Brigadier;

“**Cash Consideration**” means the aggregate maximum cash amount required by Brigadier to satisfy in full the cash consideration payable pursuant to the Takeover Offer;

“**Certain Funds Period**” means the period from the date of this Agreement up to and including the date of the earlier of:

- a) the Cash Consideration having been paid in full following either: (i) the effective date of the Scheme; or (ii) (if Brigadier has elected to effect the Takeover Offer by way of a contractual offer) such Takeover Offer becoming, or being declared, unconditional in all respects (and, where applicable, any “squeeze-out” period under sections 974-991 Companies Act 2006); or

- b) the Takeover Offer lapsing or being withdrawn (if implemented by way of contractual offer) or the Scheme not having become Effective on or prior to the Long-Stop Date (both as defined in the Announcement) as permitted by the Code or otherwise with the permission of the Panel;

“**Code**” means the City Code on Takeovers and Mergers;

“**Drawdown Date**” means the date on which a Loan is made, or is to be made.

“**Facility**” means the facility made available under this Agreement as described in Clause 2 (*Facility*);

“**Facility Limit**” means £12,217,905.76;

“**Loan**” has the meaning given in Clause 2(a); and

“**Repayment Date**” means, subject at all times to the provisions of clause 5 and the provisions of the Cash Confirmation Representation Letter, the earlier of five Business Days from (i) the date falling 9 months after the final date of the Certain Funds Period; and (ii) the date on which the Facility is refinanced (either by the Lender or a third party) or prepaid using the proceeds of an equity issuance by the Borrower; and (iii) the date on which repayment is demanded by the Lender.

1.2 Unless a contrary indication appears, a reference in this Agreement to:

- (a) any document or agreement is deemed to include a reference to such document or agreement as amended, novated, supplemented, extended or restated from time to time; and
- (b) the singular is deemed to include the plural and vice versa.

1.3 The title of any provision of this Agreement is for ease of reference only and will not affect the meaning of that or any other provision.

2. FACILITY

- (a) The Lender grants to the Borrower, upon the terms and conditions of this Agreement, an unsecured loan facility in sterling of a total principal amount not exceeding the Facility Limit, on the terms and subject to the conditions of this Agreement (the “**Loan**”).
- (b) The Loan shall be utilised in one instalment on or after the date of this Agreement.

3. PURPOSE

- 3.1 The Borrower shall apply amounts borrowed by it under the Facility for the purpose of providing a loan to Brigadier in order to fund part of the Cash Consideration only.
- 3.2 The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. DRAWDOWN

- 4.1 The Borrower may request a Loan by delivering a written drawdown request to the Lender on the proposed Drawdown Date (or such shorter time as agreed by the parties).
- 4.2 A drawdown request:
- (a) may only specify a single Loan;
 - (b) shall only be regarded as having been completed if:
 - (i) the requested Drawdown Date is a Business Day before the expiry of the Certain Funds Period; and
 - (ii) once it has been delivered, is irrevocable.

5. CERTAIN FUNDS

- 5.1 The Lender irrevocably and unconditionally undertakes at all times from the date of this Agreement to the expiry of the Certain Funds Period that it shall:
- (a) take all necessary action within its power to ensure that the Facility Limit shall continue to be available to the Borrower until the expiry of the Certain Funds Period for the purpose of satisfying its obligations to make a further loan to Brigadier in order to make any payment in respect of certain amounts of the Cash Consideration;
 - (b) continue to be the sole legal and beneficial owner of the Facility Limit;
 - (c) not create any security interest or encumbrance on, over or with respect to any of the Facility Limit;
 - (d) not sell, transfer, assign, part with any interest in, close or otherwise dispose of or deal with, the Facility Limit or agree to do any of the foregoing; and
 - (e) not require repayment of any Loan at any time prior to the expiry of the Certain Funds Period.

6. INTEREST

- 6.1 The Borrower shall not pay interest on the Loan.
- 6.2 If the Borrower fails to make any payment due under this Agreement on the due date for payment, interest on the unpaid amount shall accrue daily, from the date of non-payment of the date of actual payment at a rate of 5% per annum compounding monthly. Any interest accruing under this Clause 6.2 shall be immediately payable by the Borrower on demand by the Lender.

7. REPAYMENT, PREPAYMENT AND CANCELLATION

- 7.1 The Loan shall be repaid in full in one instalment on the Repayment Date, together with any accrued but unpaid interest, fees, costs and expenses thereon.

- 7.2 The Loan may be prepaid in whole or in part (as the case may be) from time to time following the expiry of the Certain Funds Period in such principal amount as may be agreed between the Borrower and the Lender (together with accrued interest thereon).
- 7.3 No amount repaid, prepaid or cancelled shall be available for redrawing thereafter.
- 7.4 All payments made by the Borrower under this Agreement shall be in sterling and in immediately available and cleared funds to the Lender at the bank account it may notify to the Borrower from time to time.
- 7.5 If any payment becomes due on a day which is not a Business Day, the due date of such payment will be extended to the next succeeding Business Day or, if that Business Day falls in the following calendar month, such due date shall be the immediately preceding Business Day.
- 7.6 If the Lender issues any certificate, determination or notification of a rate or any amount payable under this Agreement, it shall be conclusive evidence (in the absence of manifest error) of the matter to which it relates and shall contain reasonable details of the basis of the determination.

8. SET-OFF AND TAX

- 8.1 Save as required by law or otherwise agreed between the parties to this Agreement, all payments made by the Borrower under this Agreement shall be made in full without any set-off, counterclaim or condition.
- 8.2 All sums payable by the Borrower shall be paid without any withholding or deduction unless required by law, in which event the Borrower will (if required by the Lender) forthwith pay to the Lender such additional amount as will result in the receipt by the Lender of the full amount and will supply the Lender promptly with evidence satisfactory to it that the Borrower has accounted to the relevant authority for the sum withheld.

9. FEES, COSTS AND EXPENSES

The Borrower shall, within five Business Days of demand, pay to the Lender the amount of all costs and expenses (including, but not limited to, legal fees) incurred by the Lender in connection with the negotiation, preparation, enforcement of, or the preservation of any rights under, this Agreement.

10. NO ASSIGNMENT BY THE BORROWER

The Borrower may not assign and/or transfer any of its rights and/or obligations under this Agreement.

11. NOTICES

- 11.1 Each notice, request, demand or other communication under this Agreement shall be:
- (a) in writing, delivered personally or sent by pre-paid first-class letter or e-mail; and
 - (b) sent to the Borrower and the Lender at the addresses noted at in the signature pages hereto or to any other addresses that are notified by one party to the other.

- 11.2 Any notice or other communication given to the Lender shall be deemed to have been received:
- (a) if given by hand or by e-mail, on the day of actual delivery; and
 - (b) if posted, on the second Business Day following the day on which it was dispatched by pre-paid first-class post.
- 11.3 Any notice given pursuant to Clause 11.2 on a day which is not a Business Day (or after normal business hours in the place of receipt) shall be deemed to have been received on the next Business Day.
- 11.4 Any notice or other communication given by the Lender shall be deemed to have been given only on actual receipt by the Lender.

12. MISCELLANEOUS

- 12.1 No delay or omission on the part of the Lender in exercising any right, power or remedy under this Agreement, nor any single or partial exercise thereof, will preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies of the Lender under this Agreement are cumulative and not exclusive of any right, power or remedy provided by law.
- 12.2 If, at any time, any provision under this Agreement is or becomes illegal, invalid or unenforceable under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction will in any way be unaffected or impaired thereby.
- 12.3 This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of the Agreement.
- 12.4 A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.
- 12.5 This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

13. GOVERNING LAW AND JURISDICTION

- 13.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 13.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement whether of a contractual or non-contractual nature (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement).

IN WITNESS whereof the parties have executed this agreement the day and year first above written.

EXECUTION PAGE

LENDER

Signed by: _____)
For and on behalf of _____)
_____)

Address: _____
Contact: _____
E-mail: _____

BORROWER

Signed by: _____)
For and on behalf of _____)
_____)

Address:
Contact:
E-mail:

EXECUTION PAGE

LENDER

Signed by: _____)
For and on behalf of)
[Redacted])

Address:

Contact:

E-mail:

BORROWER

Signed by: [Redacted])
For and on behalf of) [Redacted]
[Redacted])

Address: [Redacted]

Contact: [Redacted]

E-mail: [Redacted]