

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**12 March 2020**

**RECOMMENDED CASH OFFER**

**for**

**MOSS BROS GROUP PLC**

**by**

**BRIGADIER ACQUISITION COMPANY LIMITED**

**to be effected by way of a Scheme of Arrangement**

**under Part 26 of the Companies Act 2006**

**Summary**

- The boards of Brigadier Acquisition Company Limited (“**Bidco**”) and Moss Bros are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Bidco, a company which is (i) majority owned by Regiment Acquisition Company Limited (“**Regiment**”) which is in turn majority owned and controlled by Menoshi (primarily known as ‘Michael’) Shina, the owner of Crew Clothing and (ii) minority owned by Marquis Holdco Limited (“**Marquis**”) which is in turn jointly owned and controlled by Anna Kentros, Grace Hutcher, and David Shalleck-Klein, for the entire issued and to be issued ordinary share capital of Moss Bros (the “**Acquisition**”). It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.
- Under the terms of the Acquisition, each Moss Bros Shareholder will be entitled to receive:
  - 22 pence in cash per Moss Bros Share (the “Offer Price”)**
- The Offer Price values the entire issued and to be issued ordinary share capital of Moss Bros at approximately £22.6 million on a fully diluted basis and represents a premium of approximately:
  - 60.6 per cent. to the Closing Price of 13.7 pence per Moss Bros Share on 11 March 2020 (being the last Business Day prior to this Announcement);
  - 30.2 per cent. to the volume weighted average Closing Price of 16.9 pence per Moss Bros Share for the one month period to 11 March 2020 (being the last Business Day prior to this Announcement); and
  - 10.6 per cent. to the volume weighted average Closing Price of 19.9 pence per Moss Bros Share for the six month period to 11 March 2020 (being the last Business Day prior to this Announcement).

- The Moss Bros Directors, who have been so advised by Peel Hunt and Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice, Peel Hunt and Rothschild & Co have taken into account the commercial assessments of the Moss Bros Directors. Peel Hunt is providing independent financial advice to the board of Moss Bros for the purposes of Rule 3 of the Code. Accordingly, the Moss Bros Directors intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and the Moss Bros Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as all of the Moss Bros Directors who hold Moss Bros Shares (in a personal capacity or through a nominee) have irrevocably undertaken to do in respect of their own beneficial holdings of 2,607,934 Moss Bros Shares (representing, in aggregate, approximately 2.6 per cent. of the Moss Bros Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement)).
- Bidco has also received an irrevocable undertaking from one of Moss Bros' largest Shareholders to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer) in respect of a total of 10,134,359 Moss Bros Shares (representing, in aggregate, approximately 10.1 per cent. of Moss Bros' Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement)).
- Full details of the irrevocable undertakings received by Bidco are set out in Appendix III to this Announcement.
- The purpose of the Scheme is to provide for Bidco to become the owner of the entire issued and to be issued ordinary share capital of Moss Bros. The Scheme will be put to Moss Bros Shareholders at the Court Meeting and at the General Meeting. In order to become effective, the Scheme must be approved by a majority in number of the Scheme Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares voted. The approval of the Resolutions by the requisite majority of the Moss Bros Shareholders at the General Meeting (to be held directly after the Court Meeting) is also required for the implementation of the Scheme.
- The Scheme Document will include full details of the Acquisition, together with notices of the Court Meeting and General Meeting. The Scheme Document will also contain the expected timetable for the Acquisition and will specify the necessary actions to be taken by Moss Bros Shareholders. The Scheme Document, together with the Forms of Proxy, will be despatched to Moss Bros Shareholders within 28 days of the date of this Announcement, unless Bidco and Moss Bros otherwise agree, and the Takeover Panel consents, to a later date.
- The Acquisition is expected to become Effective in the second quarter of calendar year 2020, subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document.

Commenting on the Acquisition, Menoshi Shina, Director of Bidco, said:

*“We are delighted that the directors are recommending our offer to acquire the business, as we greatly admire the heritage and 169 year history of Moss Bros and the quality and determination of its existing management team. We believe that Moss Bros can have a bright future in the private arena and are excited to contribute our expertise and assist in delivering the current strategy. We see the Acquisition as an opportunity to partner with an excellent management team to improve Moss Bros' financial performance and protect its heritage, brand and presence on the UK high street.”*

Commenting on the Acquisition, Colin Porter, Chairman of Moss Bros, said:

*“In September, the board of Moss Bros set out its strategy to drive Moss Bros’ long-term performance and we have seen some early positive results which support the Board’s confidence in Moss Bros as a standalone entity. However, the Board is also aware of the risks attached to executing this strategy in the current retail operating environment and as a publicly-listed company. Having considered a range of strategic options, the Board believes that the terms of the Acquisition, which offers a premium cash exit to Moss Bros’ Shareholders, fairly reflect the value of Moss Bros and its prospects, taking account of these risks.”*

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement and its Appendices. In particular, the Acquisition is subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings referred to in this Announcement. Appendix V contains definitions of certain terms used in this Announcement.**

**Enquiries:**

**Bidco**

**Tel: +1 (718) 213-4914**

Brian Walshe, Director

**Zeus Capital Limited (Financial Adviser to Bidco)**

**Tel: 0161 831 1512**

Jamie Peel

Dan Bate

**Moss Bros**

**Tel: 020 7447 7200**

Colin Porter, Chairman

Brian Brick, CEO

Bill Adams, CFO

**Peel Hunt LLP**

**Tel: 020 7418 8900**

**(Lead Financial Adviser and Rule 3 Adviser to Moss Bros)**

George Sellar

Michael Nicholson

**Rothschild & Co (Joint Financial Adviser to Moss Bros)**

**Tel: 020 7280 5000**

John Byrne

Andrew Graham

**Buchanan (Financial PR Adviser to Moss Bros)**

**Tel: 020 7466 5000**

Charles Ryland

Vicky Hayns

*Proskauer Rose (UK) LLP is retained as legal adviser to Bidco. CMS Cameron McKenna Nabarro Olswang LLP is retained as legal adviser to Moss Bros.*

### **Important notices relating to financial advisers**

*Zeus Capital Limited (which is authorised and regulated in the United Kingdom by the FCA), is acting as financial adviser exclusively for Bidco and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters set out in this Announcement and will not be responsible to anyone other than Bidco for providing the protections afforded to its clients or for providing advice in relation to any matter referred to herein.*

*Peel Hunt LLP (“Peel Hunt”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Moss Bros and no-one else in connection with the matters set out in this Announcement, and will not be responsible to anyone other than Moss Bros for providing the protections afforded to clients of Peel Hunt or for providing advice in connection with the Acquisition or any matter or arrangement referred to herein.*

*N.M. Rothschild & Sons Limited (“Rothschild & Co”), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Moss Bros and for no one else in connection with the Acquisition and will not be responsible to anyone other than Moss Bros for providing the protections afforded to its clients or for providing advice in connection with the Acquisition.*

### **Further information**

*This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of an offer to buy any securities or any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. The Acquisition will be made solely by means of the Scheme Document and the accompanying Forms of Proxy, which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote, approval, decision or other response to the Acquisition should be made only on the basis of the information in the Scheme Document. Scheme Shareholders are strongly advised to read the formal documentation in relation to the Acquisition once it has been despatched.*

*This Announcement has been prepared for the purpose of complying with English law, the Listing Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

### **Overseas shareholders**

*The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and may affect the availability of the Acquisition to persons who are not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their Moss Bros Shares at the Court Meeting or the*

*General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their Moss Bros Shares in respect of the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.*

*Any failure to comply with the applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.*

*The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement and formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this Announcement (including custodians, nominees and trustees) must not distribute or send it into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer and extended into the US, Bidco will do so in satisfaction of the procedural and filing requirements of the US securities laws at that time, to the extent applicable thereto. The Acquisition relates to the shares of a UK company and it is proposed to be made by means of a scheme of arrangement provided for under the laws of England and Wales. The Scheme will relate to the shares of a UK company that is a "foreign private issuer" as defined under Rule 3b-4 under the US Exchange Act of 1934, as amended (the "US Exchange Act"). A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy solicitation and tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of US shareholder vote, proxy solicitation and tender offer rules.*

*However, if Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer shall be made in compliance with all applicable laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such Takeover Offer would be made in the US by Bidco and no one else. In addition to any such Takeover Offer, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Moss Bros outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase are made they would be made outside the United States in compliance with applicable law, including the US Exchange Act.*

*None of the securities referred to in this Announcement have been approved or disapproved by the US Securities and Exchange Commission, any states securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.*

*The receipt of cash pursuant to the Acquisition by a US holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and under applicable United States state and local, as well as foreign and other, tax laws. Each Moss Bros Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him or her.*

*It may be difficult for US holders to enforce their rights and claims arising out of the US federal securities laws, since Bidco is located in a country other than the US, and some or all of their officers and directors may be residents of countries other than the US. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further,*

*it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

**Financial statements, and all financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial statements of US companies or other companies whose financial statements are prepared in accordance with US generally accepted accounting principles.**

***Cautionary note regarding forward-looking statements***

*This Announcement (including any information incorporated by reference in this Announcement) may contain certain "forward-looking statements" with respect to Bidco or Moss Bros. These forward-looking statements can be identified by the fact that they are prospective in nature and do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "aims", "projects", "strategy", "believe", "will", "may", "should", "would", "could" or other words or terms of similar substance, meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Bidco Group or the Moss Bros Group and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of the Bidco Group or the Moss Bros Group.*

*Such forward looking statements are not guarantees of future performance. By their nature, because they relate to events and depend on circumstances that will occur in the future, these forward-looking statements involve known and unknown risks, uncertainties that could significantly affect expected results and are based on certain key assumptions and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such forward-looking statements.*

*These factors include, but are not limited to, the satisfaction of the Conditions to the Acquisition, as well as additional factors, such as changes in political and economic conditions, changes in the level of capital investment, retention of key employees, changes in customer habits, success of business and operating initiatives and restructuring objectives, impact of any acquisitions or similar transactions, changes in customers' strategies and stability, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and/or exchange rates and the outcome of any litigation.*

*These forward-looking statements are based on numerous assumptions regarding present and future strategies and environments. You are cautioned not to place any reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Bidco or Moss Bros or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Announcement. Bidco and Moss Bros disclaims any, and assumes no obligation to update publicly or revise any forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.*

***No profit forecasts or estimates***

*For the purposes of Rule 28 of the Code, the Moss Bros Ordinary Course Profit Forecast constitutes a profit estimate. The Moss Bros Ordinary Course Profit Forecast is repeated and confirmed by the Moss Bros Directors in Appendix IV of this Announcement, in line with the requirements of Rule 28.1(c) of*

*the Code. For the purposes of Rule 28 of the Code, the Moss Bros Ordinary Course Profit Forecast is the responsibility of Moss Bros and the Moss Bros Directors.*

*Other than the Moss Bros Ordinary Course Profit Forecast, no statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per ordinary share for Bidco or Moss Bros respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share for Bidco or Moss Bros respectively.*

### ***Right to switch to a Takeover Offer***

*Bidco reserves the right to elect (with the consent of the Takeover Panel and Moss Bros) to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of Moss Bros as an alternative to the Scheme. In the circumstance where the board of Moss Bros withdraws its recommendation of, or ceases to unanimously recommend, the Acquisition, Bidco reserves the right to switch to a Takeover Offer without the consent of Moss Bros. In either such event, the Takeover Offer will be implemented on substantially the same terms and conditions (subject to appropriate amendments) or, so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Appendix I to this Announcement.*

### ***Publication on website and availability of hard copies***

*This Announcement and the documents required to be published pursuant to Rule 26.1 of the Code will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Bidco's website at [www.brigadieruk.co.uk](http://www.brigadieruk.co.uk) and Moss Bros' website at <https://corp.moss.co.uk> by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.*

*In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting Zeus Capital on 0161 831 1512. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### ***Information relating to Moss Bros Shareholders***

*Please be aware that addresses, electronic addresses and certain information provided by Moss Bros Shareholders, persons with information rights and other relevant persons for the receipt of communications from Moss Bros may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

### ***Rounding***

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*



### ***Dealing and opening position disclosure requirements of the Code***

*Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.*

*An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure. Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror, and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Takeover Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### ***Rule 2.9 requirement***

*In accordance with Rule 2.9 of the Code, Moss Bros confirms that as at the date of this Announcement, it has in issue and admitted to trading on the Main Market 100,799,873 ordinary shares of 5 pence each. The ISIN of the Moss Bros Shares is GB0006056104.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**12 March 2020**

**RECOMMENDED CASH OFFER**

**for**

**MOSS BROS GROUP PLC**

**by**

**BRIGADIER ACQUISITION COMPANY LIMITED**

**to be effected by way of a Scheme of Arrangement**

**under Part 26 of the Companies Act 2006**

**1. Introduction**

The boards of Bidco and Moss Bros are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Bidco, a company which is (i) majority owned by Regiment which is in turn majority owned and controlled by Menoshi (primarily known as ‘Michael’) Shina, the owner of Crew Clothing and (ii) minority owned by Marquis which is in turn jointly owned and controlled by Anna Kentros, Grace Hutcher, and David Shalleck-Klein, for the entire issued and to be issued ordinary share capital of Moss Bros (the “**Acquisition**”). It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

**2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document, each Moss Bros Shareholder will be entitled to receive:

**22 pence in cash per Moss Bros Share (the “Offer Price”)**

The Offer Price values the entire issued and to be issued ordinary share capital of Moss Bros at approximately £22.6 million and represents a premium of approximately:

- 60.6 per cent. to the Closing Price of 13.7 pence per Moss Bros Share on 11 March 2020 (being the last Business Day prior to this Announcement);
- 30.2 per cent. to the volume weighted average Closing Price of 16.9 pence per Moss Bros Share for the one month period to 11 March 2020 (being the last Business Day prior to this Announcement); and
- 10.6 per cent. to the volume weighted average Closing Price of 19.9 pence per Moss Bros Share for the six month period to 11 March 2020 (being the last Business Day prior to this Announcement).

If any dividend or other distribution and/or return of capital in respect of the Moss Bros Shares is declared, paid or made on or after the date of this Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each Moss Bros Share under the terms of the Acquisition by the amount per Moss Bros Share of such dividend, distribution and/or return of capital, in which case any reference in this Announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration payable as so reduced. In such circumstances Moss Bros Shareholders would be entitled to retain any such dividend, distribution and/or return of capital.

### **3. Background to and reasons for the Acquisition**

The ultimate shareholders of Bidco believe Moss Bros is an attractive asset given its long history and heritage in the UK apparel and retail market, and its resilient performance in the face of sector headwinds and believe that the collective experience of Bidco's ultimate shareholders and connected parties will be of use to Moss Bros' management in helping to inform and implement strategic plans, and ultimately protect the Moss Bros heritage and brand.

Further, the ultimate shareholders of Bidco believe that Moss Bros can have a bright future. They have confidence in Moss Bros' current management team and their leadership of the Company, and believe that they have done an admirable job leading the Company given the current challenging retail environment and the demands of being a publicly-listed company. The ultimate shareholders of Bidco support management's existing strategy and intend to work with Moss Bros' current management team to develop, enhance and implement that strategy following the Acquisition.

### **4. Management, employees and locations of the Moss Bros Group**

#### Overall Strategic Plan for Moss Bros

In order to promote the Company's future success and growth, Bidco intends to focus on increasing Moss Bros' profitability through initiatives designed to lower Moss Bros' cost of goods sold. Bidco intends primarily to achieve this by leveraging the expertise of Bidco's shareholders to become more efficient and strategic in sourcing the Company's core products. Between this initiative, enhancing the Company's e-commerce business, cutting out costs related to being a public company, and following management's existing long-term strategy to grow sales, Bidco believes that it can enhance Moss Bros' performance.

#### Intentions with Respect to Moss Bros' Directors

Bidco greatly values the skills, knowledge and expertise of Moss Bros' current management team. Following the Acquisition, Moss Bros intends to continue the employment of both existing Executive Directors of Moss Bros — Brian Brick (Chief Executive Officer) and Bill Adams (Chief Financial Officer and Company Secretary). Bidco has faith in their leadership and has no plans to materially change their roles in the next twelve months.

Upon completion of the Acquisition, each of the five non-executive directors of Moss Bros will resign from the board of Moss Bros. Bidco intends that, upon receiving the resignations of the non-executive directors, the Company will make payments in lieu of their contractual notice periods.

Following completion of the Acquisition, Bidco intends to review the management incentive structure of Moss Bros. Whilst there have been limited discussions with Moss Bros regarding common market practice in this area, Bidco has not had any discussions regarding the quantum of any such arrangement with the management team. No terms have been agreed, nor will be, prior to completion of the Acquisition. Following completion of the Acquisition, Bidco intends to commence such discussions and put in place appropriate incentive arrangements for members of the management of Moss Bros.

### Intentions with Respect to Moss Bros' Employees

Bidco believes that the expertise and experience of Moss Bros' employees are a key factor in the ongoing success of the Company. Accordingly, Bidco intends that, following completion of the Acquisition, the existing contractual and statutory employment rights of all Moss Bros management and employees, including with regard to pensions, will be fully safeguarded in accordance with applicable law. Bidco does not intend to make any material changes to the conditions of employment or the balance of skills and functions of Moss Bros' employees as a result of the Acquisition. Bidco does not intend to make any change to the benefits provided by Moss Bros' defined contribution pension arrangements and intends for the employer to make contributions in line with the current arrangements.

Bidco's core strategic plan for increasing the Company's profitability is focused on improved sourcing. As such, except in connection with store closures (as noted below), Bidco does not intend to make material headcount reductions within Moss Bros as a result of the Acquisition.

### Intentions with Respect to Moss Bros' Retail Store Locations

Bidco does not intend to make large-scale reductions in the number of Moss Bros' current portfolio of retail stores over the next 12 months. However, based on the guidance and strategic priorities of existing management, Moss Bros may close certain underperforming retail locations. Any such store closings, as well as any new store openings, would be in the ordinary course of Moss Bros' business as it has been operated over the past several years. Based on discussions with Moss Bros' management regarding their existing plans and strategies, Bidco does not intend that net store closures within the first 12 months of ownership (taking into account any stores opened during the period) would exceed 5 stores, of the current total portfolio of 127 stores. Any such store closures may result, directly or indirectly, in the reduction of headcount associated with those stores. Beyond the ordinary course store closings or openings mentioned above, there are no further plans to change or redeploy the fixed assets of Moss Bros.

### Intentions with Respect to Moss Bros' Headquarters and Distribution Centre

Bidco intends to keep Moss Bros' headquarters and headquarter functions in Clapham Junction, and, subject to securing a satisfactory lease renewal, its Distribution Centre in Barking, following the Acquisition. Bidco does not intend to make any material changes in the locations of Moss Bros' places of business beyond ordinary course retail store openings and closings.

### Other Items

Owing to the nature of the business, Moss Bros has no research and development function. Bidco has no plans to change this.

## **5. Recommendation by Moss Bros Directors**

The Moss Bros Directors, who have been so advised by Peel Hunt and Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Moss Bros Directors, Peel Hunt and Rothschild & Co have taken into account the commercial assessments of the Moss Bros Directors. Peel Hunt is providing independent financial advice to the board of Moss Bros for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Moss Bros Directors intend to recommend unanimously that Moss Bros Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, as the Moss Bros Directors have irrevocably undertaken to do in respect of their

own beneficial holdings of 2,607,934 Moss Bros Shares (representing, in aggregate, approximately 2.6 per cent. of the Moss Bros Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement)).

## 6. Background to and reasons for the Moss Bros Directors' recommendation

At the time of its 2019/20 interim results on 24 September 2019, Moss Bros set out a clear and comprehensive strategy to transform the way in which it operates to better address the needs of its core mainstream aspirational customer group. Moss Bros identified a number of key strategic levers to drive long-term performance including: an evolution of the Moss Bros brand; improving its buying and merchandising; focusing further on www.moss.co.uk, marketplaces and Tailor Me; improving store profitability; and managing the Hire business.

On 16 January 2020, Moss Bros provided a trading update for the 24 week period to 11 January 2020. The period demonstrated early positive signs for the key new initiatives set out above, notably 'Tailor Me', which saw a 55 per cent. increase in orders across the period versus the same period in the previous financial year ("**Prior Period**"), whilst online sales comprised 17.0 per cent. of the Moss Bros Group's total sales, up from 16.6 per cent. during the Prior Period. Moss Bros remains debt free with cash resources to fund the working capital requirements of the Moss Bros Group through the year and, over time, the investment in new initiatives.

However, also in the January trading update, Moss Bros disclosed that total sales decreased 3.2 per cent. on a like for like basis versus the Prior Period. Retail sales, which comprise over 92 per cent. of Moss Bros' revenue, declined by 1.8 per cent. on a like for like basis over the same period. As a result, Moss Bros announced that it expected a full year 2019/20 adjusted loss before tax (pre-IFRS 16) of approximately £1m (the "**Moss Bros Ordinary Course Profit Forecast**"). Further details of the Moss Bros Ordinary Course Profit Forecast are included in Appendix IV.

This performance reflects the significant challenges affecting both UK high street retailers generally and Moss Bros specifically. The board of Moss Bros considers that the following factors have impacted Moss Bros' operating and share price performance:

- weaker consumer confidence since the UK's decision to exit the European Union on 23 June 2016 ("Brexit") that has negatively impacted UK consumer spending;
- materially lower levels of footfall across the high streets and shopping centres of the UK;
- disproportionate occupancy costs for doing business in physical retail stores, versus online;
- a trend amongst consumers away from suit hire for occasionwear;
- previous supply chain issues following the consolidation of Moss Bros' supplier base; and
- most recently, the highly uncertain, but potentially significant, impact of COVID-19.

Additionally, the board of Moss Bros considers that the lack of liquidity in Moss Bros' shares and limited institutional shareholder interest have affected its share price performance.

Whilst the board of Moss Bros remains confident in the longer term prospects of the business and is encouraged by the early positive signs set out in the January trading update, many of the headwinds set out above remain as potential risks attached to executing the new strategy and delivering value to Moss Bros Shareholders. Further to this, the board of Moss Bros is mindful of the challenges associated with executing a new strategy (particularly one which requires upfront investment to deliver long-term gains) as a publicly listed company. The board of Moss Bros believes that, with potential access to additional private capital, it will be possible to invest behind new initiatives faster and more flexibly.

Finally, the board of Moss Bros regularly considers all options to deliver incremental value to Moss Bros shareholders as a standalone business and through investigating possible strategic combinations and partnerships. It is within this context that the board of Moss Bros has considered the Acquisition.

The board of Moss Bros believes that the Acquisition fairly reflects Moss Bros' current market position and its prospects on a standalone basis, while also providing the opportunity for Moss Bros to conduct its business and execute its strategy without incurring the costs and restraints attached to being a publicly listed company. The Acquisition will allow Moss Bros Shareholders to realise their investments in full in cash at a material premium to the prevailing share price. Therefore, the board of Moss Bros has concluded that the Acquisition is in the best interests of the Moss Bros Shareholders and it represents the best option for Moss Bros, its Shareholders and its employees and therefore intends to recommend unanimously that Moss Bros Shareholders accept, or procure the acceptance of, the Acquisition.

## **7. Irrevocable undertakings**

Bidco has received irrevocable undertakings from each of the Moss Bros Directors to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer) from all of the Moss Bros Directors who hold Moss Bros Shares (in a personal capacity or through a nominee) in respect of their entire beneficial holdings of Moss Bros Shares, amounting, in aggregate, to 2,607,934 Moss Bros Shares (representing, in aggregate, approximately 2.6 per cent. of the Moss Bros Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement)).

Bidco has also received an irrevocable undertaking from one of Moss Bros' largest Shareholders to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer) in respect of a total of 10,134,359 Moss Bros Shares (representing, in aggregate, approximately 10.1 per cent. of Moss Bros' Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement)).

Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.

## **8. Information on Bidco**

### ***Bidco***

Bidco is a newly incorporated company, incorporated in England and Wales, formed for the purposes of implementing the Acquisition. Bidco is a company majority owned by Regiment and minority owned by Marquis. Regiment is indirectly majority owned and controlled by Menoshi (primarily known as 'Michael') Shina, the owner of Crew Clothing. Marquis is indirectly jointly owned and controlled by Anna Kentros, Grace Hatcher, and David Shalleck-Klein. The investors in Marquis have strong connections within the global apparel sector via members of their immediate and extended families and other connected parties.

Bidco's current directors are Menoshi Shina and Brian Walshe. Bidco, via the collective experience of Menoshi Shina and the families of the Marquis investors, has substantial experience in the global apparel and garment retail sector, and plan to bring this experience and the related contact base to bear in executing the strategic intentions outlined in paragraph 4 of this Announcement. Brian Walshe plans to provide Bidco with valuable insight into Moss Bros' business and management's strategic vision through his extensive experience as a chartered accountant working in financial and accounting roles at consumer product goods companies.

Bidco has not traded since incorporation, nor has it entered into any obligations other than in connection with implementation of the Acquisition. Further details on Bidco will be contained in the Scheme Document.

## **9. Information on Moss Bros**

Moss Bros retails and hires formal wear for men, predominantly in the UK. By drawing upon its 168 years of tailoring experience, it provides in-depth formal wear knowledge and expertise – adapting the latest trends whilst staying true to its heritage. It aims to be the first choice for men’s tailoring.

Moss Bros previously announced that it will announce its Preliminary Results on 25 March 2020. As a result of the Acquisition, the Company proposes postponing the announcement of these results. The Company is required to announce these results at the latest by 25 May 2020.

## **10. Moss Bros Share Plans**

The Acquisition will affect participants in the Moss Bros Share Plans. Appropriate proposals will be made to the holders of such options and awards in accordance with Rule 15 of the Code, and each grant of such options and awards shall be treated in accordance with the rules applicable to it. Further details of these arrangements will be communicated to participants of the Moss Bros Share Plans in due course.

## **11. Financing**

The cash consideration payable by Bidco under the terms of the Acquisition will be funded by unsecured loans from Regiment and Marquis, being the immediate shareholders of Bidco. In turn, Marquis has been provided with unsecured debt funding by Adnar Finance LLC, a limited liability company engaged primarily in commercial lending to consumer product companies. Regiment has been provided with unsecured shareholder debt finance provided by its ultimate shareholder, Menoshi Shina. Bidco intends to introduce an asset backed lending facility post completion of the Acquisition.

Zeus Capital Limited, financial adviser to Bidco, is satisfied that sufficient cash resources are available to Bidco to satisfy in full the Cash Consideration payable to Moss Bros Shareholders in connection with the Acquisition.

## **12. Offer-related arrangements**

Bidco and Moss Bros entered into a confidentiality and standstill agreement on 31 December 2019 (the "**Confidentiality Agreement**") pursuant to which Bidco has undertaken, amongst other things: (i) to keep confidential information relating to the Acquisition and Moss Bros and not to disclose it to third parties (other than to permitted parties) unless required by law or regulation; and (ii) to use the confidential information only in connection with Bidco’s appraisal of Moss Bros for the purpose of negotiations in connection with the Acquisition. These confidentiality obligations remain in force until the earlier of the second anniversary of the date of the Confidentiality Agreement and the date of completion of the acquisition of Moss Bros by Bidco.

The Confidentiality Agreement also contains customary undertakings from Bidco that, in connection with the Acquisition, it will only make contact with any employees, directors or advisers of any member of the Moss Bros Group whom Bidco know from its dealings with Moss Bros are aware of the proposed Acquisition or who are notified to Bidco by Moss Bros in writing.

The Confidentiality Agreement also includes customary non-solicitation and standstill obligations on Bidco.

### **13. Structure of the Acquisition**

#### ***Scheme***

The Acquisition will be effected by a Court-sanctioned scheme of arrangement between Moss Bros and the Scheme Shareholders under Part 26 of the Companies Act. The purpose of the Scheme is to provide for Bidco to become the owner of the entire issued and to be issued ordinary share capital of Moss Bros. Under the Scheme, the Acquisition is to be achieved by the:

- transfer of the Scheme Shares held by Scheme Shareholders to Bidco in consideration for which the Scheme Shareholders will receive the Cash Consideration; and
- passing of the Resolutions at the General Meeting (including amendments to Moss Bros' Articles to ensure that any Moss Bros Shares issued between approval of the Scheme at the Court Meeting and the Scheme Record Time will be subject to the Scheme and that any Moss Bros Shares issued after the Scheme Record Time will automatically be acquired by Bidco).

#### ***Approval by Court Meeting and General Meeting***

To become Effective, the Scheme requires, amongst other things, the:

- a) approval of a majority in number of the Scheme Shareholders who are entitled to vote, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares voted, either in person or by proxy, at the Court Meeting; and
- b) approval by the requisite majority of the Resolutions at the General Meeting (to be held directly after the Court Meeting) necessary in order to implement the Scheme.

#### ***Application to Court to sanction the Scheme***

Once the approvals have been obtained at the Court Meeting and the General Meeting and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court at the Court Hearing (with or without modification but subject to any modification being on terms acceptable to Bidco and Moss Bros).

The Scheme will become Effective in accordance with its terms on delivery of the Court Order to the Registrar of Companies. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or General Meeting, or whether they voted in favour of or against the Scheme and the Cash Consideration will be despatched in accordance with the timeline set out in the Scheme Document.

#### ***Full details of the Scheme to be set out in the Scheme Document***

The Scheme Document will include full details of the Scheme, including the expected timetable and the necessary actions to be taken by Scheme Shareholders. The Scheme will be governed by the laws of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange and the FCA.

The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Moss Bros Shareholders within 28 days of the date of this Announcement, unless Bidco and Moss Bros otherwise agree, and the Takeover Panel consents to, a later date. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Bidco's website at [www.brigadieruk.co.uk](http://www.brigadieruk.co.uk) and on Moss Bros' website at <https://corp.moss.co.uk>.



As the Company is regulated by the FCA under the Consumer Credit Act on the basis that it provides credit to its customers in hiring its suits, the Acquisition requires the consent of the FCA to the change of control which is one of the Conditions set out in Appendix 1.

Subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix I, Bidco and Moss Bros currently expect the Acquisition to become Effective during the second quarter of calendar year 2020.

If the Scheme does not become Effective on or before the Long Stop Date (or such later date as Bidco and Moss Bros may, with the consent of the Takeover Panel and, if required, the Court, agree) it will lapse and the Acquisition will not proceed (unless the Takeover Panel otherwise consents).

### ***Right to switch to a Takeover Offer***

Bidco reserves the right to elect (with the consent of the Takeover Panel and Moss Bros) to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of Moss Bros as an alternative to the Scheme. In the circumstance where the board of Moss Bros withdraws its recommendation of, or ceases to unanimously recommend, the Acquisition, Bidco reserves the right to switch to a Takeover Offer without the consent of Moss Bros. In either such event, the Takeover Offer will be implemented on substantially the same terms and conditions (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Appendix I to this Announcement.

## **14. Conditions**

The Acquisition will be subject to the satisfaction or (where applicable) waiver of the Conditions and further terms set out in Appendix I to this Announcement, and to the full terms and conditions which will be set out in the Scheme Document.

## **15. De-listing and re-registration**

It is intended that an application will be made to the FCA to cancel trading of the Moss Bros Shares on the Main Market and to cancel listing of the Moss Bros Shares on the Daily Official List to take effect shortly after the Effective Date. The last day of dealings in Moss Bros Shares on the Main Market is expected to be the Business Day after the Court Hearing and no transfers will be registered after 6.00 p.m. (London time) on that date.

On the Effective Date, Moss Bros will become a wholly-owned subsidiary of Bidco and share certificates in respect of the Moss Bros Shares will cease to be valid and should be destroyed. In addition, entitlements to Moss Bros Shares held within the CREST system will be cancelled on the Effective Date.

As soon as practicable after the Effective Date and after the Moss Bros Shares are delisted, it is intended that Moss Bros will be re-registered as a private limited company under the relevant provisions of the Companies Act.

## **16. Disclosure of interests in Moss Bros**

As at the close of business on 11 March 2020, being the last Business Day prior to this Announcement, save for the irrevocable undertakings referred to in paragraph 7 (*Irrevocable Undertakings*) above, none of Bidco or any director of Bidco or any member of the Bidco Group, or so far as Bidco is aware, any person acting, or deemed to be acting, in concert with Bidco (within the meaning of the Code):

- a) had an interest in, or right to subscribe for, relevant securities of Moss Bros;

- b) had any short position in (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, relevant securities of Moss Bros;
- c) had procured an irrevocable commitment to accept the terms of the Acquisition in respect of relevant securities of Moss Bros; or
- d) had borrowed or lent any Moss Bros Shares (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code) save for any borrowed shares which have been neither on-lent or resold.

Furthermore, save for the irrevocable undertakings described in paragraph 7 (*Irrevocable Undertakings*) above, no arrangement exists between Bidco or Moss Bros or a person acting in concert with Bidco or Moss Bros in relation to Moss Bros Shares. For these purposes, an “arrangement” includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to Moss Bros Shares which may be an inducement to deal or refrain from dealing in such securities.

## **17. General**

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Moss Bros Shareholders and, for information only, to persons with information rights within 28 days of the date of this Announcement, unless Bidco and Moss Bros otherwise agree, and the Takeover Panel consents, to a later date.

In deciding whether or not to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, Moss Bros Shareholders should rely on the information contained, and follow the procedures described, in the Scheme Document.

Zeus Capital Limited, Peel Hunt LLP and Rothschild & Co have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

Appendix I contains the Conditions and certain further terms of the Acquisition. Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings referred to in this Announcement. Appendix V contains definitions of certain terms used in this Announcement.

## **18. Documents on display**

Copies of this Announcement and the following documents will, by no later than 12 noon on the Business Day following the date of this Announcement, be made available on Bidco’s website at [www.brigadieruk.co.uk](http://www.brigadieruk.co.uk) and Moss Bros’ website at <https://corp.moss.co.uk> until the end of the Offer Period:

- the Confidentiality Agreement;
- the irrevocable undertakings referred to in paragraph 7 (*Irrevocable Undertakings*) above and described in Appendix III to this Announcement;
- loan agreements referred to in paragraph 11 (*Financing*) above; and
- consent letters from (i) Zeus Capital Limited (ii) Peel Hunt LLP and (iii) Rothschild & Co.

The contents of the websites of each of Bidco and Moss Bros are not incorporated into and do not form part of this Announcement.

## APPENDIX I

### CONDITIONS AND CERTAIN FURTHER TERMS OF THE ACQUISITION

#### Part A: Conditions of the Scheme and the Acquisition

The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the Code, by no later than the Long Stop Date:

1. The Scheme shall be subject to the following conditions:
  - (a) its approval by a majority in number of the Scheme Shareholders and who are present and vote, whether in person or by proxy, at the Court Meeting (and at any separate class meeting which may be required by the Court) or any adjournment of any such meeting and who represent 75 per cent. in value of the Scheme Shares voted by those Moss Bros Shareholders;
  - (b) the passing of the Resolutions by the requisite majority of Moss Bros Shareholders at the General Meeting to be set out in the Scheme Document (or such later date, if any, as Bidco and Moss Bros may agree and the Court may allow);
  - (c) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Bidco and Moss Bros);
  - (d) delivery of a copy of the Court Order to the Registrar of Companies;
2. In addition, subject, as stated in Part B below and to the requirements of the Takeover Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the Court Order shall not be delivered to the Registrar of Companies unless such Conditions (as amended, if appropriate) have been satisfied (and continue to be satisfied pending the commencement of the Court Hearing) or, where relevant in respect of paragraph (b) onwards, waived in writing prior to the Scheme being sanctioned by the Court:

#### Clearances

- (a) in respect of each notice under section 178 of FSMA which Bidco or any other person who has decided to acquire or increase control over any member of the Moss Bros Group which is a UK authorised person (as such term is defined in section 191G of FSMA) is under a duty to give in connection with the proposed implementation of the Acquisition:
  - (i) the FCA having given notice in writing pursuant to section 189(4)(a) of FSMA that it has determined unconditionally to approve such acquisition or increase in control pursuant to section 185 of FSMA;
  - (ii) the FCA having given notice in writing pursuant to section 189(7) of FSMA to approve such acquisition or increase in control pursuant to section 185 of FSMA subject to condition(s) specified in the decision notice and such condition(s) being satisfactory to the relevant proposed controller(s) who are subject to the condition(s) (such controller(s) acting reasonably); or
  - (iii) the FCA being treated, under section 189(6) of FSMA, as having approved such acquisition or increase in control;
- (b) in relation to the United Kingdom, in the event that, prior to the satisfaction and/or contractual waiver (as applicable) of Conditions 1(a), (b) and 2(a) herein, the

Competition and Markets Authority (the “CMA”) formally commences a Phase 1 investigation in accordance with section 35ZA(3)(b) of the Enterprise Act 2002, the CMA deciding pursuant to section 33 of the Enterprise Act 2002 that a CMA Phase 2 Reference will not be made;

- (c) no Third Party having decided, threatened or given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted or made any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to (in any case to an extent or in a manner which is material in the context of the Acquisition or the Wider Moss Bros Group or the Wider Bidco Group as the case may be, in each case, taken as a whole):
- (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Bidco Group or by any member of the Wider Moss Bros Group of all or any material part of their respective businesses, assets, property or any shares or other securities (or the equivalent) in any member of the Wider Moss Bros Group or any member of the Wider Bidco Group or impose any material limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their respective assets or properties (or any part thereof);
  - (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act in the event that Bidco elects to implement the Acquisition by way of a Takeover Offer, require any member of the Wider Bidco Group or the Wider Moss Bros Group to acquire or offer to acquire shares, other securities (or the equivalent) or interest in any member of the Wider Moss Bros Group or any asset owned by any Third Party (other than in connection with the implementation of the Acquisition);
  - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Bidco Group, directly or indirectly, to acquire, hold or exercise effectively all or any rights of ownership in respect of shares or other securities in Moss Bros or on the ability of any member of the Wider Moss Bros Group or any member of the Wider Bidco Group, directly or indirectly, to hold or exercise effectively all or any rights of ownership in respect of shares or any other securities (or the equivalent) in, or to exercise voting or management control over, any other member of the Wider Moss Bros Group;
  - (iv) except as Disclosed, result in any member of the Wider Moss Bros Group ceasing to be able to carry on business under any names under which it currently carries on business;
  - (v) make the Acquisition, its implementation or the acquisition of any shares or other securities in, or control or management of, Moss Bros by any member of the Wider Bidco Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly materially prevent or prohibit, restrict, restrain or delay or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge, impede, interfere or require material amendment to the terms of the Acquisition or the acquisition of any shares or other securities

in, or control or management of, Moss Bros by any member of the Wider Bidco Group;

- (vi) impose any material limitation on, or result in material delay in, the ability of any member of the Wider Bidco Group or any member of the Wider Moss Bros Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider Moss Bros Group in a manner which is material and adverse to the Wider Bidco Group and/or the Wider Moss Bros Group;
- (vii) require any member of the Wider Moss Bros Group to relinquish, terminate or amend in any material way any material contract to which any member of the Wider Moss Bros Group is a party in a manner which is material and adverse to the Wider Bidco Group and/or the Wider Moss Bros Group;
- (viii) otherwise materially adversely affect all or any of the business, assets, liabilities, profits, financial or trading position or prospects of any member of the Wider Moss Bros Group; or

#### **Notifications, waiting periods and authorisations**

- (d) all notifications, filings or applications which are necessary in connection with the Acquisition having been made and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with, in each case, in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Moss Bros by any member of the Wider Bidco Group where the direct failure to make such a notification, filing or application or to wait for the expiry, lapse or termination of any such waiting period would be unlawful in any relevant jurisdiction;

#### **Moss Bros Shareholder resolution**

- (e) except with the consent or the agreement of Bidco, no resolution of Moss Bros Shareholders in relation to any acquisition or disposal of assets or shares (or the equivalent thereof) in any undertaking or undertakings (or in relation to any merger, demerger, consolidation, reconstruction, amalgamation or scheme) being passed at a meeting of Moss Bros Shareholders other than in relation to the Acquisition or the Scheme and, other than with the consent or the agreement of Bidco, no member of the Wider Moss Bros Group having taken (or agreed or proposed to take) any action that requires, or would require, the consent of the Takeover Panel or the approval of Moss Bros Shareholders in accordance with, or as contemplated by, Rule 21.1 of the Code;

#### **Certain matters arising as a result of any arrangement, agreement, etc.**

- (f) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Moss Bros Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Bidco Group of any shares or other securities in Moss Bros or because of a change in the control or management of any member of the Wider Moss Bros Group or otherwise, would reasonably be expected to result in (in each case to an extent which is material and adverse in the context of the Wider Moss Bros Group taken as a whole):

- (i) any monies borrowed by, or any other indebtedness or liabilities, actual or contingent, of, or any grant available to, any member of the Wider Moss Bros Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any material part of the business, property or assets of such member of the Wider Moss Bros Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider Moss Bros Group being adversely modified or adversely affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider Moss Bros Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider Moss Bros Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Moss Bros Group in or with any other person or body or firm or company (or any arrangement relating to any such interests or business) being terminated, or adversely modified or materially affected or any onerous obligation or liability arising or any material adverse action being taken thereunder;
- (vi) any member of the Wider Moss Bros Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) the financial or trading position of, any material member of the Wider Moss Bros Group being materially prejudiced or adversely affected; or
- (viii) the creation of any material liability (actual or contingent) by any member of the Wider Moss Bros Group other than trade creditors or other liabilities incurred in the ordinary course of business,
- (ix) and, except as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Moss Bros Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might reasonably be

expected to result in any of the events or circumstances as are referred to in Conditions (i) to (viii) above, in each case to the extent material and adverse in the context of the Wider Moss Bros Group;

**Certain events occurring since 27 July 2019**

- (g) except as Disclosed, no member of the Wider Moss Bros Group having since 27 July 2019:
- (i) issued or agreed to issue or authorised or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised the transfer or sale of Moss Bros Shares out of treasury (except, where relevant, as between Moss Bros and wholly-owned subsidiaries of Moss Bros or between the wholly-owned subsidiaries of Moss Bros);
  - (ii) recommended, declared, paid or made, or proposed to, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of Moss Bros to Moss Bros or any of its wholly-owned subsidiaries;
  - (iii) other than pursuant to the Acquisition (and except for transactions between Moss Bros and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Moss Bros and transactions in the ordinary course of business) implemented, effected, authorised or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material and adverse in the context of the Wider Moss Bros Group taken as a whole;
  - (iv) except for transactions between Moss Bros and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Moss Bros and except for transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised or announced any intention to do so to an extent which is material and adverse in the context of the Wider Moss Bros Group taken as whole;
  - (v) except for transactions between Moss Bros and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Moss Bros issued, authorised or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability (other than as incurred in the ordinary course of business) or incurred or increased any indebtedness which is material and adverse in the context of the Wider Moss Bros Group taken as a whole;
  - (vi) entered into or varied or authorised or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude and which is or which involves or could involve an obligation of a nature or magnitude which is reasonably likely to be materially restrictive on the business of any member of the Wider Moss Bros Group and which, taken together with any such material transaction, arrangement, agreement, contract or commitment is material and adverse in the context of the Wider Moss Bros Group taken as a whole;



- (vii) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider Moss Bros Group, otherwise than in the ordinary course of business which is material and adverse in the context of the Acquisition or which would reasonably be expected to have a material adverse effect on the financial position of the Wider Moss Bros Group ;
- (viii) materially modified the terms of any Moss Bros Share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Moss Bros Group which is material and adverse in the context of the Wider Moss Bros Group taken as a whole, other than in the ordinary course of business;
- (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or made any other change to any part of its share capital (except, in each case, where relevant, as between Moss Bros and wholly-owned subsidiaries of Moss Bros or between the wholly-owned subsidiaries of Moss Bros which is material and adverse in the context of the Wider Moss Bros Group);
- (x) waived, compromised or settled any claim which is material in the context of the Wider Moss Bros Group as a whole or in the context of the Acquisition;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider Moss Bros Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Moss Bros Group taken as a whole;
- (xii) save as required in connection with the adoption of the Moss Bros amended articles or the Acquisition, made any material alteration to its memorandum, articles of association or other incorporation documents to an extent which is material in the context of the Acquisition;
- (xiii) except in relation to changes made or agreed as a result of, or arising from changes to legislation, made or agreed or consented to any significant change to the following in a way that is material in the context of the Wider Moss Bros Group taken as a whole:
  - (A) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Moss Bros Group for its directors, employees or their dependants;
  - (B) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to,
 to an extent which is in any such case material in the context of the Wider Moss Bros Group taken as a whole;

- (xiv) except as Disclosed, been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended payment of its debts generally which is material in the context of the Wider Moss Bros Group taken as a whole;
- (xv) (other than in respect of a member of the Wider Moss Bros Group which is dormant and was solvent at the relevant time) taken any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, which is in any such case material in the context of the Wider Moss Bros Group taken as a whole;
- (xvi) (except for transactions between Moss Bros and its wholly-owned subsidiaries or between Moss Bros' wholly-owned subsidiaries) made, authorised or announced any change in its loan capital in any case to an extent which is material in the context of the Wider Moss Bros Group taken as a whole;
- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities, which in any such case is material in the context of the Wider Moss Bros Group as a whole or in the context of the Acquisition; or
- (xviii) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (g).

**No adverse change, litigation, regulatory enquiry or similar**

- (h) except as Disclosed, since 27 July 2019 there having been:
  - (i) no material adverse change and no circumstance having arisen which would reasonably be expected to result in any material adverse change in, the business, assets, financial or trading position or profits, operational performance or prospects of any member of the Wider Moss Bros Group which is material in the context of the Wider Moss Bros Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Moss Bros Group is or may become a party (whether as a claimant, defendant or otherwise) having been threatened in writing, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Moss Bros Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Moss Bros Group taken as a whole;
  - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Moss Bros Group (or any person in respect of which any such member has or may have responsibility or liability) having been threatened in writing, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of

the Wider Moss Bros Group, in each case, which would reasonably be expected to have a material adverse effect on the Wider Moss Bros Group taken as a whole or in the context of the Acquisition;

- (iv) no contingent or other liability having arisen or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position or profits of any member of the Wider Moss Bros Group to an extent which is material in the context of the Wider Moss Bros Group taken as a whole; and
- (v) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Moss Bros Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Moss Bros Group taken as a whole;

**No discovery of certain matters regarding information and liabilities, corruption and intellectual property**

- (i) except as Disclosed, Bidco not having discovered that:
  - (i) any financial, business or other information concerning the Wider Moss Bros Group announced publicly and delivered by or on behalf of Moss Bros through a RIS prior to the date of this Announcement or disclosed to any member of the Wider Bidco Group by or on behalf of any member of the Wider Moss Bros Group prior to the date of this Announcement is misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading and which is not subsequently corrected by disclosure by or on behalf of the Wider Moss Bros Group, in any such case which is material in the context of the Wider Moss Bros Group taken as a whole;
  - (ii) any member of the Wider Moss Bros Group, or any other person who performs services for the Wider Moss Bros Group and for whom any such member of the Wider Moss Bros Group is materially liable or responsible, has engaged in any activity which would constitute an offence under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the UK Bribery Act 2010 and/or the US Foreign Corrupt Practices Act of 1977;
  - (iii) any member of the Wider Moss Bros Group, or any other person who performs services for the Wider Moss Bros Group and for whom any such member of the Wider Moss Bros Group is materially liable or responsible, has not engaged in any activities or business with or made any investment in, or made any payments to: (A) any government, entity or individual with which US or EU persons are prohibited from engaging in activities or doing business by US or EU laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations or the European Union or any of their respective member states or any other governments or supranational body or authority in any jurisdiction;
  - (iv) any asset of the Wider Moss Bros Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition); or

- (v) no circumstance having arisen or event having occurred in relation to any intellectual property owned, used or licensed by the Wider Moss Bros Group including: (A) any member of the Wider Moss Bros Group losing its title to any intellectual property or any intellectual property owned by the Wider Moss Bros Group being revoked, cancelled or declared invalid, (B) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Moss Bros Group being terminated or varied, or (C) any claim being filed suggesting that any member of the Wider Moss Bros Group infringed the intellectual property rights of a third party or any member of the Wider Moss Bros Group being found to have infringed the intellectual property rights of a third party, in each case which is material in the context of the Wider Moss Bros Group taken as a whole.

#### **Part B: Certain further terms of the Acquisition**

1. Subject to the requirements of the Takeover Panel, Bidco reserves the right in its sole discretion to waive (if capable of waiver) in whole or part, all or any of the above Conditions from paragraph (b) of “Clearances” to “No discovery of certain matters regarding information and liabilities, corruption and intellectual property” of Part A (inclusive) and to proceed to the Court Hearing prior to the fulfilment or satisfaction of any such Condition.
2. The Conditions from “Clearances” to “No discovery of certain matters regarding information and liabilities, corruption and intellectual property” of Part A (inclusive) must be fulfilled or waived by no later than 11:59 p.m. on the date immediately preceding the date of the Court Hearing, failing which the Scheme will lapse or, if the Acquisition is implemented by way of a Takeover Offer, no later than as permitted by the Takeover Panel. Bidco shall be under no obligation to waive or treat as fulfilled any of the Conditions from “Clearances” to “No discovery of certain matters regarding information and liabilities, corruption and intellectual property” of Part A (inclusive) which are capable of being waived by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that any such Condition or other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Code, Bidco may not invoke a Condition so as to cause the Scheme not to proceed, to lapse or to be withdrawn, or so as to cause any Takeover Offer not to proceed, to lapse or be withdrawn, unless the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. Condition 1 of Part A (and, if applicable, any acceptance condition adopted on the basis specified in paragraph 5 below in relation to any Takeover Offer) are not subject to this provision of the Code.
4. If Bidco is required by the Takeover Panel to make an offer for Moss Bros Shares under the provisions of Rule 9 of the Code, Bidco may make such alterations to the Conditions and certain further terms of the Acquisition as are necessary to comply with the provisions of that Rule.
5. Bidco reserves the right to elect (with the consent of the Takeover Panel and Moss Bros) to implement the Acquisition by making, directly or indirectly through a subsidiary or nominee of Bidco, a Takeover Offer as an alternative to the Scheme, save that in the circumstance where the board of Moss Bros withdraws its recommendation of, or ceases to unanimously recommend, the Acquisition, Bidco reserves the right to elect to switch to a Takeover Offer without the consent of Moss Bros. In such event, the Takeover Offer will be implemented on substantially the same terms and conditions subject to appropriate amendments, as far as applicable, as those which would apply to the Scheme. The acceptance condition would be set at 90 per cent. of the shares to which such Takeover Offer relates (or such lesser percentage,

being more than 50 per cent., as Bidco may decide with the consent of the Takeover Panel). Further, if sufficient acceptances of the Takeover Offer are received and/or sufficient Moss Bros Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to compulsorily acquire any outstanding Moss Bros Shares to which such Takeover Offer relates.

6. The Acquisition will lapse (unless otherwise agreed with the Takeover Panel) if:
- (i) in so far as the Acquisition or any matter arising from or relating to the Scheme or Acquisition constitutes a concentration with a Community dimension within the scope of the Regulation, the European Commission either initiates proceedings under Article 6(1)(c) of the Regulation or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the Regulation and there is then a CMA Phase 2 Reference; or
  - (ii) in so far as the Acquisition or any matter arising from the Scheme or Acquisition does not constitute a concentration with a Community dimension within the scope of the Regulation, the Scheme or Acquisition or any matter arising from or relating to the Acquisition becomes subject to a CMA Phase 2 Reference;

in each case, before the date of the Court Meeting.

7. In the event the Acquisition is implemented, the Moss Bros Shares will be acquired by Bidco, with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights and interests whatsoever and together with all rights existing now or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date. If any dividend or other distribution and/or return of capital in respect of the Moss Bros Shares is declared, paid or made on or after the date of this Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each Moss Bros Share under the terms of the Acquisition by the amount per Moss Bros Share of such dividend, distribution and/or return of capital, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration payable as so reduced. In such circumstances Moss Bros shareholders would be entitled to retain any such dividend, distribution and/or return of capital. To the extent that any such dividend or other distribution and/or return of capital in respect of the Moss Bros Shares is declared, paid or made and is (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive and retain the dividend or other distribution and/or return of capital or (ii) cancelled, the consideration payable will not be subject to change in accordance with this paragraph.
8. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom and any Moss Bros Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.
9. Unless otherwise determined by Bidco or required by the Code and permitted by applicable law and regulations, the Acquisition is not being, and will not be, made, directly or indirectly, in, into or by the use of the mails of, or by any other means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

10. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
11. This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme and the Forms of Proxy will be governed by the laws of England and Wales and will be subject to the jurisdiction of the English courts and the Conditions and further terms set out in this Appendix I and to be set out in the Scheme Document. The Acquisition shall be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange, the Listing Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules, the FCA and the Registrar of Companies.

## APPENDIX II

### SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement:

- (i) Unless otherwise stated, financial information relating to Moss Bros has been extracted from the annual report and audited financial statements of Moss Bros for the 52 week period ended 26 January 2019 or Moss Bros' interim report and unaudited financial statements for the period ending 27 July 2019.
- (ii) The value of the Acquisition is based upon the following 100,799,873 Moss Bros Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement) and upon up to 2,084,501 Moss Bros Shares which fall to be issued if the Scheme becomes effective under the terms of the Moss Bros Share Plans.
- (iii) The market prices of the Moss Bros Shares are derived from data provided by the Daily Official List and represent Closing Prices of the relevant date(s).
- (iv) Volume weighted average closing prices are derived from data provided by Bloomberg.

### APPENDIX III

#### DETAILS OF IRREVOCABLE UNDERTAKINGS

Bidco has received irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting in respect of a total of 12,742,293 Moss Bros Shares (representing, in aggregate, approximately 12.6 per cent. of Moss Bros' Shares in issue on 11 March 2020 (being the last Business Day prior to this Announcement)), comprised as follows:

#### **Moss Bros Directors' (and certain of their immediate family members) irrevocable undertakings:**

<u>Name</u>	<u>Number of Moss Bros Shares</u>	<u>per cent. of Moss Bros Shares in issue</u>
Colin Porter	509,673	0.5
Brian Brick	1,697,534	1.7
Maurice Helfgott	400,727	0.4
<b>Total</b>	<b>2,607,934</b>	<b>2.6</b>

#### **Moss Bros Shareholder irrevocable undertaking:**

<u>Name</u>	<u>Number of Moss Bros Shares</u>	<u>per cent. of Moss Bros Shares in issue</u>
Gatemoore Capital Management LLP	10,134,359	10.1
<b>Total</b>	<b>10,134,359</b>	<b>10.1</b>

The irrevocable undertakings from the Moss Bros Directors will only cease to be binding if:

- the Scheme Document is not sent to Moss Bros Shareholders within 28 days (or such longer period as Bidco and Moss Bros may agree with the consent of the Takeover Panel) after the date of this Announcement or where the Acquisition is implemented by way of a Takeover Offer, the Offer Document is not posted to Moss Bros Shareholders within the permitted period under the Code or as otherwise agreed with the Takeover Panel;
- the Scheme has not become Effective by 5.00 p.m. on the Long Stop Date and no public announcement in accordance with the requirements of paragraph 8 of Appendix 7 of the Code has been made by Bidco in relation to electing (having received the Takeover Panel's consent) to implement the Offer by way of a Takeover Offer;
- the Scheme or any resolution to be proposed is not approved by the requisite majority of the Moss Bros Shareholders of Moss Bros at the General Meeting or the Court Meeting, provided that a breach by a Moss Bros Director of their undertaking is not the reason for the requisite majority not having been attained; or
- where the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer lapses or is withdrawn without becoming unconditional in all respects; or



- the Scheme or a Takeover Offer (as the case may be) has lapsed or been withdrawn in accordance with its terms, or Bidco announces, with the consent of the Takeover Panel, that it does not intend to make or proceed with the Offer (for the avoidance of doubt, this shall not apply where the Scheme lapses or is withdrawn solely as a result of Bidco exercising its right to implement the Acquisition by way of a Takeover Offer rather than a Scheme) and no new, revised or replacement Scheme or Takeover Offer has been announced by Bidco or its affiliates in accordance with Rule 2.7 of the Code at the same time.

The irrevocable undertaking from Gatemore Capital Management LLP will only cease to be binding upon the earliest to occur of the following:

- the Scheme Document is not sent to Moss Bros Shareholders within 28 days of the date of this Announcement, or within such longer period as Bidco and Moss Bros may, with the consent of the Panel, determine or where the Acquisition is implemented by way of a Takeover Offer, the Offer Document is not posted to Moss Bros Shareholders within the permitted period under the Code or as otherwise agreed with the Takeover Panel;
- the Scheme lapses or is withdrawn or the Scheme has not become effective by 5:00pm on the Long Stop Date or such later time or date as is agreed between Bidco and Moss Bros and no public announcement in accordance with the requirements of paragraph 8 of Appendix 7 of the Code has been made by Bidco in relation to electing (having received the Takeover Panel's consent) to implement the Offer by way of a Takeover Offer;
- the Scheme or any resolution to be proposed is not approved by the requisite majority of Moss Bros Shareholders at the General Meeting or the Court Meeting, provided that a breach of the irrevocable undertaking by the shareholder providing it is not the reason for the requisite majority not having been attained;
- Bidco announces, with the consent of the Takeover Panel, that it does not intend to make or proceed with the Offer and no new, revised or replacement Scheme or Offer is announced by Bidco in accordance with Rule 2.7 of the Code, the Offer does not become effective, lapses or is otherwise withdrawn in accordance with the terms set out in the Scheme Document or Offer Document (as the case may be); or
- any competing offer under Rule 2.7 of the Code is announced.

## APPENDIX IV

### MOSS BROS ORDINARY COURSE PROFIT FORECAST

In its trading statement published on 16 January 2020, Moss Bros included the following statement: “The Group expects to report a full year adjusted loss before tax (pre-IFRS16) of approximately - £1m” (the “**Moss Bros Ordinary Course Profit Forecast**”).

For the purposes of Rule 28 of the Code, the Moss Bros Ordinary Course Profit Forecast constitutes a profit estimate, as it relates to a reporting period that has now ended. Moss Bros provides profit forecasts in its ordinary course and the Takeover Panel has agreed that the requirements of Rule 28.1(c) of the Code apply in relation to the Moss Bros Ordinary Course Profit Forecast.

The Moss Bros Ordinary Course Profit Forecast is based on the unaudited management accounts of Moss Bros for the historical period ended 25 January 2020.

The Moss Bros Directors have considered the Moss Bros Ordinary Course Profit Forecast and confirm that it remains valid as at the date of this Announcement, that it has been properly compiled on the basis set out above and that the basis of the accounting policies used is consistent with the accounting policies of Moss Bros.

## APPENDIX V

### DEFINITIONS

In this Announcement, the following words and expressions have the following meanings, unless the context requires otherwise:

<b>Acquisition</b>	the recommended cash offer to be made by Bidco to acquire the entire issued and to be issued ordinary share capital of Moss Bros to be effected by means of the Scheme (or, if Bidco so elects and subject to the Takeover Panel's and, where specified, Moss Bros' consent, a Takeover Offer) on the terms and subject to the conditions set out in the Scheme Document;
<b>Announcement</b>	this announcement of the Acquisition made in accordance with Rule 2.7 of the Code;
<b>Authorisations</b>	authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals;
<b>Bidco</b>	Brigadier Acquisition Company Limited, a company incorporated in England and Wales with company number 12260782 whose registered office is 20 Lydden Road, Earlsfield, London SW18 4LR;
<b>Bidco Directors</b>	the directors of Bidco
<b>Bidco Group</b>	Bidco and its subsidiaries and subsidiary undertakings;
<b>Business Day</b>	a day, other than a Saturday, Sunday, public holiday or bank holiday, on which banks are generally open for normal business in the City of London;
<b>Cash Consideration</b>	the cash consideration of 22 pence per Scheme Share payable to Scheme Shareholders for each Scheme Share transferred pursuant to the Scheme;
<b>Closing Price</b>	the closing middle market quotation of a Moss Bros Share as derived from the Daily Official List on that day;
<b>CMA</b>	the Competition and Markets Authority, the independent body which conducts inquiries into mergers, markets and the regulation of the major regulated industries in the United Kingdom (or any successor body or bodies carrying out the same functions in the United Kingdom from time to time);
<b>CMA Phase 2 Reference</b>	a referral of the Acquisition to the chair of the Competition and Markets Authority for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 (as amended);
<b>Code</b>	the City Code on Takeovers and Mergers;
<b>Community</b>	the European Community;
<b>Company</b>	Moss Bros;

<b>Companies Act</b>	the Companies Act 2006;
<b>Conditions</b>	the conditions to the implementation of the Scheme and the Acquisition, which are set out in Appendix I to this Announcement and to be set out in the Scheme Document;
<b>Confidentiality Agreement</b>	the confidentiality agreement entered into by Bidco and Moss Bros on 31 December 2019;
<b>Court</b>	the High Court of Justice, Business and Property Courts of England and Wales;
<b>Court Hearing</b>	the hearing by the Court to sanction the Scheme and, if such hearing is adjourned, references to the commencement of any such hearing shall mean the commencement of the final adjournment thereof;
<b>Court Meeting</b>	the meeting (or any adjournment, postponement or reconvention thereof) of the holders of the Scheme Shares (or the relevant class or classes thereof) which are in issue at the Voting Record Time to be convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without modification);
<b>Court Order</b>	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act;
<b>CREST</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations);
<b>Daily Official List</b>	the Daily Official List of the London Stock Exchange;
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>Disclosed</b>	information disclosed by, or on behalf of Moss Bros, (i) in the annual report and audited financial statements of Moss Bros for the financial year ended 26 January 2019; (ii) in the interim report and unaudited financial statements of Moss Bros for the period ending 27 July 2019; (iii) in a public announcement to a RIS made by Moss Bros prior to the date of this Announcement; (iv) in filings made with the Registrar of Companies and appearing on Moss Bros' file at Companies House within the last two years; (v) as otherwise fairly disclosed to Bidco (or its respective officers, employees, agents or advisers) on or prior to the date of this Announcement (including all matters fairly disclosed in the written replies, correspondence, documentation and information provided in an electronic data room or sent to any member of the Bidco Group or any of its professional advisers during the due diligence process and whether or not in response to any specific request for information made by any member of the Wider Bidco Group or any of its professional advisers); or (vi) in this Announcement;
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time;

<b>Disclosure Table</b>	the disclosure table on the Takeover Panel’s website at <a href="http://www.thetakeoverpanel.org.uk">www.thetakeoverpanel.org.uk</a> ;
<b>Effective</b>	in the context of the Acquisition: (a) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies; or (b) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code;
<b>Effective Date</b>	the date upon which: (a) the Scheme becomes Effective; or (b) if Bidco elects and the Takeover Panel consents to implement the Acquisition by way of a Takeover Offer, the Takeover Offer becomes Effective;
<b>FCA</b>	the Financial Conduct Authority or its successor from time to time;
<b>Forms of Proxy</b>	the forms of proxy for use at the Court Meeting and the General Meeting respectively, which will accompany the Scheme Document;
<b>FSMA</b>	the Financial Services and Markets Act 2000 (as amended from time to time);
<b>FSMA Regulatory Approvals</b>	means the approvals required to satisfy the condition to the Acquisition set out at paragraph 2(d) of Appendix I to this Announcement;
<b>General Meeting</b>	the general meeting (or any adjournment, postponement or reconvention thereof) of Moss Bros Shareholders to be convened in connection with the Scheme;
<b>IFRS</b>	International Financial Reporting Standards;
<b>ISIN</b>	International Securities Identification Number;
<b>Listing Rules</b>	the listing rules made by the FCA in accordance with section 73A (2) of Part VI of FSMA (as these rules may be amended from time to time);
<b>London Stock Exchange</b>	London Stock Exchange Plc or its successor from time to time;
<b>Long Stop Date</b>	30 June 2020 or such later date (if any) as Bidco and Moss Bros may, with the consent of the Takeover Panel, agree and (if required) the Court may allow;
<b>Main Market</b>	the main market operated by the London Stock Exchange;
<b>Moss Bros</b>	Moss Bros Group plc a company incorporated in England and Wales with company number 00134995 whose registered office is 8 St Johns Hill, Clapham Junction, SW11 1SA;
<b>Moss Bros Directors</b>	the board of directors of Moss Bros
<b>Moss Bros Group</b>	Moss Bros and its subsidiaries and subsidiary undertakings;

<b>Moss Bros Ordinary Course Profit Forecast</b>	has the meaning given to it on page 13 of this Announcement;
<b>Moss Bros Shareholders</b>	the registered holders of Moss Bros Shares, from time to time;
<b>Moss Bros Share Plans</b>	the Moss Bros Sharesave Plan 2012 and the Moss Bros Group 2009 Long Term Incentive Plan;
<b>Moss Bros Shares</b>	ordinary shares of 5 pence each in the capital of Moss Bros;
<b>Offer</b>	the recommended cash offer to be made by Bidco to acquire the entire issued and to be issued ordinary share capital of Moss Bros, to be implemented by way the Scheme and, where the context admits, any subsequent revision, variation, extension or renewal thereof
<b>Offer Period</b>	the offer period (as defined in the Code) relating to Moss Bros, which commenced on 12 March 2020 and ending on the date on which the Acquisition becomes Effective, lapses or is withdrawn in accordance with its terms (or such other date as the Takeover Panel may decide);
<b>Offer Price</b>	22 pence per Scheme Share;
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>Registrar of Companies</b>	the Registrar of Companies in England and Wales;
<b>Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
<b>Resolutions</b>	the resolutions to be proposed by Moss Bros at the General Meeting in connection with, amongst other things, the approval of the Scheme, the amendment of Moss Bros' Articles and such other matters as may be necessary to implement the Scheme;
<b>Restricted Jurisdiction</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available in that jurisdiction;
<b>RIS</b>	a service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange's website;
<b>Scheme</b>	the proposed scheme of arrangement under Part 26 of the Companies Act to effect the Acquisition between Moss Bros and the Scheme Shareholders (the full terms of which will be set out in the Scheme Document), with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Bidco and Moss Bros;
<b>Scheme Document</b>	the document to be despatched to (amongst others) Moss Bros Shareholders containing, amongst other things, the terms and conditions of the Scheme, the notices convening the Court Meeting

	and the General Meeting and the particulars required by section 897 of the Companies Act;
<b>Scheme Record Time</b>	the time and date to be specified in the Scheme Document, expected to be 6:00 p.m. on the Business Day immediately prior to the Effective Date;
<b>Scheme Shareholders</b>	holders of Scheme Shares;
<b>Scheme Shares</b>	the Moss Bros Shares: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and</li> <li>(iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme or shall by such time have agreed in writing to be bound by the Scheme;</li> </ul>
<b>Substantial Interest</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
<b>Takeover Offer</b>	should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued ordinary share capital of Moss Bros and, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
<b>Takeover Panel</b>	the UK Panel on Takeovers and Mergers;
<b>Third Party</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, professional or investigative body or authority (including any antitrust or merger control authority), court, trade agency, professional association, institution, works council, employee representative body or any other similar body or person whatsoever in any jurisdiction;
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>United States or US</b>	the United States of America, its territories and possessions, all areas subject to its jurisdiction or any subdivision thereof, any state of the United States of America and the District of Columbia;
<b>US Exchange Act</b>	the United States Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder;
<b>Voting Record Time</b>	the date and time specified in the Scheme Document by reference to which entitlements to vote on the Scheme will be determined, expected to be 6.00 pm on the day which is two days before the date

of the Court Meeting or, if the Court Meeting is adjourned, 6.00 pm on the second day before the date of such adjourned meeting;

**Wider Bidco Group**

Bidco, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which Bidco and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent;

**Wider Moss Bros Group**

Moss Bros, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which Moss Bros and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent; and

**£ or pence**

pounds sterling or pence, the lawful currency of the UK.

In this Announcement:

- (a) all times referred to are to London time unless otherwise stated;
- (b) references to the singular include the plural and vice versa, unless the context otherwise requires;
- (c) “subsidiary”, “subsidiary undertaking” and “undertaking” have the meanings given by the Companies Act and “associated undertaking” has the meaning given to it by paragraph 19 of Schedule 6 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 1(b) thereof which shall be excluded for this purpose; and
- (d) all references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.