

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION OF MOSS BROS SHARES TO TRADING ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES AND TO LISTING ON THE OFFICIAL LIST.**

Part 2 of this document comprises an explanatory statement in compliance with section 897 of the Companies Act. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom, or other appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your Moss Bros Shares, please send this document, together with any accompanying documents (but not the accompanying personalised Forms of Proxy), at once to the stockbroker, bank or other agent, through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred part of your holding of Moss Bros Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The distribution of this document into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. This document is not a prospectus or a prospectus equivalent document.

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## **RECOMMENDED CASH OFFER**

**for**

## **MOSS BROS GROUP PLC**

**by**

## **BRIGADIER ACQUISITION COMPANY LIMITED**

**to be effected by means of a**

**Scheme of Arrangement**

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

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Moss Bros Shareholders should read carefully the whole of this document, the information incorporated by reference into this document and the accompanying Forms of Proxy. This document is also available on the website of Moss Bros at <https://corp.moss.co.uk>. Your attention is drawn to the letter from the Chairman of Moss Bros in Part 1 of this document which contains the unanimous recommendation of the Moss Bros Directors that you vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting. A statement explaining the Scheme in greater detail, which constitutes an explanatory statement in compliance with section 897 of the Companies Act, appears in Part 2 of this document.

Certain terms used in this document are defined in Part 8 of this document.

**Notices convening the Court Meeting and the General Meeting, both of which will be held at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, London SW11 1SA on 29 April 2020 are set out in Parts 9 and 10 of this document. The Court Meeting will start at 10.00 a.m. on that date and the General Meeting will start at 10.15 a.m. on that date (or as soon thereafter as the Court Meeting has concluded or been adjourned).**

**The action to be taken in respect of the Meetings is set out in paragraph 19 of Part 2 of this document. Moss Bros Shareholders will find enclosed with this document a blue Form of Proxy for use in connection with the Court Meeting, and a white Form of Proxy for use in connection with the General Meeting.**

Please complete and sign both of the enclosed Forms of Proxy in accordance with the instructions printed on them and return them to Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4ZF as soon as possible and, in any event, so as to be received at least 48 hours before the time appointed for the relevant Meeting. Forms of Proxy returned by fax will not be accepted.

If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the Chairman of the Court Meeting or Link Asset Services before the start of the Court Meeting and will still be valid. However, as physical attendance at the Court Meeting will be refused in order to comply with current Government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above. In the case of the General Meeting, unless the white Form of Proxy is returned by the time noted above, it will be invalid.

As an alternative to completing the hard-copy Forms of Proxy, you can appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter your Investor Code shown on your share certificate and agree to certain terms and conditions. For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services not less than 48 hours before the time appointed for holding the Meetings or adjourned meetings to which it relates.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service, may do so for the Meetings and any adjournment(s) thereof by utilising the procedures described in the “CREST Reference Manual” issued by Euroclear UK & Ireland Limited (the “CREST Manual”). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

**We strongly urge you to follow Government instructions in respect of the evolving situation regarding COVID-19 and the restrictions on social contact, public gatherings and non-essential travel. It is expected that the Company’s attendance at the Meetings in person will be limited to satisfy the requirements for a quorum. The Meetings will end immediately after the formal business. Any Moss Bros Shareholder that attempts to physically attend the Meetings will be refused admission in order to comply with Government public health instructions.**

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please call Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## **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 document and will not regard any other person as its client in relation to the matters set out in this document 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 (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 document, 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 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 any other matter set out in this document, 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 or any matter or arrangement referred to herein.

## **OVERSEAS SHAREHOLDERS**

This document does not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.

The release, publication or distribution of this document in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons who are subject to the laws of any jurisdiction other than the United Kingdom into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document and the accompanying documents have been prepared in connection with proposals in relation to a scheme of arrangement pursuant to and for the purpose of complying with English law, the Code and the Listing Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England and Wales. Nothing in this document or the accompanying documents should be relied on for any other purpose.

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 document 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.

None of the financial information included in, or incorporated by reference into, this document has been audited in accordance with GAAP under any such countries' laws.

Further details in relation to Overseas Shareholders are contained in paragraph 16 of Part 2 of this document. All Moss Bros Shareholders or other persons (including nominees, trustees and custodians) who would otherwise intend to or may have a contractual or legal obligation to forward this document and the accompanying Forms of Proxy to a jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action.

No person has been authorised to make any representations on behalf of Moss Bros or Bidco concerning the Acquisition which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been so authorised.

The summary of the principal provisions of the Scheme contained in this document is qualified in its entirety by reference to the Scheme itself, the full text of which is set out in Part 3 of this document. Each Moss Bros Shareholder is advised to read and consider carefully the text of the Scheme itself. This document, and in particular the letter from the Chairman of Moss Bros and the Explanatory Statement, has been prepared solely to assist Scheme Shareholders in respect of voting on the resolution to approve the Scheme to be proposed at the Court Meeting and to assist Moss Bros Shareholders in respect of voting on the Special Resolution to be proposed at the General Meeting.

Moss Bros Shareholders should not construe the contents of this document as legal, tax or financial advice and should consult with their own advisers as to the matters described in this document.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth in this document since such date. Nothing in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of Bidco, the Bidco Group, Moss Bros or the Moss Bros Group except where otherwise stated.

#### **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This document contains statements about Bidco and Moss Bros that are or may be forward looking statements. All statements other than statements of historical facts included in this document may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. 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 Bidco or Moss Bros' operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Bidco or Moss Bros' business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place any reliance on such forward looking statements, which speak only as of the date hereof. Bidco and Moss Bros disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law. Except as expressly provided in this document, they have not been reviewed by the auditors of Moss Bros or Bidco. All subsequent oral or written forward looking statements attributable to Moss Bros or Bidco or any of their respective members, directors, officers or employees or any persons 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 document.

## **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 1 of this document, in line with the requirements of Rule 28.1(c) of the Code.

Other than the Moss Bros Ordinary Course Profit Forecast, no statement in this document is intended as a profit forecast or estimate for any period and no statement in this document 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.

## **DISCLOSURE REQUIREMENTS OF THE CODE**

Under Rule 8.3(a) of the Code, any person who is interested in one 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 p.m. on the 10th business day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. 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 one 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(s), save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 p.m. 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 of the Code.

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 of the Code).

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.

## **ELECTRONIC COMMUNICATIONS**

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

## **PUBLICATION ON WEBSITE AND AVAILABILITY OF HARD COPIES**

This document, together with all information incorporated into this document by reference to another source, will be available free of charge, subject to any applicable restrictions relating to persons resident in jurisdictions outside the United Kingdom, on the following websites during the course of the Offer Period:

- [www.brigadieruk.co.uk](http://www.brigadieruk.co.uk)
- <https://corp.moss.co.uk>

Save where expressly stated in this document, neither the contents of Bidco's website, nor those of Moss Bros' website, nor those of any other website accessible from hyperlinks on either Bidco's or Moss Bros' website are incorporated into or form part of this document.

You may request a hard copy of this document (and any information expressly incorporated by reference in this document by contacting Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. It is important that you note that unless you make such a request, a hard copy of this document and any such information incorporated by reference in it will not be sent to you. You may also request that all future documents, announcements and information be sent to you in relation to the Acquisition should be in hard copy form.

## **ROUNDING**

Certain figures included in this document 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.

## **DATE**

This document is published on 7 April 2020.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All times shown in this document are London times, unless otherwise stated.

| <b>Event</b>   | <b>Time and/or date</b>   |
|--|---|
| Latest time for lodging Forms of Proxy for the:  |   |
| Court Meeting (blue form)  | 10.00 a.m. on 27 April 2020 <sup>1</sup>  |
| General Meeting (white form)   | 10.15 a.m. on 27 April 2020 <sup>2</sup>  |
| Voting Record Time for the Court Meeting and General Meeting   | 6.00 p.m. on 27 April 2020  |
| <b>Court Meeting</b>   | 10.00 a.m. on 29 April 2020 <sup>3</sup>  |
| <b>General Meeting</b>   | 10.15 a.m. on 29 April 2020 <sup>4</sup>  |
| <b>The following dates and times are indicative only and are subject to change<sup>5</sup></b>   |   |
| Court Hearing  | A date expected to be in the second quarter of 2020 subject to FCA approval (“D”) |
| Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Moss Bros Shares   | D + 1 Business Day  |
| Scheme Record Time   | 6.00 p.m. on D + 1 Business Day   |
| Dealings in Moss Bros Shares suspended   | 7.30 a.m. on D + 2 Business Days  |
| Effective Date of the Scheme   | D + 2 Business Days   |
| De-listing and cancellation of admission to trading of Moss Bros Shares  | D + 3 Business Days   |
| Latest date for despatch of cheques or settlement through CREST in respect of the Cash Consideration.  | Within 14 days of the Effective Date  |
| Longstop Date  | 30 June 2020  |
| <b>The Court Meeting and the General Meeting will both be held at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, SW11 1SA.</b> |   |

### Notes

1. It is requested that blue Forms of Proxy for the Court Meeting be lodged at least 48 hours prior to the time appointed for the Court Meeting. Blue Forms of Proxy not so lodged may be handed to the Chairman of the Court Meeting or Link Asset Services before the start of the Court Meeting. However, as physical attendance at the Court Meeting will be refused in order to comply with current Government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above. Please see “Action to be taken” in paragraph 19 of Part 2 of this document.
2. White Forms of Proxy for the General Meeting must be lodged at least 48 hours prior to the time appointed for the General Meeting. White Forms of Proxy may NOT be handed to the Chairman of the General Meeting or Link Asset Services at the General Meeting. Please see “Action to be taken” in paragraph 19 of Part 2 of this document.
3. If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6.00 p.m. on the day which is two days before the date set for such adjourned Meeting. (excluding any part of the day that is not a working day).
4. Or as soon thereafter as the Court Meeting shall have concluded or been adjourned.
5. These dates and times are indicative only and will depend, among other things, upon the date upon which: (i) the Conditions set out in Part 4 of this document are satisfied or, where applicable, waived; (ii) the Court sanctions the Scheme; and (iii) the Court Order is delivered to the Registrar of Companies. Moss Bros will give notice of the change(s) by issuing an announcement through a Regulatory Information Service.



## ACTION TO BE TAKEN

### ENCLOSED DOCUMENTS

Please check that you have received the following with this document:

1. a blue Form of Proxy for use in respect of the Court Meeting;
2. a white Form of Proxy for use in respect of the General Meeting; and
3. a reply paid envelope for use within the United Kingdom.

If you have not received all of these documents please contact Link Asset Services on the helpline telephone number set out below.

### INSTRUCTIONS ON THE ACTION TO BE TAKEN ARE SET OUT BELOW.

#### THE COURT MEETING AND THE GENERAL MEETING

The Scheme will require approval at a meeting of the Scheme Shareholders convened by order of the Court to be held at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, London SW11 1SA at 10.00 a.m. on 29 April 2020. Implementation of the Scheme will also require the passing of the Special Resolution by Moss Bros Shareholders at the General Meeting to be held at the same place at 10.15 a.m. on 29 April 2020 (or as soon thereafter as the Court Meeting has concluded or been adjourned).

#### TO VOTE ON THE ACQUISITION USING THE FORMS OF PROXY

You are requested to complete and sign:

1. the blue Form of Proxy; and
2. the white Form of Proxy,

and return them BOTH to Link Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, as soon as possible, but in any event so as to be received by the following times and dates:

|   |                                    |
|---|------------------------------------|
| <b>Blue Forms of Proxy for the Court Meeting</b>    | <b>10.00 a.m. on 27 April 2020</b> |
| <b>White Forms of Proxy for the General Meeting</b> | <b>10.15 a.m. on 27 April 2020</b> |

(or, in the case of an adjourned Meeting, not less than 48 hours prior to the time and date set for the adjourned Meeting).

Both Forms of Proxy and a reply paid envelope (for postage from within the UK) are enclosed.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING IN PARTICULAR, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF MOSS BROS SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY ENCOURAGED TO SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.**

**IN ACCORDANCE WITH CURRENT GOVERNMENT INSTRUCTIONS IN RESPECT OF THE EVOLVING SITUATION REGARDING COVID-19 AND THE RESTRICTIONS ON SOCIAL CONTACT, PUBLIC GATHERINGS AND NON-ESSENTIAL TRAVEL, WE REQUEST THAT YOU DO NOT PHYSICALLY ATTEND THE MEETINGS AND INSTEAD YOU SHOULD RETURN YOUR FORMS OF PROXY OR APPOINT YOUR PROXY ELECTRONICALLY (AS THE CASE MAY BE) BY THE RELEVANT TIME. ANY MOSS BROS SHAREHOLDER THAT ATTEMPTS TO PHYSICALLY ATTEND THE MEETINGS WILL BE REFUSED ADMISSION IN ORDER TO COMPLY WITH CURRENT GOVERNMENT PUBLIC HEALTH INSTRUCTIONS.**

**The situation in relation to COVID-19 continues to develop and the Company is aware that the Government is looking at solutions for the impact COVID-19 is having on the ability of companies to hold meetings. The Company will continue to update the Moss Bros Shareholders on arrangements for the Meetings through a Regulatory Information Service and the Company's website at <https://corp.moss.co.uk>. Moss Bros Shareholders are advised to check the Company's website for updates.**

If you would like to listen to the proceedings at the relevant Meeting, the Company has made available an audio facility, through which the Meetings will be broadcast at the relevant times. If you would like to take advantage of this facility, please access the link at [https://teams.microsoft.com/j/19%3ameeting\\_ZDA5MDA1ZGQtY2ZjYi00OTExLTlkOWQtZWE3NDNiY2MzZWE3%40thread](https://teams.microsoft.com/j/19%3ameeting_ZDA5MDA1ZGQtY2ZjYi00OTExLTlkOWQtZWE3NDNiY2MzZWE3%40thread).

v2/0?context=%7b%22Tid%22%3a%228dda297-11af-4f76-b704-c18a1d2b702f%22%2c%22Oid%22%3a%22bf49a42c-ac06-4776-8d1b-e7b3a25f3c1c%22%7d and follow the instructions provided. Access and the numbers of participants may be limited due to technological restraints. Please note that this facility permits Moss Bros Shareholders to listen to the proceedings only. By taking part in the audio facility you will **NOT** be: (i) counted in attendance at the relevant Meeting; (ii) able to speak or ask questions to the Chairman of the relevant Meeting; or (iii) permitted to vote at the relevant Meeting. You are therefore strongly urged to complete and return the Forms of Proxy or appoint your proxy electronically (as the case may be) by the relevant time on 27 April 2020 and to return to the Company by the same time any questions you wish to ask the Chairman of the relevant Meeting to ShareholderQ@mossbros.co.uk. Any questions must relate to the subject matter of the Meetings and the email must clearly state your name, address and the number of Moss Bros Shares you hold.

Return of your completed Forms of Proxy will enable your votes to be counted at the Meetings. If the blue Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 27 April 2020, it may be handed to the Chairman of the Court Meeting or to Link Asset Services before the start of the Court Meeting and will still be valid. However, as physical attendance at the Court Meeting will be refused in order to comply with current Government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above. In the case of the General Meeting, unless the white Form of Proxy is returned by the time noted above, it will be invalid.

As an alternative to completing the hard-copy Forms of Proxy, you can appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter your Investor Code shown on your share certificate and agree to certain terms and conditions. For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services not less than 48 hours before the time appointed for holding the Meetings or adjourned meetings to which it relates.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service, may do so for the Meetings and any adjournment(s) thereof by utilising the procedures described in the “CREST Reference Manual” issued by Euroclear UK & Ireland Limited (the “**CREST Manual**”). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

**We strongly urge you to follow Government instructions in respect of the evolving situation regarding COVID-19 and the restrictions on social contact, public gatherings and non-essential travel. It is expected that the Company’s attendance at the Meetings in person will be limited to satisfy the requirements for a quorum. The Meetings will end immediately after the formal business. Any Moss Bros Shareholder that attempts to physically attend the Meetings will be refused admission in order to comply with Government public health instructions.**

### **Multiple proxy voting instructions**

As a registered Moss Bros Shareholder, you are entitled to appoint a proxy in respect of some or all of your Moss Bros Shares. You are also entitled to appoint more than one proxy. A space has been included on the Forms of Proxy to allow you to specify the number of Moss Bros Shares in respect of which that proxy is appointed. The principles applied to multiple proxy voting instructions are detailed below.

### **Principles applied to multiple proxy voting instructions**

If you wish to appoint more than one proxy in respect of your shareholding, you should photocopy the Forms of Proxy, as required. You may appoint more than one proxy in relation to each Meeting, provided that each proxy is appointed to exercise the rights attaching to a different Moss Bros Share or Moss Bros Shares held by you. The following principles will apply in relation to the appointment of multiple proxies:

1. Moss Bros will give effect to the intention of members and include votes wherever and to the fullest extent possible.
2. Where a proxy does not state the number of Moss Bros Shares to which it applies (a “**blank proxy**”) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Moss Bros Shares registered in the name of the appointing member (the “**member’s entire holding**”). In the event of a conflict between a blank proxy and a proxy which does state the number of Moss Bros Shares to which it applies (a “**specific proxy**”), the specific proxy shall be counted first, regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting forms of proxy should be judged to be

in respect of different Moss Bros Shares) and the remaining Moss Bros Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).

3. Where there is more than one proxy appointed and the total number of Moss Bros Shares in respect of which proxies are appointed is no greater than the member's entire holding, it is assumed that proxies are appointed in relation to different Moss Bros Shares, rather than that conflicting appointments have been made in relation to the same Moss Bros Shares. That is, there is only assumed to be a conflict where the aggregate number of Moss Bros Shares in respect of which proxies have been appointed exceeds the member's entire holding.
4. When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last delivered or received.
5. If conflicting proxies are delivered or received at the same time in respect of (or deemed to be in respect of) an entire holding and if Moss Bros is unable to determine which was delivered or received last, none of them will be treated as valid.
6. Where the aggregate number of Moss Bros Shares in respect of which proxies are appointed exceeds a member's entire holding, all appointments will be rendered invalid.

### **HELPLINE**

**If you have any questions relating to this document or the completion and return of the Forms of Proxy, please call Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

## PART 1

# LETTER FROM THE CHAIRMAN OF MOSS BROS GROUP PLC

## MOSS BROS GROUP PLC

(Registered in England and Wales under company number 00134995)

Directors:

Colin Porter (Chairman)  
Brian Brick (Chief Executive Officer)  
Bill Adams (Chief Financial Officer and Company Secretary)  
Alex Gersh (Senior Independent Non-Executive Director)  
Maurice Helfgott (Non-Executive Director)  
Gareth Jones (Non-Executive Director)  
Avis Darzins (Non-Executive Director)

Registered office:

8 St Johns Hill, Clapham Junction,  
SW11 1SA

7 April 2020

To: Moss Bros Shareholders and, for information only, to participants in the Moss Bros Share Plans

Dear Moss Bros Shareholder,

### Recommended cash offer for Moss Bros Group plc by Brigadier Acquisition Company Limited

#### 1. INTRODUCTION

On 12 March 2020, the Board of Moss Bros and the Board of Bidco announced that they had 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**”). The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement between Moss Bros and the Scheme Shareholders under Part 26 of the Companies Act.

I am now writing to you, on behalf of the Board of Moss Bros, to set out the terms of the Acquisition, to explain the background to and reasons for their unanimous recommendation of the Acquisition and to seek your support and approval of the Scheme.

In order for the Scheme to become Effective, a sufficient majority of Scheme Shareholders will need to vote in favour of the resolution to be proposed at the Court Meeting and Moss Bros Shareholders will need to pass the Special Resolution to be proposed at the General Meeting. The actions you should take in this regard are set out in paragraph 10 of this letter. In addition, pursuant to the Companies Act, the Scheme also requires the sanction of the Court.

#### 2. SUMMARY OF THE TERMS OF THE ACQUISITION

The Acquisition will, if approved, be effected by means of a scheme of arrangement between Moss Bros and the Scheme Shareholders under Part 26 of the Companies Act. In compliance with section 897 of the Companies Act, full details of the Scheme are set out in the Explanatory Statement in Part 2 of this document.

Under the terms of the Acquisition, which is subject to the satisfaction or, where applicable, waiver of the Conditions (and to the further terms of the Acquisition) as described in paragraph 5 below and set out in full in Part 4 of this document, eligible Moss Bros Shareholders 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 the 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 the 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 the 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 document 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 document 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.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attend and/or vote (by proxy) at the Court Meeting and/or the General Meeting. Further details of the Scheme, including the arrangements for settlement of the consideration payable to Scheme Shareholders, are set out in the Explanatory Statement at Part 2 of this document.

Subject to the satisfaction or, where applicable, waiver of the Conditions, an application will be made to the FCA to cancel trading of the Moss Bros Shares on the London Stock Exchange's main market for listed securities and to cancel listing of the Moss Bros Shares on the Official List to take effect shortly after the Effective Date. The last day of dealings in, and for registration of transfers of, Moss Bros Shares is expected to be the Business Day immediately following the Court Hearing, and, at 7.30 a.m. on the Business Day after such date, trading of Moss Bros Shares on the London Stock Exchange's main market for listed securities will be suspended. No transfers of Moss Bros Shares will be registered after this time and date, other than the registration of Moss Bros Shares released, transferred or issued under the Moss Bros Share Plans and any corresponding transfers under the Moss Bros Articles.

### **3. INFORMATION ON 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 majority owned and controlled by Menoshi (primarily known as 'Michael') Shina, the owner of Crew Clothing. Marquis is jointly owned and controlled by Anna Kentros, Grace Hatcher, and David Shalleck-Klein. The investors 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 Michael Shina and Jeffrey Spiegel. Jeffrey Spiegel replaced Brian Walshe as director of Bidco on 6 April 2020. Bidco, via the collective experience of its directors, has substantial experience in the global apparel and garment retail sector, and plans to bring this experience and the related contact base to bear in executing the strategic intentions outlined in paragraph 10 of Part 2 of this document. Bidco has not traded since incorporation, nor has it entered into any obligations other than in connection with implementation of the Acquisition.

### **4. BACKGROUND TO AND REASONS FOR RECOMMENDING THE ACQUISITION**

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](http://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 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 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 I.

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 uncertain, but very 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.

The current trading and prospects of Moss Bros, highlighting the possible impact of COVID-19 on the future performance of the business, are set out in further detail in paragraph 11 of this letter.

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 share price immediately prior to the Announcement. Therefore, the Board of Moss Bros has concluded that the Acquisition is in the best interests of Moss Bros Shareholders and it represents the best option for Moss Bros, Moss Bros Shareholders and its employees and has decided to recommend unanimously that Moss Bros Shareholders accept, or procure the acceptance of, the Acquisition.

## **5. STRUCTURE OF THE ACQUISITION**

The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement between Moss Bros and the Scheme Shareholders under Part 26 of the Companies Act, the provisions of which are set out in full in paragraph 4 of Part 2 of this document, although Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer (subject to Panel and Moss Bros consent, save that in circumstances 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). The Scheme involves an application by Moss Bros to the Court to sanction the Scheme, which will involve the Scheme Shares being transferred to Bidco, in consideration for which Scheme Shareholders will receive the Cash Consideration on the basis set out in paragraph 2 above.

The implementation of the Scheme is subject to the Conditions and certain further terms set out in Part 4 of this document. To become Effective, the Scheme will require, amongst other things, the following events to occur:

- 5.1 a resolution to approve the Scheme being passed by a majority in number of the Scheme Shareholders present and voting at the Court Meeting (or at an adjournment thereof) representing

not less than 75 per cent. in value of Scheme Shares voted at the Court Meeting (or at any adjournment thereof);

- 5.2 a special resolution to approve and implement the Scheme and amendments to the Moss Bros Articles being passed by the requisite majority at the General Meeting; and
- 5.3 the sanction of the Scheme by the Court and a copy of the Court Order being delivered to the Registrar of Companies for registration.

The Offer will lapse if the Scheme does not become Effective on or before 5.00 p.m. on the Longstop Date (or such later date and time as Bidco and Moss Bros may agree and the Court and the Takeover Panel may allow), provided however that the deadline for the effectiveness of the Scheme may be waived by Bidco.

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 the General Meeting (and if they attended and voted, whether or not they voted in favour of or against the Scheme).

**If you wish the Scheme to become Effective, you are urged to sign and return the enclosed Forms of Proxy as soon as possible. You should note that if there is insufficient Scheme Shareholder support for the Scheme at the Meetings, the Scheme will not become Effective and the Acquisition will not proceed.**

Further details of the Scheme and the Meetings are set out in paragraph 4 of Part 2 of this document.

## **6. ARRANGEMENTS BETWEEN BIDCO AND MOSS BROS MANAGEMENT**

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 they 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 such members of the management of Moss Bros.

## **7. MOSS BROS SHARE PLANS**

Information relating to the effect of the Scheme on holders of options and awards under the Moss Bros Share Plans is set out in paragraph 11 of Part 2 of this document. Participants in the Moss Bros Share Plans will shortly receive further details of the action they can take in respect of their options and awards.

## **8. IRREVOCABLE UNDERTAKINGS**

- 8.1 Bidco has received irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Special Resolution 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 the Announcement)).
- 8.2 Bidco has also received an irrevocable undertaking from one of the largest Moss Bros Shareholders, Gatmore Capital Management LLP, to vote or procure votes in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, with Panel and Moss Bros' consent, 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 the Announcement)).
- 8.3 In aggregate, therefore, Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the General Meeting in respect of a total of 12,742,293 Moss Bros Shares, representing approximately 12.6 per cent. of the existing issued Moss Bros Shares.

Further details of these irrevocable undertakings (including the circumstances in which they will lapse) are set out in paragraph 4 of Part 7 of this document.

## **9. UNITED KINGDOM TAXATION**

A summary of certain aspects of UK taxation, which is intended as a general guide only, is set out in Part 5 of this document.

If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction outside the UK, you are strongly advised to consult an appropriate independent professional adviser immediately.

## **10. ACTION TO BE TAKEN**

Your attention is drawn to paragraph 19 of Part 2 of this document which explains the actions you should take in relation to the Scheme.

Overseas Shareholders should refer to paragraph 16 of Part 2 of this document.

Notices convening the Court Meeting and General Meeting are set out in Part 9 and Part 10 respectively of this document.

If you have any questions relating to this document or the completion and return of the Forms of Proxy, helplines are available. Please see page 11 for details. Please note that calls to the helpline number may be monitored or recorded and that, for legal reasons, the helplines cannot provide advice on the Acquisition or its merits or give any personal, legal, financial or tax advice.

**IN ACCORDANCE WITH CURRENT GOVERNMENT INSTRUCTIONS IN RESPECT OF THE EVOLVING SITUATION REGARDING COVID-19 AND THE RESTRICTIONS ON SOCIAL CONTACT, PUBLIC GATHERINGS AND NON-ESSENTIAL TRAVEL, WE REQUEST THAT YOU DO NOT PHYSICALLY ATTEND THE MEETINGS AND INSTEAD YOU SHOULD RETURN YOUR FORMS OF PROXY OR APPOINT YOUR PROXY ELECTRONICALLY (AS THE CASE MAY BE) BY THE RELEVANT TIME. ANY MOSS BROS SHAREHOLDER THAT ATTEMPTS TO PHYSICALLY ATTEND THE MEETINGS WILL BE REFUSED ADMISSION IN ORDER TO COMPLY WITH CURRENT GOVERNMENT PUBLIC HEALTH INSTRUCTIONS.**

**The health of the Moss Bros Shareholders, as well as its officers and employees, is of paramount importance to Moss Bros. It is expected that the Company's attendance at the Meetings in person will be limited to satisfy the requirements for a quorum.**

**The situation in relation to COVID-19 continues to develop and the Company is aware that the Government is looking at solutions for the impact COVID-19 is having on the ability of companies to hold meetings. The Company will continue to update the Moss Bros Shareholders on arrangements for the Meetings through a Regulatory Information Service and the Company's website at <https://corp.moss.co.uk>. Moss Bros Shareholders are advised to check the Company's website for updates.**

## **11. CURRENT TRADING AND PROSPECTS OF MOSS BROS**

On 23 March 2020, Moss Bros announced a trading update which highlighted the potential impact of COVID-19 as one of a number of risks to the future performance of the business.

The Moss Bros Group has been monitoring its high street, factory outlets, online and hire business segments for signs of any financial impact arising from COVID-19. Whilst the initial impact was relatively benign, Moss Bros saw a significant reduction in footfall across its retail outlets and in orders in its hire business. The Moss Bros Group therefore took the decision to close all its stores (including its online store) temporarily until further notice. Given that mass gatherings have been prohibited by the UK government, a sharper decline in trading performance is expected.

The Moss Bros Group expects that the effects of COVID-19 will result in a significant reduction in revenue and profitability for the year ending 30 January 2021, however it is too early to determine the precise quantum. Prior to the announcement of the trading update, the Moss Bros Group had been trading as expected.

The Moss Bros Group is debt free and retains cash in the bank. It is managing the business to protect profitability and is taking all necessary action to reduce costs and conserve cash. With these actions, the Moss Bros Group believes that it has the ability to withstand significant revenue decline through to the beginning of the second half of the financial year ended 30 January 2021.

## **12. FURTHER INFORMATION**

Your attention is drawn to the Explanatory Statement set out in Part 2 of this document and to the full Scheme set out in Part 3 of this document.



You are advised to read the whole of this document and not just rely on the summary information contained in this letter.

### **13. RECOMMENDATION**

The Moss Bros Directors, who have been so advised jointly 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, each of Peel Hunt and Rothschild & Co have taken into account the commercial assessments of the Moss Bros Directors. Peel Hunt has provided independent financial advice to the Board of Moss Bros for the purposes of Rule 3 of the Code.

Accordingly, the Moss Bros Directors unanimously recommend that all Scheme Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and all eligible Moss Bros Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting, as all members of the Board of Moss Bros who hold interests in Moss Bros Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 2,607,934 Moss Bros Shares, representing, at the last practicable date before publication of this document, approximately 2.6 per cent. of the issued share capital of Moss Bros.

Yours faithfully

Colin Porter  
Chairman  
Moss Bros Group plc

PART 2  
EXPLANATORY STATEMENT

(IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT)



7 April 2020

*To: Moss Bros Shareholders and, for information only, to participants in the Moss Bros Share Plans*

**Recommended cash offer for the Acquisition of Moss Bros Group plc by Brigadier Acquisition Company Limited (“Bidco”)**

## 1. INTRODUCTION

On 12 March 2020, the Board of Moss Bros and the Board of Bidco announced that they had reached agreement on the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued ordinary share capital of Moss Bros (the “Acquisition”). The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement between Moss Bros and its shareholders under Part 26 of the Companies Act.

**Your attention is drawn to the letter from the Chairman, set out in Part 1 of this document, which forms part of this Explanatory Statement. That letter contains, amongst other things, the background to and reasons for the recommendation of the Acquisition by the Board of Moss Bros (set out in paragraph 4 of Part 1 of this document) and states that the Board of Moss Bros, who have been so advised jointly 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, each of Peel Hunt and Rothschild & Co have taken into account the commercial assessments of the Board of Moss Bros. Peel Hunt has provided independent financial advice to the Board of Moss Bros for the purposes of Rule 3 of the Code.**

**The Board of Moss Bros is unanimously recommending that all Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that eligible Moss Bros Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting.**

In giving their advice, Peel Hunt and Rothschild & Co are advising the Board of Moss Bros in relation to the Acquisition and are not acting for any Moss Bros Director in his or her personal capacity nor for any Moss Bros Shareholder in relation to the Acquisition. Peel Hunt and Rothschild & Co will not be responsible to any such person for providing the protections afforded to its clients or for advising any such person in relation to the Acquisition. In particular, Peel Hunt and Rothschild & Co will not owe any duties or responsibilities to any particular Moss Bros Shareholder concerning the Acquisition.

This Explanatory Statement contains a summary of the provisions of the Scheme. The terms of the Scheme are set out in full in Part 3 of this document. Your attention is also drawn to the Conditions and further terms of the Acquisition set out in Part 4 of this document and to the further information set out in the other parts of this document which all form part of this Explanatory Statement.

## 2. SUMMARY OF THE TERMS OF THE ACQUISITION AND THE SCHEME

The Acquisition is to be implemented by way of a Court-sanctioned scheme of arrangement between Moss Bros and the Scheme Shareholders under Part 26 of the Companies Act. The Scheme is subject to the satisfaction or, where applicable, waiver of the Conditions as described in paragraph 3 below and set out in full in Part 4 of this document. If the Scheme becomes Effective, all Scheme Shares will be transferred to Bidco and, in consideration for the Scheme Shares, Scheme Shareholders on Moss Bros’ register of members at the Scheme Record Time will be entitled to receive the Cash Consideration.

Under the terms of the Acquisition, Scheme Shareholders will 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 the 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 the 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 the 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 document 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 document 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.

If you wish the Scheme to become Effective, you are urged to sign and return the enclosed Forms of Proxy as soon as possible. You should note that if there is insufficient Scheme Shareholder support for the Scheme at the Meetings, the Scheme will not become Effective.

**IN ACCORDANCE WITH CURRENT GOVERNMENT INSTRUCTIONS IN RESPECT OF THE EVOLVING SITUATION REGARDING COVID-19 AND THE RESTRICTIONS ON SOCIAL CONTACT, PUBLIC GATHERINGS AND NON-ESSENTIAL TRAVEL, WE REQUEST THAT YOU DO NOT PHYSICALLY ATTEND THE MEETINGS AND INSTEAD YOU SHOULD RETURN YOUR FORMS OF PROXY OR APPOINT YOUR PROXY ELECTRONICALLY (AS THE CASE MAY BE) BY THE RELEVANT TIME. ANY MOSS BROS SHAREHOLDER THAT ATTEMPTS TO PHYSICALLY ATTEND THE MEETINGS WILL BE REFUSED ADMISSION IN ORDER TO COMPLY WITH CURRENT GOVERNMENT PUBLIC HEALTH INSTRUCTIONS.**

**The situation in relation to COVID-19 continues to develop and the Company is aware that the Government is looking at solutions for the impact COVID-19 is having on the ability of companies to hold meetings. The Company will continue to update the Moss Bros Shareholders on arrangements for the Meetings through a Regulatory Information Service and the Company's website at <https://corp.moss.co.uk>. Moss Bros Shareholders are advised to check the Company's website for updates.**

If you would like to listen to the proceedings at the relevant Meeting, the Company has made available an audio facility, through which the Meetings will be broadcast at the relevant times. If you would like to take advantage of this facility, please access the link at [https://teams.microsoft.com/l/meetupjoin/19%3ameeting\\_ZDA5MDA1ZGQtY2ZjYi00OTExLTlkOWQtZWE3NDNiY2MzZWE3%40thread.v2/0?content=%7b%22Tid%22%3a%228dda297-11af-4f76-b704-cl8a1d2b702f%22%2c%22Oid%22%3a%22bf49a42c-ac06-4776-8d1b-e7b3a25f3c1c%22%7d](https://teams.microsoft.com/l/meetupjoin/19%3ameeting_ZDA5MDA1ZGQtY2ZjYi00OTExLTlkOWQtZWE3NDNiY2MzZWE3%40thread.v2/0?content=%7b%22Tid%22%3a%228dda297-11af-4f76-b704-cl8a1d2b702f%22%2c%22Oid%22%3a%22bf49a42c-ac06-4776-8d1b-e7b3a25f3c1c%22%7d) and follow the instructions provided. Access and the numbers of participants may be limited due to technological restraints. Please note that this facility permits Moss Bros Shareholders to listen to the proceedings only. By taking part in the audio facility you will **NOT** be: (i) counted in attendance at the relevant Meeting; (ii) able to speak or ask questions to the Chairman of the relevant Meeting; or (iii) permitted to vote at the relevant Meeting. You are therefore strongly urged to complete and return the Forms of Proxy or appoint your proxy electronically (as the case may be) by the relevant time on 27 April 2020 and to return to the Company by the same time any questions you wish to ask the Chairman of the relevant Meeting to [ShareholderQ@mossbros.co.uk](mailto:ShareholderQ@mossbros.co.uk). Any questions must relate to the subject matter of the Meetings and the email must clearly state your name, address and the number of Moss Bros Shares you hold.

Details of the arrangements for the payment of the Cash Consideration are set out in paragraph 18 below.

### **3. CONDITIONS TO THE ACQUISITION**

3.1 The Acquisition is conditional upon all Conditions having been satisfied or, where applicable, waived and the Scheme becoming Effective on or before 5.00 p.m. on the Longstop Date, or such later date and time (if any) as Moss Bros and Bidco may agree and (if required) the Court and the Takeover Panel may allow. In particular, the Scheme is conditional upon:

- 3.1.1 approval of the Scheme by the requisite majority of Scheme Shareholders at the Court Meeting or at any adjournment of such meeting as described in paragraph 4 below;
- 3.1.2 the Special Resolution necessary to implement the Scheme, as set out in the notice of the General Meeting contained in Part 10 of this document being duly passed by the requisite majority of Moss Bros Shareholders at the General Meeting as described in paragraph 4 below or at any adjournment of such meeting;
- 3.1.3 the sanction of the Scheme (without modification or, on terms as are agreed by Moss Bros and Bidco, with modification) by the Court as described in paragraph 4 below; and
- 3.1.4 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:
  - (a) 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;
  - (b) 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
  - (c) the FCA being treated, under section 189(6) of FSMA, as having approved such acquisition or increase in control.

The Scheme can only become Effective if all Conditions, including shareholder approvals and the sanction of the Court, have been satisfied or, where applicable, waived. The Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. This is expected to occur in the second quarter of calendar year 2020.

The Offer will lapse if the Scheme does not become Effective on or before 5.00 p.m. on the Longstop Date (or such later date and time as Bidco and Moss Bros may agree and the Court and the Takeover Panel may allow), provided however that the deadline for the effectiveness of the Scheme may be waived by Bidco.

The Conditions and further terms of the Acquisition are set out in full in Part 4 of this document.

## **4. THE SCHEME**

### **4.1 Scheme mechanism**

The Acquisition is being implemented by means of a Court-sanctioned scheme of arrangement between Moss Bros and the Scheme Shareholders under Part 26 of the Companies Act. The Scheme Shareholders are those holders of Moss Bros Shares at the Voting Record Time and holders of Moss Bros Shares issued after such time and at any time prior to the Scheme Record Time either on terms that they shall be bound by the Scheme or in respect of which they have agreed to be bound by the Scheme, other than any Moss Bros Shares which are held by Bidco or any member of the Bidco Group.

The Scheme involves an application by Moss Bros to the Court to sanction the Scheme, which will involve the Scheme Shares being transferred to Bidco, in consideration for which Scheme Shareholders will receive the Cash Consideration on the basis set out in paragraph 2 above.

On the Effective Date, share certificates in respect of the Scheme Shares will cease to be valid and should be destroyed upon receipt of the Cash Consideration. In addition, on the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled.

The provisions of the Scheme are set out in full in Part 3 of this document.

### **4.2 The Meetings**

The Scheme will require the approval of Scheme Shareholders at the Court Meeting and Moss Bros Shareholders at the separate General Meeting, both of which will be held on 29 April 2020 at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, London SW11 1SA. The Court

Meeting is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme. The General Meeting is being convened to seek the approval of Moss Bros Shareholders to enable the Moss Bros Directors to implement the Scheme and to amend the Moss Bros Articles as described in paragraph 4.3 below.

Notices of the Court Meeting and the General Meeting are set out in Part 9 and Part 10 of this document respectively. Entitlements to attend and vote at the Meetings and the number of votes which may be cast at them will be determined by reference to holdings of Moss Bros Shares as shown in the register of members of Moss Bros at the time specified in the notice of the relevant Meeting.

Any Moss Bros Shares which Bidco or any other member of the Bidco Group (or their respective nominees) may acquire before the Court Meeting are not Scheme Shares and therefore none of Bidco or any other member of the Bidco Group (or their respective nominees) is entitled to vote at the Court Meeting in respect of the Moss Bros Shares held or acquired by it and will not exercise the voting rights attaching to these Moss Bros Shares at the General Meeting.

#### 4.2.1 *The Court Meeting*

The Court Meeting, which has been convened for 10.00 a.m. on 29 April 2020, is being held with the permission of the Court to seek the approval of the Scheme Shareholders for the Scheme. At the Court Meeting, voting will be by way of poll and each Scheme Shareholder present by proxy will be entitled to one vote for each Scheme Share held. The approval required at the Court Meeting is a simple majority in number of those Scheme Shareholders who are present and vote, by proxy, and who represent 75 per cent. or more in value of all Scheme Shares voted by such Scheme Shareholders.

Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting.

**It is important that as many votes as possible are cast (by proxy) at the Court Meeting so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion.**

**IN ACCORDANCE WITH CURRENT GOVERNMENT INSTRUCTIONS IN RESPECT OF THE EVOLVING SITUATION REGARDING COVID-19 AND THE RESTRICTIONS ON SOCIAL CONTACT, PUBLIC GATHERINGS AND NON-ESSENTIAL TRAVEL, WE REQUEST THAT YOU DO NOT PHYSICALLY ATTEND THE MEETINGS AND INSTEAD YOU SHOULD RETURN YOUR FORMS OF PROXY OR APPOINT YOUR PROXY ELECTRONICALLY (AS THE CASE MAY BE) BY THE RELEVANT TIME. ANY MOSS BROS SHAREHOLDER THAT ATTEMPTS TO PHYSICALLY ATTEND THE MEETINGS WILL BE REFUSED ADMISSION IN ORDER TO COMPLY WITH CURRENT GOVERNMENT PUBLIC HEALTH INSTRUCTIONS.**

You are therefore strongly urged to complete and return the blue Form of Proxy for the Court Meeting or appoint a proxy electronically using CREST as soon as possible and, in any event, so as to be received by 10.00 a.m. on 27 April 2020. A blue Form of Proxy for the Court Meeting not lodged at the relevant time may be handed to the Chairman of the Court Meeting or Link Asset Services before the start of the Court Meeting and will still be valid. However, as physical attendance at the Court Meeting will be refused in order to comply with current Government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above.

The notice convening the Court Meeting is set out in Part 9 of this document.

#### 4.2.2 *The General Meeting*

In addition to the Court Meeting, the General Meeting has been convened for 10.15 a.m. on 29 April 2020 or as soon thereafter as the Court Meeting has concluded or been adjourned, to consider and, if thought fit, pass the Special Resolution (which requires votes in favour representing at least 75 per cent. of the votes cast (by proxy)) to approve:

- (a) the Scheme;
- (b) the authorisation of the Moss Bros Directors to take all such actions as they may consider necessary or appropriate to give full effect to the Scheme; and

(c) certain amendments to the Moss Bros Articles as described below.

Voting on the Special Resolution will be by way of a poll. All Moss Bros Shareholders will be entitled to vote on the Special Resolution. White Forms of Proxy may NOT be handed to the Chairman of the General Meeting or Link Asset Services at the General Meeting.

You will find the notice of the General Meeting set out in Part 10 of this document.

#### **4.3 Amendments to the Moss Bros Articles**

It is proposed that the Moss Bros Articles be amended so as to ensure that any Moss Bros Shares which are issued after the General Meeting but prior to the Scheme Record Time will be subject to and bound by the Scheme. Any Moss Bros Shares issued on the exercise of options or awards under the Moss Bros Share Plans, or otherwise, after the Scheme Record Time will not be subject to the Scheme. Accordingly, it is also proposed that the Moss Bros Articles be amended so that any Moss Bros Shares issued to any person other than Bidco (or its nominee(s)) on or after the Scheme Record Time will be immediately transferred to Bidco (or as it may direct) in consideration for the payment by Bidco to such person of such amount of Cash Consideration as would have been paid pursuant to the Scheme for each such share as if it were a Scheme Share.

The proposed amendments to the Moss Bros Articles are set out in full in the notice of the General Meeting in Part 10 of this document.

#### **4.4 Modifications to the Scheme**

The Scheme contains a provision for Moss Bros and Bidco jointly to consent on behalf of all concerned to any modification of, addition or condition to the Scheme which the Court may think fit to approve or impose. The Court would be unlikely to approve of, or impose, any modification of, addition or condition to the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held. Similarly, if a modification, addition or condition is put forward which, in the opinion of the Board of Moss Bros, is of such a nature or importance as to require the consent of Scheme Shareholders at a further meeting, the Moss Bros Directors will not take the necessary steps to make the Scheme Effective unless and until such consent is obtained.

#### **4.5 Sanction of the Scheme by the Court**

Under the Companies Act, the Scheme also requires the sanction of the Court. The Court Hearing to sanction the Scheme is expected to be held during the second quarter of calendar year 2020.

The Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies for registration.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolution at the General Meeting. If the Scheme does not become Effective on or before 5.00 p.m. on the Longstop Date (or such later date and time (if any) as Bidco and Moss Bros may agree and (if required) the Court and the Takeover Panel may allow), the Scheme will not become Effective and the Acquisition will not proceed.

#### **4.6 Alternative means of implementing the Acquisition**

Bidco reserves the right to elect, as it may determine in its absolute discretion (as further described in Part B of Part 4 of this document) for the Acquisition to be implemented by way of a Takeover Offer with the consent of the Takeover Panel and Moss Bros, provided 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 switch to a Takeover Offer without the consent of Moss Bros. In either such event, the Acquisition will be implemented on the same terms and conditions, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such less percentage, being more than 50 per cent., as Bidco may decide and/or the Takeover Panel may require). If Bidco does elect to implement the Acquisition by way of a Takeover Offer, and if sufficient acceptances of such Takeover Offer are received and/or sufficient Moss Bros Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of sections 979 to 982 (inclusive) of the Companies Act to acquire compulsorily any outstanding Moss Bros Shares to which the Offer related.

## **5. BACKGROUND TO THE ACQUISITION**

Since the Announcement on 12 March 2020, the situation in the UK in respect of COVID-19 has developed rapidly, and its impact on the UK retail sector and the Moss Bros business has continued to worsen, with voluntary and subsequently government mandated closures of retail outlets, the cancellation of major sporting and social events, including weddings, and the cessation of revenues from online sales and the hire business.

Moss Bros released a trading update on 23 March 2020 announcing the closure of its stores, in which it noted that its focus had moved to managing the business to protect profitability and taking all necessary action to reduce costs and conserve cash. Moss Bros further announced that it believes that it has the ability to withstand significant revenue decline through to the beginning of the second half of FY21.

As a result of the above, Bidco has revised its intention statements as published in the Announcement to consider the potential impact of a prolonged closure of Moss Bros' retail outlets and associated significant deterioration of Moss Bros' financial position. These updated intention statements are set out in paragraph 10 of this Part 2.

Bidco continues to monitor the impact of COVID-19 on Moss Bros and both its financial position, which has deteriorated materially since the date of the Announcement as set out in Moss Bros' trading update on 23 March 2020, and its future prospects. Bidco also continues to review all government guidance relating to COVID-19 and its likely effect on Moss Bros, along with such revised sales, cashflow and liability forecasts for Moss Bros as are available.

Bidco believes that the impact to date has been materially adverse and that there is the potential for further deterioration in Moss Bros' financial position beyond that announced by Moss Bros on 23 March 2020. The Scheme remains subject to the Conditions and to certain further terms referred to in Part 4 of this document and, in particular, Conditions 2(c)(viii), 2(g)(xiv), 2(h)(i) and 2(h)(iv) of the Scheme which covers, inter alia, (a) government action and the passing of statute, regulation and orders which have materially adversely affected the Wider Moss Bros Group; (b) since 27 July 2019, members of the Moss Bros Group having stopped or suspended payment of their debts generally which is material in the context of the Wider Moss Bros Group; (c) circumstances in which a material adverse change in the business, assets, financial or trading position or profits, operational performance or prospects of the Moss Bros group having occurred since 27 July 2019; and (d) contingent or actual liabilities having arisen or increased other than in the ordinary course of business since 27 July 2019 which are reasonably likely to affect adversely the business, assets, financial or trading position or profits of the Wider Moss Bros Group and which are material in the context of the Wider Moss Bros Group.

Invocation of any of the Conditions (other than the Scheme approval condition set out in paragraph 1 of Part 4 of this Document), if sought, would be subject to the provisions of Rule 13.5(a) of the Takeover Code.

## **6. BACKGROUND TO AND REASONS FOR RECOMMENDING THE ACQUISITION**

The details of the background to and reasons for recommending the Acquisition are set out in full in paragraph 4 of the letter from the Chairman of Moss Bros set out in Part 1 of this document.

## **7. INFORMATION ON MOSS BROS**

Moss Bros retails and hires formal wear for men, predominantly in the UK. By drawing upon its 169 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 whilst it is a listed company to announce these results at the latest by 25 May 2020.

## **8. CURRENT TRADING AND PROSPECTS OF MOSS BROS**

Details of the current trading and prospects of Moss Bros are contained in paragraph 11 of the letter from the Chairman set out in Part 1 of this document.

## **9. INFORMATION ON BIDCO AND ITS FINANCING**

The cash consideration payable by Bidco under the terms of the Acquisition will be funded by unsecured, interest free loans from Regiment (for an amount of up to \$19,999,992.08) (the "**Regiment Loan Agreement**") and Marquis (for an amount of up to £12,217,905.76) (the "**Marquis Loan Agreement**"),

being the immediate shareholders of Bidco, pursuant to the terms of a tripartite loan agreement providing a maximum interest free facility of £24,435,811.52 entered into between Bidco, Regiment and Marquis on 12 March 2020 (the “**Tripartite Loan Agreement**”). In turn, Marquis has been provided with unsecured debt funding (in an amount of up to £12,217,905.76) by Adnar Finance LLC, a limited liability company engaged primarily in commercial lending to consumer product companies (together with the Marquis Loan Agreement, the “**Marquis Shareholder Loan Agreements**”). Regiment has been provided with unsecured shareholder debt finance provided by its ultimate shareholder, Menoshi Shina, pursuant to the terms of interest free loan agreements from Menoshi Shina to Three Wishes Limited, from Three Wishes Limited to World Asia Trading Limited and from Three Wishes Asia Trading Limited to Regiment, each in an amount of up to \$19,999,992.08 (together with the Regiment Loan Agreement, the “**MS Shareholder Loan Agreements**”).

Copies of the Tripartite Loan Agreement, the Marquis Shareholder Loan Agreements and the MS Shareholder Loan Agreements (together, the “**Bidco Loan Agreements**”) will be available, free of charge, on Bidco’s website at [www.brigadieruk.co.uk](http://www.brigadieruk.co.uk) during the period up to and including the Effective Date or the date on which the Scheme lapses or is withdrawn whichever is the earlier. Each of the Bidco Loan Agreements contains the following terms:

- **Repayment:** the relevant loan shall be repaid on the earlier of (i) the date falling 9 months after the final date of the Certain Funds Period (as defined in each such loan agreement); and (ii) the date on which the relevant facility is refinanced (either by the relevant lender or a third party) or prepaid using the proceeds of an equity issuance; and (iii) the date on which repayment is demanded by the relevant lender; and
- **Key covenants:** the relevant lender irrevocably and unconditionally undertakes at all times from the date of the relevant loan agreement to the expiry of the Certain Funds Period (as defined in each such loan agreement) that it shall: (a) take all necessary action within its power to ensure that the applicable facility limit shall continue to be available to the applicable borrower until the expiry of the Certain Funds Period for the purpose of satisfying its obligations to make any payment in respect of certain amounts of the cash consideration payable to Moss Bros Shareholders in connection with the Acquisition; (b) continue to be the sole legal and beneficial owner of the applicable facility limit; (c) not create any security interest or encumbrance on, over or with respect to the applicable facility limit; (d) not sell, transfer, assign, part with any interest in, close or otherwise dispose of or deal with, the applicable facility limit or agree to do any of the foregoing; and (e) not require repayment of any loan at any time prior to the expiry of the Certain Funds Period.

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.

## **10. INTENTIONS FOR THE ENLARGED GROUP**

### **Intentions in respect of the impact of COVID-19 on Moss Bros**

The UK retail sector is currently experiencing unprecedented disruption as a result of the COVID-19 pandemic and the associated government mandated restrictions on retail businesses and UK residents. Moss Bros confirmed within the announcement entitled ‘Trading Statement’ on 23 March 2020 that all of its stores had been closed until further notice.

Bidco intends to follow the guidance of the UK government and of Moss Bros’ management team in respect of when it is both safe, prudent and economically viable to reopen stores, with an overriding intention to restore the Moss Bros business to full operation as soon as it is possible to do so. At present, it is not possible to estimate reliably the timeframe for the reopening of Moss Bros’ store estate.

Within the trading statement released on 23 March 2020 Moss Bros confirmed that the disruption to operations is expected to result in deterioration of Moss Bros’ financial performance and position when compared to expectations that existed at the time of the Announcement, and that at the current time it is not possible to quantify this deterioration. It also noted that the Moss Bros Group is taking all necessary action to reduce costs and conserve cash. It further stated that, with these actions, the Moss Bros Group believes that it has the ability to withstand significant revenue decline through to the beginning of the second half of FY21.



Subject to the Scheme becoming Effective, Bidco intends to review immediately the financial position and prospects of Moss Bros and work with management on a strategy to continue to mitigate the impact of the disruption on the future operations and prospects of the Moss Bros business, and to seek to preserve cash and liquidity to ensure the ongoing viability of the business.

When Bidco announced its Offer, it had taken into account the risk of short term disruption to the business as a result of the COVID-19 pandemic. It considered at that time that the positive cash resources of the Moss Bros Group, combined with a strong management team, would be able to secure the solvency of the Moss Bros Group during the expected period of business disruption and through to a resumption of ordinary course trading.

Since the Announcement, the scale of the disruption and Bidco's expectation of the duration of such disruption in the United Kingdom has worsened materially.

It is possible that a further deterioration in the financial position of Moss Bros may necessitate material changes to the operations of the business in order to protect its future for the benefit of all stakeholders. It is not currently possible to anticipate whether this will be required, or what such changes would be needed in this eventuality.

Bidco continues to monitor the impact of COVID-19 on Moss Bros and both its financial position, which has deteriorated materially since the date of the Announcement as set out in Moss Bros' trading update on 23 March 2020, and its future prospects. Bidco also continues to review all government guidance relating to COVID-19 and its likely effect on Moss Bros, along with such revised sales, cashflow and liability forecasts for Moss Bros as are available.

Bidco believes that the impact to date has been materially adverse and that there is the potential for further deterioration in Moss Bros' financial position beyond that announced by Moss Bros on 23 March 2020. The Scheme remains subject to the Conditions and to certain further terms referred to in Part 4 of this document and, in particular, Conditions 2(c)(viii), 2(g)(xiv), 2(h)(i) and 2(h)(iv) of the Scheme which covers, *inter alia*, (a) government action and the passing of statute, regulation and orders which have materially adversely affected the Wider Moss Bros Group; (b) since 27 July 2019, members of the Moss Bros Group having stopped or suspended payment of their debts generally which is material in the context of the Wider Moss Bros Group; (c) circumstances in which a material adverse change in the business, assets, financial or trading position or profits, operational performance or prospects of the Moss Bros group having occurred since 27 July 2019; and (d) contingent or actual liabilities having arisen or increased other than in the ordinary course of business since 27 July 2019 which are reasonably likely to affect adversely the business, assets, financial or trading position or profits of the Wider Moss Bros Group and which are material in the context of the Wider Moss Bros Group.

Invocation of any of the Conditions (other than the Scheme approval condition set out in paragraph 1 of Part 4 of this Document), if sought, would be subject to the provisions of Rule 13.5(a) of the Takeover Code.

The intentions outlined below, as announced by Bidco on 12 March 2020 in the Announcement, were and are predicated on Moss Bros not suffering further material financial damage as a result of the COVID-19 pandemic and returning to normal and profitable operation within a relatively short timeframe. Should this not be the case, alternative strategic plans may need to be implemented, as referred to above.

#### **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 12 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 such 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 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.

### **11. EFFECT OF THE SCHEME ON THE MOSS BROS SHARE PLANS**

The Acquisition will affect participants in the Moss Bros Share Plans. In summary, Bidco and Moss Bros have agreed that appropriate proposals will be made to the holders of such options and awards under the Moss Bros Share Plans 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. Options and awards which are exercised prior to the Scheme Record Time will be satisfied by the allotment, issue or transfer of Moss Bros Shares and these Moss Bros Shares will be subject to the Scheme.

### **12. THE DIRECTORS OF MOSS BROS AND THE EFFECT OF THE SCHEME ON THEIR INTERESTS**

The names of the Moss Bros Directors and the details of their interests in the share capital of Moss Bros including in respect of options and awards over such share capital are set out in paragraphs 5.2.2 and 5.2.5 of Part 7 of this document.

Particulars of the service contracts and letters of appointment of the Moss Bros Directors are set out in paragraph 6 of Part 7 of this document.

Certain of the Moss Bros Directors are participants in the Moss Bros Share Plans and paragraph 11 above will apply to their interests in such plans in the same manner as in the case of other participants in the Moss Bros Share Plans.

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.

Save as disclosed in this document, the effect of the Scheme on such interests of the Moss Bros Directors does not differ from its effect on the like interests of any other person.

### **13. BIDCO INTERESTS IN MOSS BROS SHARES**

As at the close of business on 6 April 2020, neither Bidco nor any person acting in concert with Bidco was interested in any Moss Bros Shares.

### **14. OFFER-RELATED AGREEMENTS**

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.

### **15. UNITED KINGDOM TAXATION**

The summary in Part 5 of this document is intended as a general guide only. If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction outside the United Kingdom, you are strongly advised to consult your independent professional adviser immediately.

### **16. OVERSEAS SHAREHOLDERS**

The availability of the Acquisition or the release, publication or distribution of this document in jurisdictions other than England and Wales may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than England and Wales should inform themselves about, and observe, any applicable requirements. This document and the accompanying documents have been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside England and Wales.

This document does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not constitute a prospectus or a prospectus equivalent document.

The Acquisition will be made solely through this document, and, in the case of certificated Moss Bros Shares, the Forms of Proxy, which will together contain the full terms and conditions of the Acquisition, including details of how to vote in favour of the Acquisition. Any response in relation to the Acquisition should be made only on the basis of the information contained in this document, the Forms of Proxy or any other document by which the Acquisition is made.

The implications of the Scheme for Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself as to full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

It may be difficult for Moss Bros Shareholders who are persons resident in jurisdictions other than the home jurisdictions of Moss Bros to enforce any rights and claims that they may have arising under any securities laws in respect of the Scheme due to the nature of where Moss Bros is located, the residences of the Moss Bros Directors and the enforceability of non-domestic judgements.

**Overseas Shareholders should consult their own independent legal and tax advisers with respect to the legal and tax consequences of the Scheme.**

## **17. DELISTING OF MOSS BROS SHARES AND RE-REGISTRATION**

Prior to the Scheme becoming Effective, an application will be made to the FCA for the cancellation of admission to trading of Moss Bros Shares on the London Stock Exchange's main market for listed securities and the listing of Moss Bros Shares on the Official List. It is expected that such cancellation will take effect on or shortly after the Effective Date.

The last day of dealings in, and for registration of transfers of, Moss Bros Shares is expected to be the Business Day immediately following the Court Hearing, and, at 7.30 a.m. on the Business Day after such date, trading of Moss Bros Shares on the London Stock Exchange's main market for listed securities will be suspended. No transfers of Moss Bros Shares will be registered after this time and date, other than the registration of Moss Bros Shares released, transferred or issued under the Moss Bros Share Plans and any corresponding transfers under the Moss Bros Articles.

In addition, on the Effective Date, each share certificate representing a holding of Moss Bros Shares will cease to be valid and should be destroyed, and entitlements to Moss Bros Shares held within the CREST system will be cancelled. It is intended that Moss Bros will be re-registered as a private company shortly after the Effective Date under the relevant provisions of the Companies Act.

## **18. SETTLEMENT**

Subject to the Scheme becoming Effective, and in accordance with the terms of the Scheme, settlement of the Cash Consideration will be effected within 14 days of the Effective Date in the manner set out below.

All documents and remittances sent through the post will be sent at the risk of the person(s) entitled to them.

Except with the consent of the Takeover Panel, settlement of the Cash Consideration will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against such Scheme Shareholder.

### **Where Scheme Shares are held in certificated form**

Where, at the Scheme Record Time, a Scheme Shareholder holds their Scheme Shares in certificated form (that is, not in CREST), settlement of the Cash Consideration to which such Scheme Shareholder is entitled shall be despatched by first class post to the Scheme Shareholder (but not into any Restricted Jurisdiction), by cheque.

All cheques shall be in Sterling drawn on the branch of a UK clearing bank. Payments made by cheque shall be payable to the Scheme Shareholder concerned except that, in the case of joint holders, Bidco reserves the right to make cheques payable to the holder whose name stands first in the register of members of Moss Bros in respect of the joint holding concerned at the Scheme Record Time. The encashment of any such cheque as is referred to in this paragraph shall be a complete discharge for the moneys represented by it.

All deliveries of cheques required to be made pursuant to the Scheme shall be effected by posting them by first class post in pre-paid envelopes addressed to the persons entitled to them at their respective addresses as appearing in the register of members of Moss Bros at the Scheme Record Time (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the register in respect of

such joint holding at such time), and neither Moss Bros nor Bidco shall be responsible for any loss or delay in the transmission of cheques sent in this way.

#### **Where Scheme Shares are held in uncertificated form (that is, in CREST)**

On the Effective Date, Scheme Shares held within CREST will be cancelled. The payment of Cash Consideration to which the CREST shareholders are entitled shall be effected by means of CREST by Bidco procuring the creation of a CREST payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds those uncertificated Scheme Shares in respect of the Cash Consideration due to that Scheme Shareholder. The creation of an assured payment arrangement shall be a complete discharge of Bidco's obligations under the Scheme with reference to payments through CREST.

The CREST payment obligations will be created within 14 days after the Effective Date. As from the Effective Date, each holding of Moss Bros Shares credited to any stock account in CREST will be disabled and all Moss Bros Shares will be removed from CREST in due course thereafter.

Bidco reserves the right to pay Cash Consideration to all or any relevant CREST shareholders at the Scheme Record Time by cheque as set out above, if for any reason it wishes to do so.

#### **Dividends**

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 document 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 document 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.

#### **19. ACTION TO BE TAKEN**

The Scheme and the Acquisition are subject to the satisfaction or, where applicable, waiver of the Conditions set out in Part 4 of this document.

In order to become Effective, the Scheme must be approved by a majority in number of those Scheme Shareholders who are present and entitled to vote (by proxy) at the Court Meeting (or any adjournment thereof) and who represent 75 per cent. or more in nominal value of all Scheme Shares voted by such Scheme Shareholders.

Implementation of the Scheme will also require the passing of the Special Resolution by Moss Bros Shareholders at the General Meeting (or any adjournment thereof) (requiring the approval of Moss Bros Shareholders representing 75 per cent. or more of the votes cast (by proxy) on the Special Resolution at the General Meeting).

The Court Meeting and the General Meeting will both be held at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, London SW11 1SA. The Court Meeting will be held at 10.00 a.m. on 29 April 2020 and the General Meeting will be held at 10.15 a.m. on the same date (or as soon thereafter as the Court Meeting has concluded or been adjourned).

Under the Companies Act, the Scheme is also subject to the sanction of the Court at the Court Hearing where Moss Bros Shareholders may be present and be heard in person or through representation to support or oppose the sanctioning of the Scheme. Depending on the date of the Court Hearing, this right may be subject to Government instructions relating to COVID-19 and any guidelines issued by the Court. The Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies for registration.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including those who did not vote or who voted against it at either one or both of the Meetings.

You will find enclosed with this document:

1. a blue Form of Proxy for use in respect of the Court Meeting;
2. a white Form of Proxy for use in respect of the General Meeting; and
3. a reply paid envelope for use within the United Kingdom.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion.**

**IN ACCORDANCE WITH CURRENT GOVERNMENT INSTRUCTIONS IN RESPECT OF THE EVOLVING SITUATION REGARDING COVID-19 AND THE RESTRICTIONS ON SOCIAL CONTACT, PUBLIC GATHERINGS AND NON-ESSENTIAL TRAVEL, WE REQUEST THAT YOU DO NOT PHYSICALLY ATTEND THE MEETINGS AND INSTEAD YOU SHOULD RETURN YOUR FORMS OF PROXY OR APPOINT YOUR PROXY ELECTRONICALLY (AS THE CASE MAY BE) BY THE RELEVANT TIME. ANY MOSS BROS SHAREHOLDER THAT ATTEMPTS TO PHYSICALLY ATTEND THE MEETINGS WILL BE REFUSED ADMISSION IN ORDER TO COMPLY WITH CURRENT GOVERNMENT PUBLIC HEALTH INSTRUCTIONS.**

You are strongly urged to sign the enclosed Forms of Proxy and return them in accordance with the instructions printed on those forms by post or, during normal business hours only, by hand to Link Asset Services at Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4ZF, or appoint a proxy electronically either using [www.signalshares.com](http://www.signalshares.com) or CREST as soon as possible but, in any event, so as to be received by the times and dates below:

|   |                                    |
|---|------------------------------------|
| <b>Blue Forms of Proxy for the Court Meeting</b>    | <b>10.00 a.m. on 27 April 2020</b> |
| <b>White Forms of Proxy for the General Meeting</b> | <b>10.15 a.m. on 27 April 2020</b> |

(or in the case of an adjourned Meeting not less than 48 hours prior to the time and date set for the adjourned Meeting).

If the blue Form of Proxy for use at the Court Meeting is not lodged by the relevant time, it may be handed to the Chairman of the Court Meeting or Link Asset Services before the start of the Court Meeting and will still be valid. However, as physical attendance at the Court Meeting will be refused in order to comply with current Government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above. In the case of the General Meeting, unless the white Form of Proxy is lodged so as to be received by the relevant time, or in the case of an adjourned meeting, at least 48 hours prior to the time and date set for the adjourned meeting, it will be invalid. We strongly urge you to follow Government instructions in respect of the evolving situation regarding COVID-19 and the restrictions on social contact, public gatherings and non-essential travel. It is expected that the Company's attendance at the Meetings in person will be limited to satisfy the requirements for a quorum. The Meetings will end immediately after the formal business. Any Moss Bros Shareholder that attempts to physically attend the Meetings will be refused admission in order to comply with Government public health instructions.

Moss Bros Shareholders may appoint a proxy electronically. As an alternative to completing the hard-copy Forms of Proxy, you can appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter your Investor Code shown on your share certificate and agree to certain terms and conditions. For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services not less than 48 hours before the time appointed for holding the Meetings or adjourned meetings to which it relates.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service, may do so for the Meetings and any adjournment(s) thereof by utilising the procedures described in the "CREST Reference Manual" issued by Euroclear UK & Ireland Limited (the "CREST Manual"). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

If you wish to appoint more than one proxy please contact Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. The proxy appointment and instructions must be received by Link Asset Services by no later than 48 hours before the time appointed for holding the relevant Meeting.

If you have any questions relating to completion and return of the Forms of Proxy, please contact Link Asset Services on the telephone numbers shown on page 11.

## **20. FURTHER INFORMATION**

The terms of the Scheme are set out in full in Part 3 of this document. Your attention is also drawn to the further information contained in this document, in particular to the Conditions to the implementation of the Scheme and Acquisition in Part 4, the information on UK taxation in Part 5, the financial information on Moss Bros in Part 6 and the additional information set out in Part 7 of this document.

George Sellar  
for and on behalf of  
**Peel Hunt LLP**

John Byrne  
for and on behalf of  
**N.M. Rothschild & Sons Limited**

**PART 3**  
**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE,  
BUSINESS AND PROPERTY COURTS OF  
ENGLAND AND WALES,  
COMPANIES COURT (ChD)**

**CR-2020-001652**

**IN THE MATTER OF MOSS BROS GROUP PLC**  
**and**  
**IN THE MATTER OF THE COMPANIES ACT 2006**  
**SCHEME OF ARRANGEMENT**  
**(under Part 26 of the Companies Act 2006)**  
**between**  
**MOSS BROS GROUP PLC**  
**and**  
**THE HOLDERS OF THE SCHEME SHARES**  
**(as hereinafter defined)**

**PRELIMINARY**

In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

|   |   |
|---|---|
| <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 on the terms and subject to the Conditions;  |
| <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 Group”</b>                            | Bidco and its subsidiaries and subsidiary undertakings;   |
| <b>“Business Day”</b>                           | a day, other than a Saturday or a Sunday or public holiday or bank holiday, on which banks are generally open for business in the City of London;   |
| <b>“Cash Consideration”</b>                     | the cash consideration of 22 pence (£0.22) per Scheme Share payable to Scheme Shareholders for each Scheme Share transferred pursuant to this Scheme;   |
| <b>“certificated” or “in certificated form”</b> | a share or other security which is not in uncertificated form (that is, not in CREST);  |
| <b>“Companies Act”</b>                          | the Companies Act 2006 including any statutory modification or re enactment thereof from time to time in force;   |
| <b>“Company”</b>                                | Moss Bros Group plc registered in England and Wales with company number 00134995 with its registered office at 8 St Johns Hill, Clapham Junction, London SW11 1SA;  |
| <b>“Conditions”</b>                             | the conditions to the implementation of the Scheme and the Acquisition which are set out in Part 4 of the Scheme Document   |
| <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 of the claim form to sanction this Scheme under section 899 of the Companies Act 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 of  |



|                                 |  |
|---------------------------------|--|
|                                 | shares) to be convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve (with or without modification) this Scheme, notice of which is set out in Part 9 of the Scheme Document, including any adjournment thereof;   |
| <b>“Court Order”</b>            | the order of the Court sanctioning this Scheme under Part 26 of the Companies Act;   |
| <b>“CREST”</b>                  | the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator in accordance with the Regulations;  |
| <b>“Daily Official List”</b>    | the Daily Official List of the London Stock Exchange;  |
| <b>“Effective”</b>              | the Scheme having become effective in accordance with its terms;   |
| <b>“Effective Date”</b>         | the date on which this Scheme becomes Effective in accordance with its terms;  |
| <b>“Euroclear”</b>              | Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738;   |
| <b>“Excluded Shares”</b>        | any Moss Bros Shares legally or beneficially owned by any member of the Bidco Group;   |
| <b>“General Meeting”</b>        | the general meeting of Moss Bros Shareholders convened in connection with this Scheme, notice of which is set out in Part 10 of the Scheme Document, including any adjournment, postponement or reconvention thereof;  |
| <b>“holder”</b>                 | a registered holder and includes any person entitled by transmission;  |
| <b>“Link Asset Services”</b>    | the registrars to the Company;   |
| <b>“Moss Bros Share Plans”</b>  | the Moss Bros Sharesave Plan 2012 and the Moss Bros 2009 Long Term Incentive Plan;   |
| <b>“Moss Bros Shares”</b>       | the ordinary shares of 5 pence each in the capital of the Company;   |
| <b>“Registrar of Companies”</b> | the Registrar of Companies in England and Wales;   |
| <b>“Regulations”</b>            | the Uncertificated Securities Regulations 2001;  |
| <b>“Scheme”</b>                 | this proposed scheme of arrangement made under Part 26 of the Companies Act between the Company and the Scheme Shareholders in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and/or agreed to by the Company and Bidco;  |
| <b>“Scheme Document”</b>        | the circular in respect of the Scheme dated 7 April 2020 sent by Moss Bros to the holders of Moss Bros Shares and persons with information rights, of which this Scheme forms a part, containing and setting out the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and the General Meeting; |
| <b>“Scheme Record Time”</b>     | 6.00 p.m. on the Business Day immediately following the date of the Court Hearing or such later time as Bidco and Moss Bros may agree;   |
| <b>“Scheme Shareholders”</b>    | the holders of Scheme Shares at any relevant date or time;   |
| <b>“Scheme Shares”</b>          | the Moss Bros Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document;</li> <li>(b) (if any) issued after the date of the Scheme Document and before the Voting Record Time; and</li> </ul>   |

- (c) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time, on terms that the holder shall be bound by the Scheme or, in the case of any subsequent holders of any such shares issued prior to the amendment to the Moss Bros Articles to be adopted at the General Meeting, in respect of which the holder shall have agreed in writing to be bound by this Scheme,

but in each case, other than any Excluded Shares;

**“Takeover Panel”**

the Panel on Takeovers and Mergers;

**“UK” or “United Kingdom”**

the United Kingdom of Great Britain and Northern Ireland (and its dependent territories);

**“uncertificated” or “in uncertificated form”**

a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST; and

**“Voting Record Time”**

6.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned meeting. (excluding any part of the day that is not a working day).

References to clauses are to clauses of this Scheme and references to time are to London time.

Where the context so admits or requires, the plural includes the singular and vice versa.

1. As at the close of business on 6 April 2020, the last practicable date prior to the date of this Scheme, the Company had 100,799,873 ordinary shares of 5 pence each in issue and credited as fully paid. There are currently no Moss Bros shares held by Moss Bros in treasury.
2. Options to acquire up to 2,273,131 Moss Bros Shares have been granted pursuant to the Moss Bros Share Plans and remain unexercised at the date of the Scheme Document.
3. As at the date of this Scheme, Bidco is not interested in any Moss Bros Shares.
4. Bidco has, subject to the satisfaction or, where capable, waiver of the conditions, agreed to consent to this Scheme and to undertake to the Court to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme (including, without limitation, settling the Cash Consideration payable to the Scheme Shareholders pursuant to this Scheme).

## THE SCHEME

### 1. TRANSFER OF THE SCHEME SHARES

- 1.1 Upon and with effect from the Effective Date, Bidco and/or its nominee(s) shall acquire all the Scheme Shares fully paid with full title guarantee, free from all liens, equities, charges, encumbrances, rights of pre-emption and other interests, and together with all rights at the Effective Date or thereafter attached thereto, including (without limitation) the right to receive and retain 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.
- 1.2 For the purposes of such Acquisition, the Scheme Shares shall be transferred to Bidco and/or its nominees by means of a form of transfer or other instrument or instruction of transfer and, to give effect to such transfers, any person may be appointed by Bidco, and is hereby authorised on behalf of the holder or holders concerned, to execute and deliver as transferor an instrument of transfer of, or give any instructions to transfer, any Scheme Shares and every instrument or instruction of transfer so executed or instruction given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred. Such instrument, form or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Bidco and/or its nominee(s), together with the legal interest in such Scheme Shares, pursuant to such instruction, form or instrument of transfer.
- 1.3 Pending the registration of Bidco or its nominee(s) as the holder of any Scheme Share to be transferred pursuant to this Scheme, Bidco shall be empowered upon and with effect from the Effective Date to appoint any person to act as attorney or, failing that, agent on behalf of each holder of any such Scheme Share in accordance with such directions as Bidco may give in relation to any dealings with or disposal of such share (or any interest in such share), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and the registered holder of such Scheme Share shall exercise all rights attaching thereto in accordance with the directions of Bidco but not otherwise.

### 2. CONSIDERATION FOR THE TRANSFER OF THE SCHEME SHARES

- 2.1 In consideration for the transfer of the Scheme Shares as provided in clause 1 of this Scheme, Bidco shall (subject to the remaining provisions of this Scheme) pay to, or for the account of, the Scheme Shareholders 22 pence in cash for each Scheme Share held by that holder (as appearing in the register of members of the Company at the Scheme Record Time), provided that, if Moss Bros declares, pays or makes a dividend, distribution and/or return of capital on or before the Effective Date, the price per Scheme Share shall be reduced by such amount payable by way of dividend per Scheme Share. The exercise of such right shall not be regarded as constituting any revision or variation of the terms of the Scheme.
- 2.2 If Bidco exercises the right referred to in clause 2.1 of this Scheme to reduce the price per Scheme Share payable by Bidco by all or part of the amount of the dividend (or other distribution or return of capital):
  - 2.2.1 the Scheme Shareholders (appearing on the register of members of the Company, at the relevant record time as determined by the Moss Bros Directors) shall be entitled to receive and retain that dividend (or other distribution or return of capital) in respect of the Scheme Shares they hold;
  - 2.2.2 any reference in this Scheme to the Cash Consideration payable under the Scheme shall be deemed to be a reference to the price per Scheme Share as so reduced; and
  - 2.2.3 the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of this Scheme.
- 2.3 To the extent that any such dividend and/or other distribution and/or other return of capital is declared, made or paid in respect of Moss Bros Shares and is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive and retain the dividend and/or other distribution and/or other return of capital; or (ii) cancelled, the Cash Consideration will not be subject to change in accordance with clause 2.1 of this Scheme.

### **3. PAYMENTS**

- 3.1 Not more than 14 days after the Effective Date (or such other period as may be approved by the Panel on Takeovers and Mergers), settlement of the consideration shall be effected as follows:
- 3.1.1 in the case of Scheme Shares which at the Scheme Record Time are in certificated form, Bidco shall despatch, or procure the despatch of, to the persons entitled thereto in accordance with the provisions of clause 3.2 of this Scheme, cheques for the Cash Consideration payable to them respectively pursuant to clause 2 of this Scheme; or
- 3.1.2 in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, Bidco shall ensure that a CREST assured payment obligation in respect of the Cash Consideration payable to the persons entitled thereto is created in accordance with the CREST payment arrangements, provided that Bidco reserves the right to make payment of the Cash Consideration by cheque as described in clause 3.1.1 above if, for any reason, it wishes to do so.
- 3.2 All deliveries of cheques required to be made under this Scheme shall be effected by posting the same by first class post in prepaid envelopes (or by such other method as may be approved by the Panel on Takeovers and Mergers) addressed to the persons entitled to them at their respective addresses as appearing in the register of members of the Company at the Scheme Record Time (or, in the case of joint holders, at the address of the joint holder whose name stands first in the register of members of the Company in respect of such joint holding at such time) or in accordance with any special instructions regarding communications, and none of Bidco, the Company, Link Asset Services or their respective agents or nominee(s) shall be responsible for any loss or delay in the transmission of any cheque or payment sent in accordance with this clause 3 which shall be sent at the risk of the person entitled to it.
- 3.3 All cheques shall be in pounds sterling drawn on a UK clearing bank and payments shall be made to the holder (except that, in the case of joint holders, Bidco reserves the right to make cheques payable to the joint holder whose name stands first in the register of members of the Company in respect of such joint holding at the Scheme Record Time) and the encashment of any such cheque shall be a complete discharge to Bidco for the obligation to pay the monies represented thereby. In respect of payments made through CREST, Bidco shall ensure that an assured payment obligation is credited in accordance with CREST assured payment arrangements. The creation of such a payment arrangement shall be a complete discharge of Bidco's obligations under this Scheme with reference to payments made through CREST.
- 3.4 In the case of any Scheme Shares issued or transferred pursuant to the exercise of options or awards granted under the Moss Bros Share Plans after the Court Hearing and before the Scheme Record Time, Bidco may satisfy the consideration due to the relevant Scheme Shareholders under clause 2 by the payment to Moss Bros of the aggregate consideration no later than 14 days after the Effective Date and Moss Bros will procure that any such sums paid to it are paid to the relevant Scheme Shareholders through the payroll of the relevant Scheme Shareholders' employing company as soon as practicable and subject to all deductions or withholdings required by law (including applicable income tax and social security contributions).
- 3.5 The provisions of this clause 3 shall be subject to any prohibition or condition imposed by law.

### **4. CERTIFICATES AND CANCELLATIONS**

With effect from and including the Effective Date:

- 4.1 all certificates representing the Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein, and every holder thereof shall be bound at the request of the Company to deliver up such certificate(s) to the Company or as it may direct, or to destroy them;
- 4.2 in respect of those holders of Scheme Shares holding Scheme Shares in uncertificated form, Euroclear shall be instructed to cancel such holders' entitlements to such Scheme Shares; and
- 4.3 appropriate entries shall be made in the register of members of the Company to reflect the transfer of the Scheme Shares with effect from the Effective Date.

### **5. EFFECTIVE DATE**

- 5.1 This Scheme shall become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration.

- 5.2 Unless this Scheme shall become Effective on or before 5.00 p.m. on the Longstop Date or such later date and time (if any) as Bidco and the Company may, subject to the City Code on Takeovers and Mergers and/or with the consent of the Panel on Takeovers and Mergers, agree and the Court may allow, this Scheme shall never become Effective.

## **6. MODIFICATION**

Bidco and the Company may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel on Takeovers and Mergers where such consent is required under the Code.

## **7. GOVERNING LAW**

- 7.1 This Scheme and any dispute or claim arising out of or in connection with it shall be governed by and construed in accordance with English law. The rules of the City Code on Takeovers and Mergers will, so far as they are appropriate, apply to this Scheme.
- 7.2 The courts of England shall have exclusive jurisdiction in relation to any dispute or claim arising out of or in connection with this Scheme.

Dated: 7 April 2020

**PART 4**

**CONDITIONS AND FURTHER TERMS OF  
THE ACQUISITION AND THE SCHEME**

**Part A: The Conditions**

The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the Code, on or before 5.00 p.m. on the Longstop 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 entitled to 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 Scheme Shareholders;
  - (b) the passing of the Special Resolution by the requisite majority of Moss Bros Shareholders at the General Meeting (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); and
  - (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;

#### **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 Regulatory Information Service prior to the date of the 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 the 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: Waiver of Conditions and further terms of the Acquisition and the Scheme**

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 2(a) 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 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 if:
  - (a) 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
  - (b) 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 at the date of the Announcement 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 document 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 document 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 document 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 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.

**PART 5**  
**UNITED KINGDOM TAXATION**

The following statements do not constitute tax advice and are intended as a general guide only to the UK tax position under current UK legislation and published HMRC practice as at the date of this document, both of which are subject to change at any time, possibly with retrospective effect.

These statements deal only with the position of Scheme Shareholders who are resident (and, in the case of individuals only, domiciled) solely in the UK for tax purposes and who hold their Scheme Shares as an investment and who are the absolute beneficial owners of the Scheme Shares and of all dividends of any kind paid in respect of them. They do not apply to certain categories of Scheme Shareholders, such as dealers in securities or distributions or insurance companies, persons who have or are deemed to have acquired their Scheme Shares by reason of their or another's employment, persons who hold their Scheme Shares as part of hedging or conversion transactions, persons who hold their Scheme Shares in connection with a UK branch, agency or permanent establishment, persons who hold their Scheme Shares by virtue of an interest in any partnership, collective investment scheme, insurance company, life assurance company, mutual company, or to Moss Bros members or persons who hold their Scheme Shares in an individual savings account.

Special tax provisions may apply to Scheme Shareholders who have acquired or who acquire their Scheme Shares by exercising options or awards under the Moss Bros Share Plans, including provisions imposing a charge to income tax. This summary does not apply to such shareholders and such shareholders are advised to seek independent professional advice.

Scheme Shareholders who are in any doubt about their taxation position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

#### **1. UK TAXATION ON CHARGEABLE GAINS**

Liability to UK taxation on chargeable gains will depend on the individual circumstances of each Scheme Shareholder.

The receipt by a Scheme Shareholder of the Cash Consideration in return for their Scheme Shares under the Scheme will constitute a disposal of their Scheme Shares for the purposes of UK taxation of chargeable gains which may, depending on the Scheme Shareholder's individual circumstances (including the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK taxation on chargeable gains or an allowable loss.

For Scheme Shareholders who are individuals capital gains tax is currently charged at a rate of either 10 per cent. or 20 per cent. depending on the total amount of the individual's taxable income, and the capital gains annual exemption (which will be £12,300 for 2020/2021) will also be available to offset any chargeable gain (to the extent it is not otherwise utilised).

If an individual is only temporarily resident outside the UK for capital gains tax purposes at the date of disposal, the individual could, on becoming resident for tax purposes in the UK again, be liable to UK tax on chargeable gains in respect of disposals made while the individual was temporarily resident outside the UK.

For Scheme Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their Scheme Shares), corporation tax is payable on any chargeable gains (at a rate of 19% for the 2020/2021 tax year).

#### **2. UK STAMP DUTY AND STAMP DUTY RESERVE TAX ("SDRT")**

No UK stamp duty or SDRT will be payable by Scheme Shareholders as a result of the Scheme.

## PART 6

### FINANCIAL INFORMATION ON MOSS BROS GROUP AND BIDCO GROUP

Recipients of this document should read the whole document and not just rely on the financial information incorporated by reference in this Part 6 of this document.

#### 1. FINANCIAL INFORMATION ON MOSS BROS GROUP

The following sets out financial information in respect of Moss Bros as required by Rule 24.3 of the Code:

- 1.1 the audited accounts of Moss Bros for the financial year ended 2019 are set out on pages 66 to 121 (both inclusive) in Moss Bros' annual report for the financial year ended on 26 January 2019 available from Moss Bros' website at <https://corp.moss.co.uk>;
- 1.2 the audited accounts of Moss Bros for the financial year ended 2018 are set out on pages 59 to 103 (both inclusive) in Moss Bros' annual report for the financial year ended on 27 January 2018 available from Moss Bros' website at <https://corp.moss.co.uk>;
- 1.3 copies of any interim statements and preliminary announcements made by Moss Bros since the date of its last published audited accounts available from Moss Bros' website at <https://corp.moss.co.uk>.

The documents referred to in paragraphs 1.1, 1.2 and 1.3, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Code.

There are no current ratings or outlooks publicly accorded to Moss Bros by ratings agencies.

#### 2. FINANCIAL INFORMATION ON THE BIDCO GROUP

As Bidco was incorporated on 14 October 2019, no financial information is available or has been published in respect of Bidco and there are no current ratings or outlooks publicly accorded to Bidco by ratings agencies.

Bidco is a limited liability company incorporated in England and Wales for the purposes of making the Acquisition and 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.

Bidco has not traded since incorporation, nor has it entered into any obligations other than in connection with implementation of the Acquisition.

#### 3. AVAILABILITY OF HARD COPIES

Moss Bros will provide, without charge to each person to whom a copy of this document has been delivered, upon the oral or written request of such person, a hard copy of any or all of the documents which are incorporated by reference herein within two Business Days of the receipt of such request. Copies of any documents or information incorporated by reference into this document will not be provided unless such a request is made.



**PART 7**  
**ADDITIONAL INFORMATION**

**1. RESPONSIBILITY**

**1.1 Moss Bros**

The Moss Bros Directors, whose names appear in paragraph 2.1 of this Part 7, each accept responsibility for the information contained in this document other than information for which the Bidco Directors have taken responsibility. To the best of the knowledge and belief of the Moss Bros Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

**1.2 Bidco**

The Bidco Directors, whose names appear in paragraph 2.2 of this Part 7, and Anna Kentros, Grace Hutcher and David Shalleck-Klein (being the shareholders of Marquis), each accept responsibility for the information contained in this document relating to Bidco, each member of the Wider Bidco Group, the Bidco Directors and the members of their immediate families, related trusts and controlled companies. To the best of the knowledge and belief of the Bidco Directors and each of Anna Kentros, Grace Hutcher and David Shalleck-Klein (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information. Neither Bidco nor any of the Bidco Directors nor any of Anna Kentros, Grace Hutcher and David Shalleck-Klein takes responsibility for the information for which the Moss Bros Directors take responsibility.

**2. DIRECTORS**

2.1 The names of the Moss Bros Directors and their respective positions are as follows:

| <b>Name</b>      | <b>Position</b>                               |
|------------------|---|
| Colin Porter     | Non-Executive Chairman                        |
| Brian Brick      | Chief Executive Officer                       |
| Bill Adams       | Chief Financial Officer and Company Secretary |
| Alex Gersh       | Senior Independent Non-Executive Director     |
| Maurice Helfgott | Non-Executive Director                        |
| Gareth Jones     | Non-Executive Director                        |
| Avis Darzins     | Non-Executive Director                        |

The registered office of Moss Bros and the business address of all of the above directors is 8 St Johns Hill, Clapham Junction, SW11 1SA. The company secretary of Moss Bros is Bill Adams.

2.2 The names of the Bidco Directors and their respective positions are as follows:

| <b>Name</b>     | <b>Position</b> |
|-----------------|-----------------|
| Michael Shina   | Director        |
| Jeffrey Spiegel | Director        |

The registered office of Bidco and the business address of all the above directors is 20 Lydden Road, London, United Kingdom SW18 4LR.

### 3. PERSONS ACTING IN CONCERT

3.1 In addition to the Bidco Directors (together with their close relatives, related trusts and controlled entities) and members of the Wider Bidco Group, the persons who, for the purposes of the Code, are acting in concert with Bidco in respect of the Acquisition and which are required to be disclosed include:

| Name                    | Type                            | Registered office                                     | Relationship                                 |
|-------------------------|---------------------------------|---|--|
| Menoshi “Michael” Shina | Individual                      | c/o 20 Lydden Road,<br>Earlsfield, London<br>SW18 4LR | Director and indirect<br>controller of Bidco |
| Saul Shina              | Individual                      | c/o 20 Lydden Road,<br>Earlsfield, London<br>SW18 4LR | Indirect shareholder of Bidco                |
| Anna Kentros            | Individual                      | c/o 20 Lydden Road,<br>Earlsfield, London<br>SW18 4LR | Indirect shareholder of Bidco                |
| Grace Hatcher           | Individual                      | c/o 20 Lydden Road,<br>Earlsfield, London<br>SW18 4LR | Indirect shareholder of Bidco                |
| David Shalleck-Klein    | Individual                      | c/o 20 Lydden Road,<br>Earlsfield, London<br>SW18 4LR | Indirect shareholder of Bidco                |
| Zeus Capital Limited    | Financial<br>Services           | 10 Old Burlington Street,<br>London                   | Financial advisor to Bidco                   |
| Adnar Finance LLC       | Limited<br>liability<br>company | 200 James Drive East,<br>St Rose, Louisiana<br>70087  | Provider of finance<br>to Marquis            |

3.2 In addition to the Moss Bros Directors (together with their close relatives, related trusts and controlled entities) and members of the Wider Moss Bros Group, the persons who, for the purposes of the Code, are acting in concert with Moss Bros in respect of the Acquisition are:

| Name            | Type                  | Registered office                                   | Relationship                   |
|-----------------|-----------------------|---|--------------------------------|
| Peel Hunt LLP   | Financial<br>Services | Moor House,<br>120 London Wall,<br>London EC2Y 5ET  | Financial advisor to Moss Bros |
| Rothschild & Co | Financial<br>Services | New Court,<br>St Swithin’s Lane,<br>London EC4N 8AL | Financial advisor to Moss Bros |

### 4. IRREVOCABLE UNDERTAKINGS

4.1 The Moss Bros Directors have given irrevocable undertakings to accept the Offer and vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to give effect to the Scheme in respect of the number of Moss Bros Shares set out below:

| Name             | Number of Moss Bros Shares | % of issued Moss Bros Shares |
|------------------|----------------------------|------------------------------|
| Brian Brick      | 1,697,534                  | 1.7                          |
| Colin Porter     | 509,673                    | 0.5                          |
| Maurice Helfgott | 400,727                    | 0.4                          |
| <b>TOTAL</b>     | <b>2,607,934</b>           | <b>2.6</b>                   |

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

- 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 Longstop 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;
- 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.

4.2 The following holders, controllers or beneficial owners of Moss Bros Shares have given irrevocable undertakings to accept the Offer and vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to give effect to the Scheme:

| Name                           | Number of Moss Bros Shares | % of issued Moss Bros Shares |
|--------------------------------|----------------------------|------------------------------|
| Gatmore Capital Management LLP | 10,134,359                 | 10.1                         |

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

- 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 5.00 p.m. on the Longstop 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 in this Document or set out in the Offer Document (as the case may be); or
- any competing offer under Rule 2.7 of the Code is announced.

## 5. INTERESTS, SHAREHOLDINGS AND DEALINGS

### 5.1 Definitions

5.1.1 For the purposes of this paragraph 5:

|                              |   |
|------------------------------|---|
| “ <b>acting in concert</b> ” | has the meaning given to it in the Code;  |
| “ <b>arrangement</b> ”       | includes an indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities which may be an inducement to deal or refrain from dealing;   |
| “ <b>control</b> ”           | means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests give de facto control; |

|                       |  |
|-----------------------|--|
| “dealing”             | has the meaning given to it in the Code;   |
| “derivative”          | has the meaning given to it in the Code;   |
| “director”            | includes persons in accordance with whose instructions the directors or a director are accustomed to act;  |
| “disclosure date”     | means the close of business on 6 April 2020, being the latest practicable date before the posting of this document;  |
| “disclosure period”   | means the period commencing on 12 March 2019 (being the date 12 months before the Announcement) and ending on the disclosure date; and   |
| “relevant securities” | means the Moss Bros Shares, the Bidco Shares and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to the Moss Bros Shares and the Bidco Shares (as appropriate) and “ <b>Moss Bros relevant securities</b> ” and “ <b>Bidco relevant securities</b> ” shall be construed accordingly. |

5.1.2 A person has an “**interest**” or is “**interested**” in securities if he or she has a long economic exposure, whether absolute or conditional, to changes in the price of those securities and in particular if he:

- (a) has legal title to and beneficial ownership of (i.e. the ability to exercise, or control the exercise of, voting rights) securities;
- (b) has the right, option or obligation to acquire, call for or take delivery of securities under an option or derivative; or
- (c) holds a derivative referenced to, or which may result in, a long position in securities.

5.2 Interests in Moss Bros relevant securities and Bidco relevant securities:

5.2.1 As at the disclosure date, none of Moss Bros and the Moss Bros Directors and their immediate families and related trusts and companies had any interest in or short position in respect of any Bidco relevant securities or has dealt in Bidco relevant securities during the Offer Period.

5.2.2 As at the disclosure date, the Moss Bros Directors and their immediate families and related trusts and companies had the following interests in Moss Bros relevant securities (other than options disclosed under paragraph 5.2.5 below):

| Name             | Number of Moss Bros Shares |
|------------------|----------------------------|
| Colin Porter     | 509,673                    |
| Maurice Helfgott | 400,727*                   |
| Brian Brick      | 1,697,534                  |
| <b>TOTAL</b>     | <b>2,607,934</b>           |

\* includes shares held or controlled by his spouse Danielle Helfgott and shares held in each of their personal ISAs.

5.2.3 As at the disclosure date, none of the Moss Bros Directors and their immediate families and related trusts and companies had any short positions in respect of Moss Bros relevant securities.

5.2.4 As set out in paragraph 4.1 of this Part 7, each of the above Moss Bros Directors has given an irrevocable undertaking to vote in favour of the approval of the Scheme at the Court Meeting and the Special Resolution in respect of the number of Moss Bros Shares in which he is interested.

5.2.5 As at the disclosure date, the following options over Moss Bros Shares had been granted to the Moss Bros Directors under the Moss Bros Share Plans and remain outstanding:

| Name        | Date of grant | Number of Moss Bros Shares subject to option | Exercise price (p)    | Exercise period   |
|-------------|---------------|--|-----------------------|---|
| Brian Brick | 8 April 2019  | 1,088,709                                    | Nil                   | 4 April 2022 – 4 April 2029   |
|             | 30 April 2018 | 678,571                                      | Nil                   | 4 April 2021 – 4 April 2028   |
|             | 20 April 2017 | 324,578                                      | Nil                   | 4 April 2020 – 4 April 2027   |
|             | 20 April 2017 | 119,301                                      | Nil                   | 11 April 2020 – until about the tenth anniversary of the date of grant. |
|             | 10 May 2018   | 46,153                                       | 39.00 pence per share | Three years after grant, for a six month period.                        |

### 5.3 General

Save as disclosed in this paragraph 5, as at the disclosure date:

- 5.3.1 neither Bidco, nor any other member of the Bidco Group, the Bidco Directors, nor (in the case of the Bidco Directors) any member of their respective immediate families or related trusts or companies, nor any person acting in concert with Bidco, nor any person with whom Bidco or any person acting in concert with Bidco had an arrangement, had any right to subscribe for, or had any short position in relation to, or was interested in, directly or indirectly, any relevant securities of Moss Bros, as appropriate, and nor had any such person dealt in any relevant securities of Moss Bros during the disclosure period;
- 5.3.2 neither Moss Bros nor any of the Moss Bros Directors, nor any of their immediate families or related trusts or companies, nor any person acting in concert with Moss Bros, nor any person with whom Moss Bros or any person acting in concert with Moss Bros had an arrangement owned or controlled or was interested in, directly or indirectly, nor had any right to subscribe for, or any short position in relation to, any relevant securities of Moss Bros, as appropriate, and nor had any such person dealt in any relevant securities of Moss Bros between the commencement of the Offer Period and the disclosure date;
- 5.3.3 neither Moss Bros nor any of the Moss Bros Directors, nor any of their immediate families or related trusts or companies, nor any person acting in concert with Moss Bros, nor any person with whom Moss Bros or any person acting in concert with Moss Bros had an arrangement had any interest in or right to subscribe for, or had any short position in relation to, any Bidco relevant securities, nor had any such person dealt in any Bidco relevant securities between the commencement of the Offer Period and the disclosure date;
- 5.3.4 neither Moss Bros nor Bidco, nor any person acting or presumed to be acting in concert with Bidco, had borrowed or lent any relevant securities in Moss Bros (save for any borrowed shares which have been either on-lent or sold); and
- 5.3.5 save for the irrevocable undertakings given by Moss Bros Directors as described in paragraph 4 above, there is no arrangement relating to relevant securities in Moss Bros which exists between Bidco or any person acting in concert with Bidco and any other person, nor between Moss Bros or any person acting in concert with Moss Bros and any other person.

## 6. SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT OF MOSS BROS DIRECTORS

- 6.1 Each of the following Executive Directors of Moss Bros has entered into a service agreement with Moss Bros or a member of the Moss Bros Group. The principal terms of these service agreements are as follows:

| Name of Director | Date of agreement | Mutual notice period | Current base salary (per annum) |
|------------------|-------------------|----------------------|---------------------------------|
| Brian Brick      | 16 April 2009     | 12 months            | £342,563                        |
| Bill Adams       | 18 November 2019  | 12 months            | £275,000                        |

Brian Brick's salary was increased from £337,500 to £342,563 effective from 1 February 2020.

Benefits include pension contribution, private medical insurance, life assurance, car allowance and a store discount. Brian Brick has a clothing allowance by way of benefits. The Executive Directors are entitled to participate in the Moss Bros Share Plans. The Executive Directors may not, without the prior consent of Moss Bros, engage in, carry on, or be interested or concerned in any other business, though he is permitted to hold 5 per cent. or less of any class of listed issued shares and to hold one non-executive directorship. The Executive Directors are subject to a six month non-compete clause from the date of termination.

In respect of the Executive Directors, Moss Bros may, in its sole and absolute discretion, terminate the employment of the Executive Directors at any time by making a payment in lieu of notice equal to the basic salary as at the date of termination.

- 6.2 Each of the following Non-Executive Directors of Moss Bros has entered into a letter of appointment with Moss Bros or a member of the Moss Bros Group. The principal terms of these letters of appointment are as follows:

| Name of Director | Date of letter    | Unexpired term   | Mutual notice period (per annum) | Current fees |
|------------------|-------------------|--|----------------------------------|--------------|
| Gareth Jones     | 20 December 2018  | Expires<br>14 January 2022   | 3 months                         | £47,000      |
| Alex Gersh       | 27 September 2018 | Expires<br>1 November 2020   | 3 months                         | £46,000      |
| Maurice Helfgott | 5 October 2010    | Subject to<br>re-election at the<br>next annual<br>general meeting | 3 months                         | £47,000      |
| Colin Porter     | 1 March 2019      | Expires<br>18 March 2022   | 3 months                         | £125,000     |
| Avis Darzins     | 1 September 2019  | Expires<br>1 September 2022  | 3 months                         | £42,000      |

Rolling-term appointments subject to re-election at the annual general meetings as required by the UK Corporate Governance Code. 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.

- 6.3 Save as set out in this paragraph 6:
- 6.3.1 no Moss Bros Director is entitled to commission or profit sharing arrangements;
- 6.3.2 other than statutory compensation and payment in lieu of notice and as set out in this paragraph 6, no compensation is payable by Moss Bros to any Moss Bros Director upon early termination of their appointment; and
- 6.3.3 there are no service agreements or letters of appointment between any member of the Wider Moss Bros Group and any Moss Bros Director and no such agreement has been entered into or amended within six months preceding the date of this document.

## 7. MARKET QUOTATIONS

The following table lists the Closing Price for Moss Bros Shares on:

- 7.1 the first trading day of each of the six months prior to the date of this document;
- 7.2 11 March 2020 (being the last Business Day prior to the commencement of the Offer Period); and
- 7.3 6 April 2020 (being the latest practicable date prior to the publication of this document).

| Date            | Moss Bros Share Price (p) |
|-----------------|---------------------------|
| 6 April 2020    | 18.6                      |
| 11 March 2020   | 13.7                      |
| 2 March 2020    | 16.5                      |
| 3 February 2020 | 20.5                      |
| 2 January 2020  | 22                        |
| 2 December 2019 | 20.7                      |
| 1 November 2019 | 18.6                      |
| 1 October 2019  | 17.2                      |

## **8. MATERIAL CONTRACTS OF MOSS BROS**

Save for the Confidentiality Agreement, there are no contracts, not being entered into in the ordinary course, which have been entered into by Moss Bros or any other member of the Moss Bros Group and are or may be material since 12 March 2018 (being two years before the commencement of the Offer Period).

## **9. MATERIAL CONTRACTS OF BIDCO**

Since 12 March 2018 (being two years before the commencement of the Offer Period) Bidco or any other member of the Bidco Group have entered into the following material contracts, not being contracts entered into in the ordinary course of business:

9.1 the Confidentiality Agreement; and

9.2 the Tripartite Loan Agreement.

Save as set out above there are no contracts, not being entered into in the ordinary course, which have been entered into by Bidco or any other member of the Bidco Group and are or may be material.

## **10. OFFER-RELATED ARRANGEMENTS**

See paragraph 14 of Part 2 of this document for a description of any offer-related arrangements.

## **11. SOURCES AND BASES**

11.1 The value placed by the Acquisition on the existing issued share capital of Moss Bros is based on 100,799,873 Moss Bros Shares in issue on 11 March 2020, being the last day prior to the date of the Announcement.

11.2 The Closing Prices of Moss Bros Shares are based on the middle market quotations of a Moss Bros Share derived from the Daily Official List for the relevant dates.

11.3 The fully diluted share capital of Moss Bros is calculated on the basis of 102,772,970 Moss Bros Shares in issue and to be issued, as determined by the Board of Moss Bros, under the Moss Bros Share Schemes “in the money” employee share options and share awards outstanding at the date of this document on 7 April 2020 under the Moss Bros Share Plans.

11.4 All share prices and all percentages have been rounded to one decimal place.

11.5 Unless otherwise stated, the financial information relating to Moss Bros is extracted from the audited consolidated financial statements of Moss Bros for the financial year ended 26 January 2019, prepared in accordance with IFRS.

## **12. OTHER INFORMATION**

12.1 Save as disclosed in this document, no proposal exists in connection with the Acquisition that any payment or other benefit will be made or given to any of the Moss Bros Directors as compensation for loss of office or as consideration for, or in connection with, his retirement from office.

12.2 Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or any person acting in concert with Bidco for the purposes of the Acquisition and any of the directors, or recent directors, shareholders or recent shareholders of Moss Bros or any person interested or recently interested in shares of Moss Bros, having any connection with or dependence on, or which is conditional on the Scheme becoming Effective.

12.3 Save as disclosed in this document, neither Bidco nor any person acting in concert with Bidco for the purpose of the Acquisition, has any arrangement with any person in relation to relevant securities of Moss Bros. For these purposes “arrangement” includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.

12.4 Peel Hunt and Rothschild & Co have given and not withdrawn their written consent to the issue of this document with the references to their name included herein in the form and context in which they appear.

12.5 Zeus Capital Limited has given and not withdrawn its written consent to the issue of this document with the references to its letter and name included herein in the form and context in which they appear.

- 12.6 Save as disclosed in this document, the Moss Bros Directors do not know of any material change in the financial or trading position of Moss Bros since 26 January 2019, the date to which the last published audited consolidated accounts of Moss Bros were prepared.
- 12.7 Save as disclosed in this document, no agreement, arrangement or understanding exists whereby the beneficial ownership of any Moss Bros Shares to be allotted to Bidco pursuant to the Acquisition will be transferred to any other person save that Bidco reserve the right to transfer any such shares so acquired to any other member of the Bidco Group or nominee.
- 12.8 At the date of this document, Moss Bros does not hold any Moss Bros Shares in treasury.
- 12.9 There have been no material changes to any information previously published by Moss Bros during the Offer Period.
- 12.10 There have been no material changes to any information previously published by Bidco during the Offer Period.
- 12.11 Except with the consent of the Takeover Panel, settlement of the consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be entitled, against such Scheme Shareholder.
- 12.12 The aggregate fees and expenses which are expected to be incurred by Moss Bros in connection with the Acquisition are estimated to amount to £1.2 million plus applicable VAT. This aggregate number consists of the following categories:
- 12.12.1 financial and corporate broking advice: £710,000 plus applicable VAT;
  - 12.12.2 legal advice: £239,500 – £244,500 plus applicable VAT;
  - 12.12.3 accounting advice: N/A;
  - 12.12.4 public relations advice: N/A;
  - 12.12.5 other professional services: N/A; and
  - 12.12.6 other costs and expenses: 212,500 plus applicable VAT.
- 12.13 The aggregate fees and expenses which are expected to be incurred by Bidco in connection with the Acquisition are estimated to amount to £806,345.62 – £956,345.62 plus applicable VAT. This aggregate number consists of the following categories:
- 12.13.1 financing arrangements: N/A;
  - 12.13.2 financial and corporate broking advice: £226,345.62 plus applicable VAT;
  - 12.13.3 legal advice: between £475,000 to £625,000 plus applicable VAT;
  - 12.13.4 accounting advice: N/A;
  - 12.13.5 public relations advice: N/A;
  - 12.13.6 other professional services: £105,000 plus applicable VAT; and
  - 12.13.7 other costs and expenses: N/A.

### **13. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available, free of charge, on Moss Bros' website at <https://corp.moss.co.uk> and Bidco's website at [www.brigadieruk.co.uk](http://www.brigadieruk.co.uk) during the period up to and including the Effective Date or the date on which the Scheme lapses or is withdrawn whichever is the earlier:

- 13.1 the existing Moss Bros Articles;
- 13.2 the articles of association of Moss Bros as proposed to be amended at the General Meeting;
- 13.3 the published audited consolidated accounts of Moss Bros for the year ended 27 January 2018;
- 13.4 the published audited consolidated accounts of Moss Bros for the year ended 26 January 2019;
- 13.5 the articles of association of Bidco;
- 13.6 the Confidentiality Agreement;



- 13.7 the Bidco Loan Agreements;
- 13.8 the irrevocable undertakings referred to in paragraph 4 of this Part 7;
- 13.9 the written consents referred to in paragraphs 12.4 and 12.5 of this Part 7;
- 13.10 this document and the Forms of Proxy; and
- 13.11 the Announcement.

## PART 8

### DEFINITIONS

The following definitions apply throughout this document (with the exception of Part 3) unless the context requires otherwise:

|   |   |
|---|---|
| <b>“£”, “pounds”, “p” and “pence”</b>           | pounds and pence sterling, the lawful currency of the United Kingdom;   |
| <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 this document; |
| <b>“Announcement”</b>                           | the announcement made under Rule 2.7 of the Code on 12 March 2020 regarding the proposed Acquisition;   |
| <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>“Bidco Shares”</b>                           | the existing unconditionally allotted or issued and fully paid ordinary shares of £0.0001 each in the capital of Bidco and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes Effective;   |
| <b>“Board of Bidco”</b>                         | the board of directors of Bidco;  |
| <b>“Board of Moss Bros”</b>                     | the board of directors of Moss Bros;  |
| <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 (£0.22) per Moss Bros Share payable to Scheme Shareholders for each Scheme Share transferred pursuant to the Scheme;   |
| <b>“certificated” or “in certificated form”</b> | a share or other security which is not in uncertificated form (that is, not in CREST);  |
| <b>“Code”</b>                                   | the City Code on Takeovers and Mergers;   |
| <b>“Closing Price”</b>                          | the closing middle market price for a Moss Bros Share on a particular trading day as derived from the Daily Official List;  |
| <b>“Companies Act”</b>                          | the Companies Act 2006, as amended;   |
| <b>“Company” or “Moss Bros”</b>                 | Moss Bros Group plc registered in England and Wales with company number 00134995 with its registered office at 8 St Johns Hill, Clapham Junction, SW11 1SA;   |
| <b>“Competition and Markets Authority”</b>      | the UK statutory body established under the Enterprise Regulatory Reform Act 2013;  |
| <b>“Conditions”</b>                             | the conditions to the implementation of the Scheme and the Acquisition which are set out in Part 4 of this document;  |
| <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 of the claim form to sanction the Scheme under section 899 of the Companies Act;   |

|   |  |
|---|--|
| <b>“Court Meeting”</b>                              | the meeting of Moss Bros Shareholders to be convened pursuant to an order of the Court under the Companies Act for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment thereof, notice of which is set out in Part 9 of this document;   |
| <b>“Court Order”</b>                                | the order of the Court sanctioning the Scheme under section 899 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>“CREST Manual”</b>                               | the CREST Reference Manual referred to in agreements entered into by Euroclear;  |
| <b>“CREST member”</b>                               | a person who is, in relation to CREST, a system-member (as defined in the Regulations);  |
| <b>“CREST payment”</b>                              | has the meaning given in the CREST Manual;   |
| <b>“CREST shareholder”</b>                          | a Moss Bros Shareholder who holds his Moss Bros Shares in uncertificated form, that is in CREST;   |
| <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 the 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 the 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 the 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>“Effective”</b>                                  | the Scheme having become effective in accordance with its terms;   |
| <b>“Effective Date”</b>                             | the date on which the Scheme becomes Effective;  |
| <b>“Enlarged Group”</b>                             | Bidco and its subsidiaries, including the Moss Bros Group, following the Acquisition becoming Effective;   |
| <b>“Euroclear”</b>                                  | Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738;   |
| <b>“Excluded Shares”</b>                            | any Moss Bros Shares legally or beneficially owned by any member of the Bidco Group;   |
| <b>“Executive Directors”</b>                        | each of Brian Brick and Bill Adams;  |
| <b>“Explanatory Statement”</b>                      | this document and in particular the statement prepared in compliance with section 897 of the Companies Act and contained in Part 2 of this document;   |

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| <b>“FCA” or “Financial Conduct Authority”</b>      | the United Kingdom’s Financial Conduct Authority;  |
| <b>“Form(s) of Proxy”</b>                          | either or both of the blue form of proxy for use at the Court Meeting and the white form of proxy for use at the General Meeting which accompany this document, as the context requires;   |
| <b>“FSMA”</b>                                      | the Financial Services and Markets Act 2000, as amended;   |
| <b>“General Meeting”</b>                           | the general meeting of Moss Bros Shareholders (including any adjournment thereof) convened in connection with the Acquisition, notice of which is set out in Part 10 of this document;   |
| <b>“HMRC”</b>                                      | HM Revenue & Customs;  |
| <b>“holder”</b>                                    | a registered holder, including any person entitled by transmission;  |
| <b>“IFRS”</b>                                      | International Financial Reporting Standards;   |
| <b>“Link Asset Services”</b>                       | the registrars to the Company;   |
| <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;   |
| <b>“Longstop 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>“Marquis”</b>                                   | Marquis Holdco Limited;  |
| <b>“Moss Bros”</b>                                 | Moss Bros plc a company incorporated in England and Wales with company number 00134995 whose registered office is 8 St Johns Hill, Clapham Junction, London SW11 1SA;  |
| <b>“Moss Bros Articles”</b>                        | the articles of association of Moss Bros in force from time to time;   |
| <b>“Moss Bros Directors”</b>                       | the 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 69 of this document;   |
| <b>“Moss Bros Shareholders”</b>                    | the holders of Moss Bros shares;   |
| <b>“Moss Bros Share Plans”</b>                     | the Moss Bros Sharesave Plan 2012 and the Moss Bros 2009 Long Term Incentive Plan;   |
| <b>“Moss Bros Shares”</b>                          | ordinary shares of 5 pence in the capital of Moss Bros;  |
| <b>“Meetings”</b>                                  | the Court Meeting and the General Meeting, and “Meeting” shall be construed accordingly;   |
| <b>“members”</b>                                   | members of the Company on the register of members at any relevant date;  |
| <b>“Nominated Person”</b>                          | a person nominated by a member under section 146 of the Companies Act to enjoy information rights;   |
| <b>“Non-Executive Directors”</b>                   | each of Colin Porter, Alex Gersh, Maurice Helfgott, Gareth Jones and Avis Darzins;   |
| <b>“Offer”</b>                                     | the 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 of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act and, where the context admits, any subsequent revision, variation, extension or renewal thereof; |

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| <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>“Official List”</b>                     | the Official List maintained by the FCA;  |
| <b>“Opening Position Disclosure”</b>       | has the same meaning as in Rule 8 of the Code;  |
| <b>“Overseas Shareholders”</b>             | Moss Bros Shareholders (or nominees of, or custodians or trustees for, Moss Bros Shareholders) not resident in, or nationals or citizens of the United Kingdom;   |
| <b>“Phase 2 CMA Reference”</b>             | a reference by the Competition and Markets Authority to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 (as amended);   |
| <b>“Peel Hunt”</b>                         | Peel Hunt LLP, lead financial adviser and Rule 3 adviser to Moss Bros;  |
| <b>“Registrar of Companies”</b>            | the Registrar of Companies in England and Wales;  |
| <b>“Rothschild &amp; Co”</b>               | N.M. Rothschild & Sons Limited, financial adviser to Moss Bros;   |
| <b>“Regiment”</b>                          | Regiment Acquisition Company Limited;   |
| <b>“Regulations”</b>                       | the Uncertificated Securities Regulations 2001 (SI 2001 number 3755) as amended;  |
| <b>“Regulatory Information Service”</b>    | a regulatory information service that is approved by the FCA and is on the list of Regulatory Information Services maintained by the FCA;   |
| <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>“Scheme” or “Scheme of Arrangement”</b> | the proposed scheme of arrangement under Part 26 of the Companies Act between Moss Bros and the Moss Bros Shareholders to implement the Acquisition set out in Part 3 of this document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Moss Bros and Bidco;  |
| <b>“Scheme Record Time”</b>                | 6.00 p.m. on the Business Day immediately following the date of the Court Hearing or such later time as Bidco and Moss Bros may agree;  |
| <b>“Scheme Shareholders”</b>               | holders of Scheme Shares at any relevant date or time;  |
| <b>“Scheme Shares”</b>                     | the Moss Bros Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of this document;</li> <li>(b) (if any) issued after the date of this document and before the Voting Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time, on terms that the holder shall be bound by the Scheme or, in the case of any subsequent holders of any such shares issued prior to the amendment to the Moss Bros articles of association to be adopted at the General Meeting, in respect of which the holder shall have agreed in writing to be bound by this Scheme,</li> </ul> in each case, other than any Excluded Shares; |
| <b>“Significant 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;   |

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| <b>“Special Resolution”</b>  | the special resolution set out in the notice of General Meeting in Part 10 of this document;   |
| <b>“subsidiary”, “subsidiary undertaking”, “associated undertaking”, “holding company undertaking”</b> | have the meanings ascribed to them under the Companies Act;  |
| <b>“Takeover Offer”</b>  | has the meaning given to it in Part 28 of the Companies Act;   |
| <b>“Takeover Panel”</b>  | the 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>“UK” or “United Kingdom”</b>  | the United Kingdom of Great Britain and Northern Ireland;  |
| <b>“uncertificated” or “in uncertificated form”</b>  | a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;  |
| <b>“United States” or “US”</b>   | the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub division thereof;   |
| <b>“VAT”</b>   | valued added tax or any similar sales or turnover tax whether in the United Kingdom or any other jurisdiction;   |
| <b>“Voting Record Time”</b>  | 6.00 p.m. on the day which is two days before the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned meeting (excluding any part of the day that is not a working day);   |
| <b>“Wider Bidco Group”</b>   | Bidco and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and all such undertakings (aggregating their interests) have a Significant Interest;   |
| <b>“Wider Moss Bros Group”</b>   | Moss Bros and associated undertakings and any other body corporate, partnership, joint venture or person in which Moss Bros and such undertakings (aggregating their interests) have a Significant Interest; and   |
| <b>“Zeus Capital Limited”</b>  | Zeus Capital Limited, financial adviser to Bidco.  |

All the times referred to in this document are London times unless otherwise stated.

References to the singular include the plural and vice versa.

PART 9  
NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE,  
BUSINESS AND PROPERTY COURTS OF  
ENGLAND AND WALES,  
COMPANIES COURT (ChD)

CR-2020-001652

INSOLVENCY AND COMPANIES COURT JUDGE

IN THE MATTER OF MOSS BROS GROUP PLC  
and  
IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 24 March 2020 made in the above matters, the Court has given permission for Moss Bros Group plc (the “**Company**”) to convene a meeting (the “**Court Meeting**”) of the holders of the Scheme Shares (as defined in the Scheme of Arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement pursuant to section 899 of the Companies Act 2006 proposed to be made between the Company and the holders of the Scheme Shares and that such meeting will be held at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, London SW11 1SA on 29 April 2020 at 10.00 a.m.

A copy of the said Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

**Holders of Scheme Shares entitled to attend and vote at the Court Meeting may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their place. A blue Form of Proxy for use at the Court Meeting is enclosed with this notice. We strongly urge you to follow government instructions in respect of the evolving situation regarding COVID-19 and the restrictions on social contact, public gatherings and non-essential travel. It is expected that the Company’s attendance at the Court Meeting in person will be limited to satisfy the requirements for a quorum. The Court Meeting will end immediately after the formal business. Any Moss Bros Shareholder that attempts to physically attend the Meetings will be refused admission in order to comply with government public health instructions.**

In the case of joint holders of Scheme Shares, any one such joint holder may tender a vote, by proxy, at the Court Meeting, however the vote of the senior who tenders a vote by proxy will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

**Holders of Scheme Shares are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Holders of Scheme Shares are also entitled to appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. A space has been included in the blue Form of Proxy to allow holders of Scheme Shares to specify the number of Scheme Shares in respect of which that proxy is appointed. Holders of Scheme Shares who return the blue Form of Proxy duly executed but leave this space blank or specify a number of Scheme Shares in excess of those held by the holder of Scheme Shares at the time referred to below, will be deemed to have appointed the proxy in respect of all of their Scheme Shares.**

**Holders of Scheme Shares who wish to appoint more than one proxy in respect of their shareholding should read the notes on the blue Form of Proxy and note the principles that will be applied in relation to multiple proxies.**

It is requested that the blue Form of Proxy (together with any power of attorney or other authority under which it is signed, or a notarially certified copy of such authority) be lodged with the Company’s registrar, Link Asset Services, in accordance with the instructions printed thereon not later than 48 hours before the start of the meeting. If the blue Form of Proxy for use at the Court Meeting is not lodged before this time, it may be handed to the Chairman of the Court Meeting or to Link Asset Services before the start of the

Court Meeting and will still be valid. However, as physical attendance at the Court Meeting will be refused in order to comply with current government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above.

As an alternative to completing the hard-copy Forms of Proxy, you can appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter your Investor Code shown on your share certificate and agree to certain terms and conditions. For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services not less than 48 hours before the time appointed for holding the Meetings or adjourned meetings to which it relates.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service, may do so for the Court Meeting and any adjournment(s) thereof by utilising the procedures described in the "CREST Reference Manual" issued by Euroclear UK & Ireland Limited (the "CREST Manual"). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

Entitlement to attend and vote at the Court Meeting, or any adjournment thereof, and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at 6.00 p.m. on the day which is two days before the date of the Court Meeting or adjourned meeting (as the case may be). In each case, changes to the register of members of the Company after such time will be disregarded in determining the rights of any person to attend or vote at the meeting, or at any adjournment thereof.

Voting at the Court Meeting will be conducted on a poll rather than a show of hands. By the said Order, the Court has appointed Colin Porter or, failing him, Brian Brick or, failing him, any other director of the Company to act as Chairman of the Court Meeting and has directed the Chairman to report the result of the Court Meeting to the Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 7 April 2020

**CMS Cameron McKenna Nabarro Olswang LLP**  
Cannon Place  
78 Cannon Street  
London  
EC4N 6AF  
Solicitors for Moss Bros Group plc

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**Notes:**

1. A member of the company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him or her provided that if more than one proxy is appointed each proxy is appointed to exercise rights attaching to different shares. A proxy need not be a member of the company.
2. To appoint more than one proxy, please photocopy the blue Form of Proxy indicating on each copy the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed and follow the instructions set out in the blue Form of Proxy.
3. A blue Form of Proxy is enclosed with this notice. Instructions for use are shown on the form. To be valid, the completed Forms of Proxy should be returned (together with any power of attorney or other authority under which they are signed, or a notarially certified copy of such authority) to the Company's registrar, Link Asset Services, in accordance with the instructions printed thereon, not later than 48 hours before the start of the Court Meeting. If the blue Form of Proxy for use at the Court Meeting is not lodged before this time, it may be handed to the Chairman of the Court Meeting or to Link Asset Services before the start of the Court Meeting and will still be valid. However, as physical attendance at the Court Meeting will be refused in order to comply with current Government public health instructions, you are strongly encouraged to return the blue Form of Proxy by the time noted above. It is expected that the Company's attendance at the Court Meeting in person will be limited to satisfy the requirements for a quorum.
4. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that entitlement to attend and vote at the meeting or any adjournment thereof, and the number of votes which may be cast thereat, will be determined by reference to the register of members of the Company at 6.00 p.m. on the date two days before the date of the meeting (excluding any part of the day that is not a working day) or any adjourned meeting (as the case may be). Changes to the register of members after 6.00 p.m. on 27 April 2020 or, if the meeting is adjourned, after 6.00 p.m. on the day prior to the day immediately before the day fixed for the adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the meeting. Voting on all resolutions will be by way of a poll. Each Scheme Shareholder present at this meeting (by proxy) will be entitled to one vote for every Scheme Share registered in his or her name and each corporate representative or proxy will be entitled to one vote for each Scheme Share which he/she represents.



5. As an alternative to completing the hard-copy Forms of Proxy, you can appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter your Investor Code shown on your share certificate and agree to certain terms and conditions. For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services not less than 48 hours before the time appointed for holding the Court Meeting or adjourned meeting(s) to which it relates. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service, may do so for the Meetings and any adjournment(s) thereof by utilising the procedures described in the “CREST Reference Manual” issued by Euroclear UK & Ireland Limited (the “**CREST Manual**”). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent, Link Asset Services (ID: RA10) by the latest time for receipt of proxy appointments specified in these notes. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST Proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertified Securities Regulations 2001.
7. Except as provided above, members who wish to communicate with the Company in relation to the matters set out in this notice should do so in writing, to Link Asset Services at The Registry, 34 Beckenham Road, Beckenham BR3 4TU, or by phone to Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. No other methods of communication will be accepted. In particular you may not use any electronic address provided in the document of which this notice forms part or in any related documents (including the blue Form of Proxy for use at the Court Meeting and the white Form of Proxy for use at the related General Meeting) for any purposes other than those expressly stated.
8. You may not use any electronic address provided either in this notice or in any related documents (including the enclosed proxy form) to communicate with the Company for any purposes other than those expressly stated.
9. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at this. In accordance with the provisions of the Companies Act 2006 (as amended by the Companies (Shareholders’ Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
10. As at 6 April 2020 (being the latest Business Day before publication of this notice), the Company’s issued share capital consisted of 100,799,873 ordinary shares of 5p each and carrying one vote each.
11. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the member by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for this meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
12. The statements of the rights of Scheme Shareholders in relation to the appointment of proxies in this notice do not apply to Nominated Persons. Those rights can only be exercised by Scheme Shareholders. If you are receiving this notice as such a Nominated Person, you are reminded that your main contact in terms of your investment remains as it was (the registered shareholder, or perhaps custodian or broker, who administers the investment on your behalf). Therefore any changes or queries relating to your personal details and holding (including any administration of it) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee dealing with matters which are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Companies Act, writes to you directly for a response.

**PART 10**  
**NOTICE OF GENERAL MEETING**

**MOSS BROS GROUP PLC**

*(Registered in England and Wales under company number 00134995)*

NOTICE IS HEREBY GIVEN that a general meeting of Moss Bros Group plc (the “**Company**”) will be held at the registered office of Moss Bros at 8 St Johns Hill, Clapham Junction, London SW11 1SA on 29 April 2020 at 10.15 a.m. (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part) shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

**SPECIAL RESOLUTION**

**THAT** for the purpose of giving effect to the scheme of arrangement dated 7 April 2020 between the Company and the holders of its Scheme Shares (each as defined in the said scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman thereof in its original form or subject to any such modification, addition or condition approved or imposed by the Court and/or agreed by the Company and Brigadier Acquisition Company Limited (“**Bidco**”) (the “**Scheme**”):

1. the Scheme be and is hereby approved;
2. the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
3. with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 166:

**“166. Scheme of Arrangement**

- 166.1 In this article 166, the “**Scheme**” means the scheme of arrangement dated 7 April 2020, between the Company and the holders of its Scheme Shares (each as defined in the Scheme) under section 899 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and/or agreed by the Company and Brigadier Acquisition Company Limited (“**Bidco**”) (which expression includes any other name which Bidco may adopt from time to time) and (save as defined in this article) expressions defined in the Scheme shall have the same meanings in this article.
- 166.2 Notwithstanding any other provision of these articles, if the Company issues any shares (other than to Bidco or its nominee(s)) after the adoption of this article and before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme and shall be Scheme Shares for the purposes thereof and the new member, and any subsequent holder of such shares (other than Bidco and/or its nominee or nominees), shall be bound by the Scheme accordingly.
- 166.3 Notwithstanding any other provision of these articles, subject to the Scheme becoming Effective (as defined in the Scheme), if any shares are issued to any person (other than under the Scheme or to Bidco or its nominee(s)) (a “**New Member**”) on or after the Scheme Record Time (as defined in the Scheme) (the “**Transfer Shares**”), they shall be immediately transferred to Bidco (the “**Purchaser**”) (or as it may direct) in consideration of the payment to the New Member of an amount in cash for each Transfer Share equal to the cash consideration per Scheme Share payable pursuant to the Scheme (as applicable, after deduction of any tax and social security contributions their employer or any other company is required to withhold or account for in respect of either that consideration or the issue or transfer of the shares to the New Member).
- 166.4 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the consideration per share to be paid under paragraph 166.3 of this article shall be adjusted by the directors in such manner as the Company’s auditors may determine to be appropriate to reflect such reorganisation or alteration. References in this article to shares shall, following such adjustment, be construed accordingly.

- 166.5 To give effect to any transfer required by this article, the Company may appoint any person as attorney for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to transfer the Transfer Shares to the Purchaser or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Transfer Shares in the Purchaser or its nominee(s) and pending such vesting to exercise all such rights attaching to the Transfer Shares as the Purchaser may direct. If an attorney is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Transfer Shares unless so agreed by the Purchaser. The attorney shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser or its nominee(s) and the Company may give a good receipt for the purchase price of the Transfer Shares and may register the Purchaser or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the Transfer Shares. The Purchaser shall send a cheque drawn on a UK clearing bank in favour of the New Member (or the relevant transferee or nominee) for the purchase price of each Transfer Share within 14 days of the time on which such Transfer Shares are issued to the New Member.
- 166.6 If the Scheme shall not have become effective by the date referred to in clause 5.2 of the Scheme, this article 166 shall be of no effect.
- 166.7 Notwithstanding any other provision of these articles, neither the Company nor the directors shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the effective date of the Scheme.”

By order of the Board

Company Secretary

Dated 7 April 2020

**Notes:**

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him or her provided that if more than one proxy is appointed each proxy is appointed to exercise rights attaching to different shares. A proxy need not be a member of the Company.
2. To appoint more than one proxy, please photocopy the white Form of Proxy indicating on each copy the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed and follow the instructions set out in the white Form of Proxy.
3. The “Vote Withheld” option is provided to enable you to abstain on the specified resolution. However, it should be noted that a “Vote Withheld” is not a vote in law and will not be counted in the calculation of the proportion of votes “For” and “Against” the specified resolution.
4. A white Form of Proxy is enclosed with this notice. Instructions for use are shown on the form.
5. To be valid, the white Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of Link Asset Services at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, not later than 48 hours before the time of the meeting or, as the case may be, the adjourned meeting. We strongly urge you to follow Government instructions in respect of the evolving situation regarding COVID-19 and the restrictions on social contact, public gatherings and non-essential travel. It is expected that the Company’s attendance at the General Meeting in person will be limited to satisfy the requirements for a quorum. The General Meeting will end immediately after the formal business. Any Moss Bros Shareholder that attempts to physically attend the General Meeting will be refused admission in order to comply with Government public health instructions.
6. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that entitlement to attend and vote at the meeting or any adjournment thereof, and the number of votes which may be cast thereat, will be determined by reference to the register of members of the Company at 6.00 p.m. on the date two days before the date of the meeting (excluding any part of the day that is not a working day) or any adjourned meeting (as the case may be). Changes to the register of members after 6.00 p.m. on 27 April 2020 or, if the meeting is adjourned, after 6.00 p.m. on the day prior to the day immediately before the day fixed for the adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the meeting.

7. As an alternative to completing the hard-copy Forms of Proxy, you can appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter your Investor Code shown on your share certificate and agree to certain terms and conditions. For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services not less than 48 hours before the time appointed for holding the General Meeting or adjourned meeting(s) to which it relates. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service, may do so for the Meetings and any adjournment(s) thereof by utilising the procedures described in the “CREST Reference Manual” issued by Euroclear UK & Ireland Limited (the “CREST Manual”). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent, Link Asset Services (ID: RA10) by the latest time for receipt of proxy appointments specified in these notes. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST Proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertified Securities Regulations 2001.
9. Except as provided above, members who wish to communicate with the Company in relation to the matters set out in this notice should do so in writing to Link Asset Services at The Registry, 34 Beckenham Road, Beckenham BR3 4TU, or by phone to Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. No other methods of communication will be accepted. In particular you may not use any electronic address provided in the document of which this notice forms part or in any related documents (including the Form of Proxy for use at the meeting and the Form of Proxy for use at the related court meeting) for any purposes other than those expressly stated.
10. In the case of joint holders of ordinary shares the vote of the senior who tenders a vote, by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding (the first named being the most senior).
11. You may not use any electronic address provided either in this notice or in any related documents (including the enclosed proxy form) to communicate with the Company for any purposes other than those expressly stated.
12. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at this. In accordance with the provisions of the Companies Act 2006 (as amended by the Companies (Shareholders’ Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
13. As at 6 April 2020 (being the latest Business Day before publication of this notice), the Company’s issued share capital consisted of 100,799,873 ordinary shares of 5p each and carrying one vote each.
14. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the member by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for this meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
15. The statements of the rights of Moss Bros Shareholders in relation to the appointment of proxies in this notice do not apply to Nominated Persons. Those rights can only be exercised by Scheme Shareholders. If you are receiving this notice as such a Nominated Person, you are reminded that your main contact in terms of your investment remains as it was (the registered shareholder, or perhaps custodian or broker, who administers the investment on your behalf). Therefore any changes or queries relating to your personal details and holding (including any administration of it) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee dealing with matters which are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Companies Act, writes to you directly for a response.
16. Under Section 319A of the Companies Act, any Shareholder attending the General Meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at this meeting but no such answer need be given if:
  - (a) to do so would interfere unduly with the preparation for this meeting or involve the disclosure of confidential information;
  - (b) the answer has already been given on a website in the form of an answer to a question; or
  - (c) it is undesirable in the interests of the Company or the good order of this meeting that the question be answered
17. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at <https://corp.moss.co.uk>.

## APPENDIX 1

### 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.





