

## NOTICE OF EXTRAORDINARY GENERAL MEETING

### **B&M European Value Retail S.A.**

*Société Anonyme*

Registered office: 9, Allée Scheffer, L-2520 Luxembourg

Grand-Duchy of Luxembourg

R.C.S. Luxembourg: B 187275

Notice of the Extraordinary General Meeting of B&M European Value Retail S.A. to be held at 12:00 noon (CET) on Thursday **03 December 2020** at 9, Allée Scheffer, L-2520 Luxembourg before a Luxembourg notary, is set out on pages 4 to 12 of this document.

**This document is important and requires your immediate attention.**

**If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from a stockbroker, bank manager, lawyer, accountant or other authorised independent professional adviser.**

If you have sold or transferred all your ordinary shares, or Depositary Interests representing ordinary shares in B&M European Value Retail S.A., you should pass this Notice and all other documents enclosed with it to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected.

#### **Ordinary Shareholders**

The enclosed Form of Proxy, for use in connection with the meeting by Ordinary Shareholders only, should be completed and returned, in accordance with the instructions printed thereon, as soon as possible and by no later than 12:00 noon (CET) on Tuesday 01 December 2020.

#### **Depositary Interest Holders**

The enclosed Form of Direction, for use in connection with the meeting by Depositary Interest holders only, should be completed and returned, in accordance with the instructions printed on it, as soon as possible and by no later than 12:00 noon (CET) on Monday 30 November 2020. Alternatively, CREST members may instruct the Depositary on how to vote the ordinary shares underlying their Depositary Interests by using the electronic voting service. Further details are set out in the notes to the Form of Direction.

## B&M EUROPEAN VALUE RETAIL S.A. – EXTRAORDINARY GENERAL MEETING

### B&M European Value Retail S.A.

*Société Anonyme*  
Registered office: 9, Allée Scheffer, L-2520 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B 187275

#### Letter from the Chairman

28 October 2020

#### Dear Shareholder,

#### **Notice of the Extraordinary General Meeting of B&M European Value Retail S.A. (the “Company” or “B&M”) to be held at 12:00 noon (CET) on Thursday 03 December 2020.**

On behalf of the board of directors (the “Board”), I am writing to inform you that an Extraordinary General Meeting of the Company will be held on Thursday 03 December 2020 at 9, Allée Scheffer, L-2520 Luxembourg at 12:00 noon (CET) (“EGM” or “Meeting”).

The notice convening the Extraordinary General Meeting is set out on pages 4 to 12.

#### **Purpose of the Meeting**

The Board of B&M is recommending resolutions to amend the Company’s Articles of Association for approval by shareholders at the EGM, to address changes to the regulatory regime applicable to the Company following the expiry of the transitional period in relation to UK’s exit from the EU on 31 December 2020 (“Exit-Day”).

A key element of this process is that the current shares in the Company will be digitalised, which means those shares in paper certificated form will be dematerialised and the share register will be replaced by the shares being registered in an account with a central securities depository. **Shareholders rights and entitlements (including dividend and voting rights) will not be affected by these changes.**

The other changes are to preserve as far as practicable the legal and regulatory provisions in relation to takeovers and transparency disclosures which currently apply to the Company, by including them in our Articles of Association. They will then continue to apply after Exit-Day without any uncertainty impacting the Company whatever the outcome of the final Brexit negotiations may be at a UK governmental level.

A summary of each of the changes is as follows.

From Exit-Day, B&M will be required to have adopted changes to its securities settlement arrangements to support the continued settlement of trading in its shares on the London Stock Exchange. This will involve the following necessary steps:

- the appointment of an EU central securities depository (“CSD”) by B&M;
- the dematerialisation of all the shares of B&M; and
- changes to the Articles of Association of B&M (the “Articles”) to permit the above arrangements to be implemented.

The Board is proposing to appoint the central securities depository in Luxembourg, LuxCSD, for shares to be held through that CSD. That will require the shares in the Company to be dematerialised, which means that instead of having a share register maintained by the Company it will be digitalised. **While the dematerialisation of the shares will involve some administrative changes for the Company, the voting and dividend rights of shareholders will remain the same after the dematerialisation of their shares as they are now.**

On the dematerialisation taking place on or about 10 December 2020, the depository interests (“DI’s”) programme which is currently in place in relation to B&M’s shares, will be substituted with a CREST depository interests programme through which the shares of B&M will be held indirectly in dematerialised form. DI holders will receive a notice of termination of the DI programme from the Depository. **Subject to passing the resolutions proposed at the EGM, no action will be required by DI holders in relation to the dematerialisation or the changeover of their DI’s to CDI’s in their CREST accounts. For Ordinary Shareholders holding certificated shares outside the DI Programme, B&M will be writing to them after the EGM explaining the steps and enclosing the form which they will need to complete to dematerialise their shares.**

From Exit-Day, the existing regulatory regime which has applied to the Company in relation to:

- transparency disclosures on acquisitions and disposals of shares in the Company above certain thresholds under the Luxembourg law of 11 January 2008 (the “Luxembourg Transparency Law”);
- takeover offers under the shared jurisdiction of the UK and Luxembourg; and
- squeeze-out and sell-out rights relating to holdings of minority shareholders on takeovers under the Luxembourg law of 19 May 2006 on takeovers (the “Luxembourg Takeover Law”),

will cease to apply to the Company.

Consequently the UK City Code on Takeovers and Mergers (the "City Code") and the Luxembourg law of 19 May 2006 would both cease to apply in relation to any takeover offer for the Company.

It is therefore proposed to amend the Articles of the Company to include provisions requiring shareholders and the Company to adhere so far as practicable to the City Code, and to incorporate squeeze-out and sell-out rights in those Articles based on the existing framework which applies to B&M under the Luxembourg Takeover Law. It is also proposed to amend the Articles to re-adopt the existing transparency disclosure framework which applies to B&M under the Luxembourg Transparency Law.

Each of those amendments are intended to maintain, as far as practicable, the same set of rules which currently apply to B&M in relation to takeovers, in particular adherence to the City Code, squeeze-out and sell-out rights and obligations in relation to takeovers and transparency disclosures, after Exit-Day going forward by enshrining them in the Articles of the Company.

Further details of each of the proposed amendments to the Articles are included in the explanatory notes below.

### **Voting and attendance at the EGM**

In accordance with Luxembourg law and Article 24.6.3 of the Articles, all resolutions put to the EGM must be passed by at least two-thirds of the votes cast with at least half of the issued share capital of the Company being present or represented at the EGM. If this quorum is not met, a second meeting may be convened to deliberate upon the same agenda in accordance with Article 24.6.3 and such second meeting may validly deliberate regardless of the proportion of the issued share capital represented, however the same two-thirds majority requirement shall still apply.

The results of the votes on all the resolutions at the EGM will be announced via the Regulatory News Service and published on the Company's website at [www.bandmretail.com](http://www.bandmretail.com) as soon as possible following the EGM.

The Board appreciates that as the location of the EGM is in Luxembourg, as required by our constitution, and given the Covid-19 impacts on travel many shareholders will be unable to attend in person. However, **your vote is important and I would encourage you, irrespective of the number of ordinary shares you hold, to vote** by either appointing a proxy if you are a registered shareholder, or by giving your direction to Link Market Services Trustees Limited if you are a Depository Interest holder in CREST. A Form of Direction to be completed is enclosed for Depository Interest holders and for voting must be returned in accordance with the instructions and closing date timelines set out on page 19.

If you want to participate in the EGM, whether by proxy or in person, in accordance with Luxembourg law on the exercise of certain rights of shareholders relating to the general meetings of listed companies, it is important to note as follows.

For shareholders (who do not hold their shares in CREST), you are required to complete and return a Declaration of Participation which is enclosed, if you wish to participate in the EGM in person or by proxy. The Declaration of Participation must be received by the Company by the record date which, for this EGM is Thursday 19 November 2020 at 12:00 midnight (CET) in accordance with the procedures set out below.

The Declaration of Participation is not a substitution for the Form of Proxy, and the procedure for lodging the Form of Proxy for shareholders (who do not hold their shares in CREST) will need to be followed as set out in the form and in the notes below.

Holders of Depository Interests in CREST do not need to complete a Declaration of Participation, but for voting must lodge their Form of Direction under the procedure set out below.

### **Resolutions**

For each of the resolutions in the Notice of the EGM on pages 4 to 12, an explanatory note is set out on pages 13 to 16 of this document.

### **Recommendation**

Your Board recommends that shareholders vote in favour of each of the resolutions set out in the Notice of the Extraordinary General Meeting, which they consider to be in the best interests of shareholders as a whole. The Directors intend to vote in favour of all resolutions in respect of their own beneficial shareholdings totalling 98,890 ordinary shares representing approximately 0.01% of the present issued ordinary share capital of the Company<sup>1</sup>.

Yours faithfully,  
**Peter Bamford**  
Chairman

On behalf of the Board

<sup>1</sup> Not including shareholdings of related parties or associates.

# NOTICE OF EXTRAORDINARY GENERAL MEETING

*Société Anonyme*

Registered office: 9, Allée Scheffer, L-2520 Luxembourg

Grand Duchy of Luxembourg

R.C.S. Luxembourg: B 187275

**Notice is hereby given that an Extraordinary General Meeting of the shareholders of B&M European Value Retail S.A. (the "Company") will be held at 9, Allée Scheffer, L-2520 Luxembourg on Thursday 03 December 2020 at 12:00 noon (CET) to consider and to vote upon the following items.**

## **AGENDA**

### **Extraordinary resolutions**

1. To approve the amendments set out below to the Articles of Association of the Company, with immediate effect and without amending the corporate object of the Company:
  - (i) By amending article 5.1 (Issued share capital) to no longer permit fractional shares in the share capital of the Company by deleting the words "Shares may be divided in fractions, an appropriate number thereof conferring the same rights as a share." at the end of the first paragraph of that article and inserting in place of them the words "Shares may not be divided in fractions."
  - (ii) By amending articles 5.2(2) and 9 to read as follows to reflect that there will no longer be fractional shares in the share capital of the Company:
    - "(2) in connection with such arrangements as the Board of Directors considers necessary or appropriate, in the context of otherwise pre-emptive issues of shares, to deal with treasury shares, fractional entitlements, record dates and legal, regulatory or practical problems in, or under the laws of, any territory or any other matter. In the case of fractional entitlements, the Board of Directors shall round these up or down to the nearest whole number of shares as it sees fit in its absolute discretion; or"
    - "9. Several owners.
      - 9.1 If there are several owners of a share, the Company is entitled to suspend the exercise of the rights attaching thereto until one person is designated as being the owner, vis-à-vis the Company, of the share. If there are several owners of a share, and unless otherwise notified to the Company by those holders, the person whose name first stands in the share register or who is recorded in the relevant book-entry in case of dematerialised shares shall be considered as being the designated owner for these purposes towards the Company.
      - 9.2 If, as the result of consolidation and division or sub-division of shares, holders of shares would become entitled to fractions of a share, the shareholders' meeting of the Company may decide on how such fractions shall be dealt with including by way of rounding up or down the holding."
  - (iii) By replacing article 6 with the following amended version in order to provide for the possibility of the Company issuing dematerialised shares, as well as the voluntary and compulsory dematerialisation of the existing shares in the share capital of the Company:
    - "6. Form of the shares, Dematerialisation and Transfer of shares.
      - 6.1 Form of the Shares
        - 6.1.1 Until the Voluntary Effective Date (as defined in article 6.4 below), all new shares shall be issued in registered form. Registered shares may not be converted into bearer shares.
        - 6.1.2 Upon the Voluntary Effective Date (inclusive), all new shares shall be issued in dematerialised form in accordance with article 430-7 of the 1915 Law and the Luxembourg law on dematerialised securities of 6 April 2013 (the "2013 Law").
      - 6.2 Registered shares – Share register
        - 6.2.1 This article 6.2 shall apply to the extent that the shares are in registered form.
        - 6.2.2 A register of the registered shares shall be maintained at the registered office of the Company and every shareholder may examine it. The register shall specify:
          - (a) the precise designation of each shareholder and the number of shares held by him;
          - (b) the payments made on the shares; and
          - (c) transfers and the dates thereof or the date of conversion of the registered shares into dematerialised form.

Subject to the provisions of article 6.6, ownership of registered shares shall be established by an entry in the share register.

### 6.2.3 Share certificates and replacement share certificates

6.2.3.1 Shares may be provided at the owner's request and at the owner's option, in certificates representing single shares or in certificates representing two or more shares.

6.2.3.2 Replacement share certificates may be issued in the following circumstances:

- (a) Where a holder holds two or more certificates for shares, the Board of Directors may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate.
- (b) At the request of a holder of shares, the Board of Directors may cancel a certificate and issue two or more in its place (representing shares in such proportions as the holder may specify), on surrender of the original certificate and on payment of such reasonable sum as the Board of Directors may decide.
- (c) Where a certificate is worn out or defaced the Board of Directors may require the certificate to be delivered to it before issuing a replacement and cancelling the original.
- (d) If a certificate is lost or destroyed, the Board of Directors may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity and to payment of any exceptional out of pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity as the Board of Directors may decide.

### 6.3 Dematerialised shares

6.3.1 All the shares in the Company shall be dematerialised, in accordance with the provisions of this article 6.

6.3.2 All dematerialised shares are registered in a single issuance account opened with the following clearing institution: LuxCSD, with its registered address at 42, Avenue J.F. Kennedy, L-1855 Luxembourg.

6.3.3 The dematerialised shares are not in registered or bearer form and are only represented, and the property rights of the Shareholder on the dematerialised shares are only established, by book-entry with the clearing institution in Luxembourg.

6.3.4 For the purpose of identifying the Shareholder, the Company may, at its own cost, request from the clearing institution, the name or corporate name, the nationality, date of birth or date of incorporation and the address of the holders in its books which immediately confers or may confer in the future voting rights at the Company's shareholders' meeting, as well as the number of shares held by each of them and, if applicable, the restrictions the shares may have. The clearing institution provides to the Company the identification data it holds on the holders of securities accounts in its books and the number of shares held by each of them.

The same information concerning the holders of shares on own account are gathered by the Company through the securities depository or other persons, which directly or indirectly keep a securities account with the clearing institution at the credit of which appear the relevant shares.

The Company as issuer may request confirmation from the persons appearing on the lists so provided that they hold the shares for their own account.

When a person has not provided the information requested by the Company in accordance with this article 6.3.4 within two (2) months following the request or if it has provided incomplete or erroneous information in respect of its quality, or the quality of the shares it holds, the Company may, until such time that the information has been provided, suspend the voting rights of such holder of shares *pro rata* to the proportion of shares for which the requested information has not been obtained.

6.3.5 The Company shall make all dividend and other payments with respect to the dematerialised shares, whether in cash, shares or other assets, to LuxCSD or in accordance with the instructions of LuxCSD, and such payment shall release the Company from any further obligations with respect to such dividend or other payment.

### 6.4 Voluntary dematerialisation

As from (i) the next calendar day immediately following the date of the expiry of any notice of termination given to any person by or on behalf of any professional depository of securities (or its nominee or agent) in relation to any depository interest program that has been established at any time with respect to the Company (a "**DI Program**") or (ii) such later date as may otherwise be determined by the Board, the holders of any shares in the Company (including without limitation any professional depository of securities (or its nominee or agent) being the holder of any shares in the Company relating to such a DI Program) may proceed with the voluntary dematerialisation of their shares (the "**Voluntary Effective Date**").

## NOTICE OF EXTRAORDINARY GENERAL MEETING continued

### 6.5 Compulsory dematerialisation

- 6.5.1 Either of the general shareholders' meeting or the Board is authorised to (i) proceed with a compulsory dematerialisation of the shares of the Company in accordance with this article 6.5 and the 2013 Law as of the Compulsory Commencement Date (as defined in article 6.5.2 below) and (ii) following the compulsory dematerialisation of all shares and, to the extent applicable, the transfer of shares by the Company in accordance with article 6.5.6, amend the articles of association in order to remove those provisions relating to the shares being in registered form (including, but not limited to, articles 5.1, 6.1.1, 6.2, 6.6(i), second paragraph of 6.6, 6.7.1.1, 9.1 and 24.3.5) and reference to the Voluntary Effective Date in article 6.1.2.
- 6.5.2 The compulsory dematerialisation of the existing shares will be effective three (3) months after the date of publication of the decision of the extraordinary general shareholders' meeting approving the compulsory dematerialisation and these Articles in the *Recueil électronique des sociétés et associations* (the "RESA") (the "**Compulsory Commencement Date**").
- 6.5.3 As from the Compulsory Commencement Date, shares held via book entry through any securities settlement system may no longer be directly registered in the register of shareholders of the Company and all such shares will be dematerialised and registered in the issuance account kept at LuxCSD.
- 6.5.4 Holders directly recorded in the register of shareholders shall provide the Company with the required data allowing their shares to be credited to their securities account, no later than the date which is two (2) years after the Compulsory Commencement Date (the "**Compulsory Conversion Date**"). Upon each such conversion, the register of shareholders shall be updated.
- 6.5.5 Voting rights attached to shares which have not been dematerialised by the Compulsory Conversion Date shall thereafter be automatically suspended until their dematerialisation. Any distributions on such shares after the Compulsory Conversion Date shall be held in escrow by the Company and, subject to prescription, shall be paid (without interest) after such dematerialisation has occurred. Such shares for which the voting rights have been suspended in accordance with this article 6.5.5 shall not be taken into account for the calculation of the quorum and of the majorities during the general meetings of shareholders. The holders of such shares in relation to which the voting rights are suspended shall not be admitted to such general meetings.
- 6.5.6 Shares which have not been converted into dematerialised form within two (2) years as from the Compulsory Commencement Date may be converted by the Company into dematerialised shares and recorded by the Company in a securities account under its name. Shares converted in this manner shall be recorded in the name of the Company until the holder comes forward and has such shares recorded in its name. The costs for opening and holding the account shall be incurred by the Company. Article 6.5.5 and the two preceding sentences of this article shall continue to apply until the day when the shares are recorded in an account in the name of the holder. The record of the shares in the securities account in the name of the Company made pursuant to this article 6.5.6 does not make the Company the holder of rights in relation to these shares.
- 6.5.7 To the extent that any shares of holders directly registered in the register of shareholders have not been dematerialised within eight (8) years as from the Compulsory Commencement Date, they may be sold by the Company with at least three (3) months prior notice published in the same way as the convening notices for the shareholders' meeting.

### 6.6 Indirect holdings of shares

Where shares are either (i) recorded in the register of shareholders on behalf of one or more persons or (ii) held in dematerialised form on behalf of one or more persons (the "**Indirect Holders**") in the name of a securities settlement system or the operator of such a system or in the name of a professional depository of securities or any other depository (such systems, professionals or other depositories being referred to hereinafter as "**Depositories**" and each a "**Depository**") or of a sub-depository designated by one or more Depositories, the Company will permit the Indirect Holders to exercise the rights attaching to those shares, including admission to and voting at or in relation to shareholders' meetings in accordance with any rules or arrangements established from time to time by or in relation to any central securities depository or otherwise in accordance with any procedures which may otherwise be established by the Company (subject always to producing such evidence of their identity and interests in any such securities to the satisfaction of the Company), and shall consider those persons to be the shareholders for the purposes of article 8. The Board of Directors may determine the formal requirements with which such certificates must comply.

Notwithstanding the foregoing, in the case of registered shares, the Company will make payments, by way of dividends or otherwise, in cash, shares or other assets only into the hands of the Depository or sub-depository recorded in the share register of the Company or in accordance with their instructions, and that payment shall release the Company from any and all obligations for such payment.

### 6.7 Transfer of shares

## 6.7.1 General

The shares of the Company are free from restrictions on transfer subject to the provisions below.

6.7.1.1 To the extent that the shares are in registered form prior to the Voluntary Effective Date, transfers shall be carried out by means of a declaration of transfer entered in the share register of the Company, dated and signed by the transferor and the transferee or by their duly authorised representatives, and in accordance with the rules on the assignment of claims laid down in article 1690 of the Civil Code. The Company may accept and enter in the register a transfer on the basis of correspondence or other documents recording the agreement between the transferor and the transferee.

The above is without prejudice to the transfers by Indirect Holders, in the case provided for in article 6.6, in accordance with the applicable rules and procedures applicable to such transfers.

6.7.1.2 All dematerialised shares are freely transferable. Transfers of dematerialised shares are realised by account-to-account transfers.

## 6.7.2 On death

Transmission, in the case of death, shall be validly established vis-à-vis the Company, provided that no objection is lodged, on production of a death certificate, the certificate of registration and an affidavit (*acte de notoriété*) attested by a *juge de paix* or a notary.

The Company shall recognise only the personal representative or representatives of a deceased holder as having title to a share held by that holder alone or to which he alone was entitled. In the case of a share held jointly by more than one person, the Company may recognise only the survivor or survivors as being entitled to it.

Nothing in the Articles releases the estate of a deceased holder from liability in respect of a share which has been solely or jointly held by him."

(iv) By amending article 24.3.4 to read as follows in light of the intended dematerialisation of the shares:

"24.3.4 The Convening Notice is sent within the thirty (30) day, or seventeen (17) day period, as applicable, referred to in Article 24.3.1, to the shareholders, the members of the Board of Directors and the approved independent auditors (*réviseurs d'entreprises agréés*) (the "**Addressees**"). This communication shall be sent by letter to the Addressees, unless the Addressees (or any one of them) have expressly and in writing agreed to receive communication by other means, in which case such Addressee(s) may receive the convening notice by such other means of communication."

(v) By amending articles 24.3.5 and 24.6.10 to read as follows in light of the intended dematerialisation of the shares:

"24.3.5 Until the Voluntary Effective Date and to the extent that all the shares are in registered form and represent the entire share capital, the Convening Notice needs to be sent only by registered letters to the Addressees, unless the Addressees (or any one of them) have expressly and in writing agreed to receive communication by other means, in which case such Addressee(s) may receive the convening notice by such other means of communication."

"24.6.10 The rights of a shareholder to sell or otherwise transfer his shares during the period between the Record Date (as defined in Article 24.6.11) and the shareholders' meeting to which it applies are not subject to any restriction to which they are not subject to at other times."

(vi) By removing article 24.6.11 and renumbering the subsequent articles accordingly.

(vii) By amending the last paragraph of article 28.2 to read as follows in light of the intended dematerialisation of the shares:

"In addition to any applicable laws relating to the public disclosure of annual accounts, the annual accounts, as well as the report of the statutory auditors or of the independent auditors *réviseur(s) d'entreprises agréé(s)*, the annual report and the observations of the Board of Directors shall be made available to the shareholders at the same time as the convening notice. Every shareholder shall be entitled to obtain free of charge, upon production of his title, fifteen (15) days before the meeting, a copy of the documents referred to in the foregoing paragraph."

2. To approve:

- (i) that all new shares issued in the share capital of the Company shall be in dematerialised form as from the Voluntary Effective Date (as defined in article 6 as amended by resolution 1 (the "**Amended Article 6**"));
- (ii) that the holder of any shares in the Company, including without limitation any professional depository of securities (or its nominee or agent) being the holder of any shares in the Company relating to such a DI Program (as defined in the Amended Article 6), may proceed with the voluntary dematerialisation of their shares as of the Voluntary Effective Date (as defined in the Amended Article 6); and

## NOTICE OF EXTRAORDINARY GENERAL MEETING continued

- (iii) the compulsory dematerialisation of any shares in the Company as from the Compulsory Commencement Date and no later than the Compulsory Conversion Date (as such terms are defined in the Amended Article 6) pursuant to the terms for such compulsory dematerialisation set forth in the Amended Article 6.
3. To approve the following amendments to article 8 (*Rights and Obligations of shareholders*) of the Articles of Association of the Company as set out below with immediate effect:
- (i) by deleting the first sentence of Article 8.1.1 and inserting in place of it the following sentence:

“For so long as the shares (or transferable securities carrying voting rights) of the Company are admitted to trading on either (i) a regulated market as defined in the markets in financial instruments law dated 30 May 2018, as amended, and/or (ii) the main market for listed securities of the London Stock Exchange plc, the Company will comply with the provisions of the law of 11 January 2008, as amended (the “**Transparency Law**”) to the fullest extent possible as if the Company met the criteria set forth in article 2 (*Scope*) of the Transparency Law.”
  - (ii) by deleting the last sentence of Article 8.1.1 and inserting in place of it the following sentence:

“Any notification to the Company of Important Participations Thresholds shall be made as soon as possible on a basis consistent with the disclosure requirements and within the time limits of the Transparency Law, *mutatis mutandis*.”
  - (iii) by deleting in Article 8.1.3 the words “in accordance with the requirements of the Transparency Law,” and inserting in place of them the words “on a basis consistent with the requirements of the Transparency Law, *mutatis mutandis*.”
  - (iv) by deleting in Article 8.1.6 the words “In addition to the reporting requirements imposed by the Transparency Law,” and inserting in place of them the words “In addition to the reporting requirements imposed by the foregoing paragraphs of this Article 8,”
4. To approve amending the articles of association of the Company by including a new Chapter X (*Takeover provisions, squeeze-out and sell-out*) as set out below with immediate effect:

### **Chapter X - Takeover provisions, squeeze-out and sell-out**

#### 35.1 Definitions

For the purposes of this article 35.1 and articles 35.2 to 35.12 (inclusive) of these Articles:

“**acting in concert**” shall have the meaning given to that term in the City Code;

“**City Code**” means The City Code on Takeovers and Mergers and as amended or replaced from time to time (which for the avoidance of any doubt includes the introduction, the General Principles, the definitions, the rules and the related notes and appendices which are all contained in the City Code) issued by or on behalf of the Panel, as supplemented by guidance published by the Panel from time to time, save that for the purposes of articles 35.1 to 35.10 (inclusive):

- (i) references to thirty per cent (30%) in the City Code (including in the definition of “control” therein) shall be read and construed to mean thirty-three and one-third per cent (33 1/3%) and, unless the context requires otherwise, references to “control” in the City Code shall be read and construed accordingly *mutatis mutandis*;
- (ii) references to “voting rights” in the City Code shall be interpreted in a manner consistent with the Luxembourg Takeover Law as if the Luxembourg Takeover Law applied to the Company; and
- (iii) disclosure forms for the purposes of compliance with Rule 8 of the City Code in so far as they relate to the Company shall be such forms as are approved for such purpose by the Board of Directors;

“**City Code Transaction**” means a transaction falling within the scope of paragraph 3(b) (Transactions) of the introduction section of the City Code in respect of which (had the Company been subject to the full jurisdiction of the City Code, subject always to the provisions of these Articles) the Company would be an offeree;

“**Depository**” shall have the meaning given to that term as defined in article 6.6 of these Articles;

“**Effective Time**” shall have the meaning given to “exit day” in section 20 of the European Union (Withdrawal) Act 2018 of the United Kingdom, and as amended, replaced or substituted from time to time;

“**General Principles**” means the General Principles set out in the City Code (and as the same may be amended or replaced from time to time);

“**interest in Shares**” or similar expressions shall have the meaning given to “interest in securities” in the City Code and, for purposes of articles 35.1 to 35.10 (inclusive), shall include where a person has received an irrevocable commitment in respect of the relevant Shares to accept or not to accept (or to vote or not to vote in favour of) an offer for the Company;



**"Luxembourg Takeover Law"** means Law of 19 May 2006 transposing Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, as amended;

**"Panel"** means the Panel on Takeovers and Mergers in the United Kingdom (and any immediate or remoter successor to that body from time to time);

**"Permitted Acquisition"** means an acquisition of an interest in Shares where any of the following apply:

- (i) the Board of Directors consents to the acquisition (even if, in the absence of such consent, the acquisition of such interest would be a Prohibited Acquisition);
- (ii) the acquisition arises from repayment of a stock-borrowing arrangement (on arm's length normal commercial terms);
- (iii) the acquisition is made in circumstances in which, had the Company been subject to the full jurisdiction of the City Code (subject always to the provisions of these Articles), the City Code would have required an offer to be made as a consequence and such offer is made in accordance with Rule 9 of the City Code (subject always to the provisions of these Articles), as if it had so applied; or
- (iv) a person breaches a Limit (as such term is defined in article 35.6(b) of these Articles) only as a result of the circumstances referred to in article 35.10 of these Articles;

**"Practice Statements"** means the practice statements issued by the Executive body of the Panel from time to time;

**"Prohibited Acquisition"** means an acquisition, other than a Permitted Acquisition, where Rules 4, 5, 6, 7.1, 8 or 11 of the City Code would in whole or part have applied to it if the Company were subject to the full jurisdiction of the City Code (subject always to the provisions of these Articles) and the acquisition was made (or, if not yet made, would if and when made be) in breach of or otherwise would not comply with Rules 4, 5, 6, 7.1, 8 or 11 of the City Code (subject always to the provisions of these Articles);

**"Shares"** means transferable shares carrying voting rights in the Company including depository receipts in respect of any shares in the Company carrying the possibility to give voting instructions; and

**"voting rights"** shall be interpreted in a manner consistent with the Luxembourg Takeover Law as if the Luxembourg Takeover Law applied to the Company.

Reference to a "person" in this article 35.1 and any of the provisions of articles 35.2 to 35.12 (inclusive) shall mean any natural or legal person, partnership, corporate or unincorporated body whatsoever existing in any jurisdiction in the world, and any such person's personal representatives, successors or assigns.

### 35.2 Applicability of the City Code

On and from the Effective Time and for so long as, and to the extent that, the Company shall not be subject to the jurisdiction of either the City Code or the Luxembourg Takeover Law or a combination thereof, the provisions of articles 35.2 to 35.10 shall apply subject to the 1915 Law or any other applicable law. In managing and conducting the business of the Company and in exercising or refraining from exercising any and all powers, rights and privileges from time to time vested in it, the Board of Directors shall use its reasonable endeavours:

- (a) to apply and to have the Company abide by the General Principles *mutatis mutandis* as though the Company were subject to the full jurisdiction of the City Code subject always to the provisions of these Articles;
- (b) in respect of any City Code Transaction (including where the Company is the subject of an approach or the subject of a third party's statement of possible or firm intention to make an offer), to comply with and to procure that the Company complies with the provisions of the City Code applicable to an offeree company and the board of directors of an offeree company *mutatis mutandis* as though the Company were subject to the full jurisdiction of the City Code subject always to the provisions of these Articles; and
- (c) in the event that (and in any case for so long as) the Board of Directors intends to recommend to the shareholders of the Company or any class thereof any City Code Transaction from time to time, to obtain the undertaking of the offeror(s) to comply with the provisions of the City Code in the conduct and execution of the relevant offer(s) *mutatis mutandis* as though the Company were subject to the full jurisdiction of the City Code subject always to the provisions of these Articles,

but recognising that the Panel would not have jurisdiction (if and for so long as such may be the case) and provided that nothing in these Articles shall prohibit any third party from making a takeover offer for any Shares which is or may not be recommended by the Board of Directors to shareholders of the Company.

## NOTICE OF EXTRAORDINARY GENERAL MEETING continued

- 35.3 The Board of Directors has full authority to determine the application of any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles, including as to the deemed application of the whole or any part of the City Code. Such authority shall include all discretion vested in the Panel as if the whole or any part of the City Code applied including, without limitation, the determination of conditions and consents, the consideration to be offered and any restrictions on the exercise of control. Any resolution or determination of, or decision or exercise of any discretion or power by, the Board of Directors or any Director or by the chairman of any meeting acting in good faith (and having received advice from an appropriate professional adviser experienced in such matters) under or pursuant to any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles shall be final and conclusive; and anything done by, or on behalf of, or on the authority of, the Board of Directors or any Director acting in good faith (and having received advice from an appropriate professional adviser experienced in such matters) pursuant to any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles shall be conclusive, and in each case (to the extent capable of being so in accordance with applicable law and regulation) binding on all persons concerned and shall not be open to challenge, whether as to its validity or otherwise on any ground whatsoever, and, in the absence of fraud, neither the Board of Directors nor any Director nor any person acting on their behalf shall owe any duty of care to or have any liability to any shareholder or person in respect of any cost, loss or expense suffered directly or indirectly as a result of any such resolution or determination, decision or exercise of discretion or power; provided always that, for these purposes, any Director who is (or may be) an offeror or who is (or is deemed or determined to be) acting in concert with any person who is (or may be) an offeror or who is otherwise deemed or determined by the Board of Directors to be conflicted for such purposes shall not participate in or take any decision or action relating to any of the foregoing resolutions, determinations, decisions or actions and references to the Board of Directors or to a Director in these articles 35.1 to 35.10 (inclusive) shall be read and construed accordingly. The Board of Directors shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles. Any notice which is required to be given to the Panel under the City Code shall be given to the Company at its registered office or as the Board of Directors otherwise determines.
- 35.4 In applying articles 35.1 to 35.10 (inclusive), the Board of Directors shall be entitled, without the consent of any shareholder or offeror or potential offeror, to make all such announcements as would be required or permitted under the City Code (as if the full jurisdiction of the City Code applied to the Company subject always to the provisions of these Articles) notwithstanding that such announcement may make reference to, or contain information about, shareholders, offerors, potential offerors or persons acting (or deemed or determined by the Board of Directors to be acting) in concert with them.
- 35.5 Shareholders and persons interested in or proposing to be interested in any Shares of the Company shall comply with the requirements of the City Code (as if the full jurisdiction of the City Code applied to the Company, subject always to the provisions of these Articles) in relation to any holdings or dealings in any Shares or interests in Shares and in relation to their dealings with the Company, including but not limited to compliance with the disclosure obligations under Rule 8 (*Disclosure of dealings and positions*) of the City Code during an offer period (as such term is defined in the City Code) and the requirements of Rule 9 (*The mandatory offer and its terms*) of the City Code.
- 35.6 A person must not (other than solely as a Depository, custodian or nominee of a Depository or custodian):
- (a) effect or purport to effect a Prohibited Acquisition; or
  - (b) except as a result of a Permitted Acquisition:
    - (i) whether by themselves, or with persons determined by the Board of Directors to be acting in concert with such person, acquire after the Effective Time an interest in Shares which, taken together with any interest in Shares held or acquired on or prior to the Effective Time by persons determined by the Board of Directors to be acting in concert with such person, carry thirty-three and one-third per cent (33 1/3%) or more of the total voting rights of the Company; or
    - (ii) whilst such person, together with persons determined by the Board of Directors to be acting in concert with such person, holds not less than thirty-three and one-third per cent (33 1/3%) but not more than fifty per cent (50%) of the total voting rights of the Company, acquires after the Effective Time, whether by themselves or with persons determined by the Board of Directors to be acting in concert with such person, additional interest in Shares which, taken together with any interest in Shares held by persons determined by the Board of Directors to be acting in concert with such person, increases the percentage of their voting rights out of the total voting rights of the Company,
- (each of (i) and (ii) for the purpose of this article 35.6 being a "Limit").
- 35.7 Where any person breaches any Limit, except as a result of a Permitted Acquisition, or becomes interested in any Shares of the Company as a result of a Prohibited Acquisition, that person is in breach of these Articles, and no nominee of such person or persons determined by the Board of Directors to be acting in concert with such person may be appointed as a Director of the Company.
- 35.8 The Board of Directors may do all or any of the following where it has reason to believe that any Limit is or may be breached or any Prohibited Acquisition has been or may be effected:

- (a) require, so far as it is reasonably able to do so, any shareholder or person appearing or purporting to be interested in any Shares of the Company to provide such information as the Board of Directors considers appropriate to determine any of the matters under any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles;
  - (b) have regard to such public filings as it considers appropriate to determine any of the matters under any of the provisions of article 35.1 to 35.10 (inclusive) of the Articles;
  - (c) make such determinations under any of the provisions of article 35.1 to 35.10 (inclusive) of the Articles as it thinks fit, either after calling for submissions from affected shareholders or persons interested in any Shares of the Company or other persons or without calling for such submissions;
  - (d) determine that the voting rights attached to such number of Shares held by such persons as the Board of Directors may determine are held, or in which such persons are or may be interested, in breach of these Articles (for the purposes of this article 35.8 "Excess Shares") are from a particular time incapable of being exercised for a definite or indefinite period;
  - (e) refuse to register such person or its nominee or custodian or any person acting (or is deemed or determined by the Board of Directors to be acting) in concert with such person as the holder of the Excess Shares on the register of shareholders of the Company;
  - (f) determine that some or all of the Excess Shares must be sold; and
  - (g) take such other action as it thinks fit for the purposes of any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles including but not limited to:
    - (i) prescribing rules (not inconsistent with this article 35.8);
    - (ii) setting deadlines for the provision of information;
    - (iii) drawing adverse inferences where information requested is not provided;
    - (iv) making determinations or interim determinations;
    - (v) executing documents on behalf of a shareholder or persons interested in any Shares of the Company in relation to any Excess Shares, including without limitation in relation to the sale and/or transfer to any persons of any Excess Shares;
    - (vi) paying costs and expenses out of any proceeds of sale of any Excess Shares; and
    - (vii) changing any decision or determination or rule previously made.
- 35.9 Any one or more of the Directors may act as the attorney(s) of any shareholder or persons interested in any Shares of the Company in relation to the execution of documents and other actions to be taken for the sale of Excess Shares determined by the Board of Directors under any of the provisions of articles 35.1 to 35.10 (inclusive) of the Articles.
- 35.10 If as a consequence of the Company redeeming or purchasing its own Shares, there is a resulting increase in the percentage of the total voting rights attributable to the Shares in respect of which a person or persons deemed or determined by the Board of Directors to be acting in concert have an interest in and such an increase would constitute a breach of any Limit, such an increase shall be deemed a Permitted Acquisition.
- 35.11 From such time as the Law of 19 May 2006 transposing Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (as amended) ceases to apply to the Company, the provisions of this article 35.11 and article 35.12 (and each of the sub-provision thereof) of the Articles shall be effective and apply at all times thereafter.
- 35.12 Following a Takeover Offer being made on or at any time after the date on which this article shall come into effect the following provisions of this article shall then apply:
- 35.12.1 the offeror in relation to the Takeover Offer shall be able to require the holders of (including persons with any interest in) all the remaining Shares in the Company to which such offer relates to sell to the offeror those Shares at a fair price per Share (as defined in article 35.12.5 below) where the offeror holds alone or together with persons acting in concert with the offeror (which shall include by virtue of acceptances of the Takeover Offer, having acquired or unconditionally contracted to acquire) Shares representing not less than ninety-five per cent (95%) of the capital carrying voting rights and not less than ninety-five per cent (95%) of the voting rights in the Company (that right being referred to in this article 35.12 as the "right of squeeze-out");
  - 35.12.2 where the Company has issued more than one class of Shares, the right of squeeze-out can be exercised only in relation to the class of Shares in which the threshold laid down in article 35.12.1 above has been reached;

## NOTICE OF EXTRAORDINARY GENERAL MEETING continued

- 35.12.3 if the offeror wishes to exercise the right of squeeze-out under article 35.12.1 above, it shall do so by giving notice in writing to any holder(s) of the Shares within three (3) months of the end of the time allowed for acceptance of the offer to which it relates under article 35.12.1 above.
- 35.12.4 the offeror's entitlement to give a notice exercising its right of squeeze-out under the provisions of article 35.12.1 and 35.12.3 on any particular date shall be determined as if any Shares allotted or ceasing to be held by the Company as treasury shares had not been allotted or ceased to be held by the Company as treasury shares at any time;
- 35.12.5 the "fair price per Share" shall be the same value per Share as under the terms of the Takeover Offer. It shall take the form of the consideration under the terms of the Takeover Offer and cash shall be offered at least as an alternative;
- 35.12.6 any notice given to any holder(s) of Shares under article 35.12.3 shall bind the offeror to acquire and the relevant holder(s) to sell the Shares to it at the fair price per Share. The consideration shall be deposited with the Company in trust for the relevant holder(s) within six (6) weeks of the date of the notice having been given and the Company will be bound to release the consideration to the relevant holder(s) on the transfer of their Shares to the offeror having been executed by the relevant holder(s);
- 35.12.7 where an offeror, as a result of a Takeover Offer, holds alone or together with persons acting in concert with the offeror, Shares carrying more than ninety per cent (90%) of the voting rights in the Company, any remaining holder of (including persons with any interest in) Shares in the Company may require such offeror to buy their Shares at a fair price per share (as defined in article 35.12.5 above) payable in the form of the consideration in the Takeover Offer but with the option for seller to require that such price be settled in cash (that right being referred to in this article 35.12.7 as the "right of sell-out"). The provisions of articles 35.12.2 to 35.12.6 (inclusive) shall apply mutatis mutandis also in relation to any right of sell-out under this article 35.12.7; and
- 35.12.8 for the purposes of article 35.12 above (and each of the sub-provisions thereof), reference to "Takeover Offer" shall mean an offer:
- (a) to acquire all the Shares in the Company (or where there is more than one class of shares in the Company, all the shares of one or more classes) other than the shares that at the date of the offer are already held by the offeror;
  - (b) which is capable of acceptance by holders of Shares (or persons with interests in them) and when so accepted would give rise to a binding conditional or unconditional contract;
  - (c) where the terms of the offer are the same for all shares to which the offer relates, or where there are separate classes of shares the terms are the same for all the shares of the particular class;
  - (d) whether or not the offer includes any of the following: (i) all or any Shares that are allotted after the date of the offer but before a specified date, (ii) all or any relevant treasury shares that cease to be held as treasury shares before a specified date, or (iii) all or any other relevant treasury shares. For the purposes of this provision "specified date" means a date specified in or determined in accordance with the terms of the offer, and, "relevant treasury shares" means Shares that are held by the Company as treasury shares at the date of the offer, or which become shares held by the Company as treasury shares after that date but before a specified date;
  - (e) whether or not the offer is extended to Shares that persons acting in concert with the offeror hold or have contracted to acquire;
  - (f) notwithstanding that (i) the offer may not have been communicated to shareholders in certain countries or territories of the world in order not to contravene the law of that country or territory, provided that, the offer is published in the *Recueil Electronique des Sociétés et Associations*, or (ii) there are persons for whom by reason of the laws of certain countries or territories of the world it is impossible to accept the offer, or more difficult to do so than in other parts of the world;
- 35.12.9 if the terms of a Takeover Offer includes a provision for the revision of the terms of the offer and for acceptances on the previous terms to be treated as acceptances on the revised terms, then, if the terms of the offer are revised in accordance with that provision, the revision is not to be regarded as a new offer for the purposes of this article 35 (and each of the sub-provisions thereof)."

On behalf of the Board of Directors

**Peter Bamford**

Chairman  
9, Allée Scheffer  
L-2520 Luxembourg  
Grand-Duchy of Luxembourg

28 October 2020

## EXPLANATION OF BUSINESS TO BE CONSIDERED AT THE EXTRAORDINARY GENERAL MEETING

### Extraordinary Resolution number 1

As a result of changes to the securities settlement regime applicable to the Company in consequence of Brexit, to ensure that the Company's shares continue to be settled in the London market without any disruption it will be necessary for the Company's shares to be held through an EU member state central securities depository ("CSD"). The Board therefore proposes that LuxCSD, being a central securities depository in Luxembourg, be appointed as the CSD of the Company.

For these arrangements to be put in place with LuxCSD, the shares of the Company are required to be in dematerialised form. That will require shareholders to pass the first two resolutions to convert the shares from their current registered form into dematerialised form and make the necessary changes to the Articles of Association of the Company (the "Articles") referred to below to support that process.

**The dematerialisation of the shares will result in a digitalisation of the share register of the Company. The voting and dividend rights of shareholders will remain the same after the dematerialisation of their shares as they are now.**

In accordance with Luxembourg company law and the Luxembourg law of 6 April 2013 on dematerialised securities (the "Dematerialised Securities Law"), in order for the Company's shares to be converted into dematerialised form, it is first necessary to amend the Articles to permit the dematerialisation of the shares.

In approving this first resolution, the shareholders will approve changes to the Articles to (i) permit Company's shares to be in dematerialised form and reflect the provisions of the Dematerialised Securities Law, (ii) provide for the voluntary dematerialisation of the shares following the termination of the existing depository interests programme (the "DI Programme" in relation to which see further below) or such later date as otherwise decided by the Board, (iii) provide for the compulsory dematerialisation of those shares that have not been dematerialised in connection with the voluntary dematerialisation and (iv) include any consequential or incidental changes in relation to the shares of the Company being in dematerialised form.

Dematerialised shares are recorded by book entry form in a securities account held by a clearing institution (*organisme de liquidation*) or a central securities depository (*teneur de compte central*), unlike registered shares which are recorded in a share register maintained at the registered office of the Company.

Under the proposed amendments to the Articles, LuxCSD (as referred to above) will be named as the clearing institution in relation to the Company's dematerialised shares.

While the change in the shares from being in registered to dematerialised form will involve some administrative changes for the Company, it will **not** change shareholders rights and entitlements (including their voting and dividend rights).

The proposed amendment to the Articles will provide for the voluntary dematerialisation and also compulsory dematerialisation over time of all the registered shares in the Company. The voluntary and compulsory dematerialisation is described in more detail in the explanatory note to resolution 2 below.

The above is a summary only of the dematerialisation and certain provisions of the proposed changes to the Articles, in particular Article 6. The full text of the amended Articles is available for inspection as described in note 2.1 under "Notes to the Notice of the Extraordinary General Meeting (EGM)" section on page 17 below.

### Extraordinary Resolution number 2

The second extraordinary resolution is for shareholders to approve the dematerialisation of the shares as follows:

#### (i) Voluntary dematerialisation

As from the next calendar day immediately following the date of the expiry of any notice of termination given in relation to the DI Programme (or such later date as may otherwise be determined by the Board), any holder of shares in the Company (including *inter alia* any professional depository of securities (or its nominee or agent) which is the holder of shares in the Company in relation to the DI Programme) may then proceed with the voluntary dematerialisation of their shares.

#### *In relation to DI holders:*

At that stage, the shares held by the Depository under the existing DI Programme will then be dematerialised and also at the same time the Depository Interests ("DI's") under the existing DI Programme will be substituted with CREST Depository Interests ("CDI's"). **After the EGM there will be no need for any further action therefore by the holders of DI's in relation to the dematerialisation process. The holders of DI's will then hold CDI's from that time going forward in their CREST accounts, and they will be able to trade them in the same way as before without any disruption to settlement processes in the London market.**

## EXPLANATION OF BUSINESS TO BE CONSIDERED AT THE EXTRAORDINARY GENERAL MEETING continued

### *In relation to Ordinary Shareholders:*

For holders of Ordinary Shares on the share register of the Company which are held in certificated form and not therefore as part of the DI Programme, subject to resolution number two being passed, **the Company will be writing to each of the Ordinary Shareholders after the EGM with details of the steps and form which they will need to complete to dematerialise their shares.**

### **(ii) Compulsory dematerialisation**

Three (3) months after the passing and publication of resolution number two by the EGM (the "Compulsory Commencement Date") any shareholder who has not already voluntarily dematerialised their shares in the Company will have a period of 2 years from the Compulsory Commencement Date to dematerialise their shares. If they have not dematerialised their shares within that further period of time the voting rights on the shares which have not been dematerialised will be automatically suspended thereafter until they have been dematerialised, and, any distributions on those shares will be held in escrow by the Company and will only be paid (without interest) to the shareholder after the shares have been dematerialised by them.

Shares which have not been dematerialised by the end of the period of 2 years after the Compulsory Commencement Date may be converted by the Company into dematerialised form and recorded by the Company in a securities account under its own name until the holder puts arrangements in place for the shares to be credited in dematerialised form to an account for their dematerialised shares to be held on their own behalf. During the time that any shares are held in a securities account in the name of Company, they will not carry voting rights and any dividends on them will be held (without interest) in escrow by the Company until the holder puts arrangements in place for the shares to be credited to an account and held as dematerialised shares on their own behalf.

To the extent that any shares of holders directly registered in the register of shareholders have not been dematerialised within eight (8) years as from the Compulsory Commencement Date, they may be sold by the Company with at least three (3) months prior notice published in the same way as the convening notices for a general shareholders' meeting. Such shares would be sold on the regulated market on which the shares of the Company are listed and the proceeds of the sale received by the Company, after deducting any costs, would be paid by the Company to the person who is recorded in the share register as being holder of such shares at the time of their sale.

### *In relation to DI holders:*

Subject to the dematerialisation having been approved by shareholders, after the EGM there will be **no need for any further action** by the holders of DI's in relation to the dematerialisation process (see the note under (i) above).

### *In relation to Ordinary Shareholders:*

As referred to above, for holders of Ordinary Shares on the share register of the Company which are held in certificated form and not therefore as part of the DI Programme, subject to resolution number two being passed, **the Company will be writing to each of the Ordinary Shareholders after the EGM with details of the steps and form which they will need to complete to dematerialise their shares.**

### **Extraordinary Resolution number 3**

Following the end of the Brexit transitional period, the Luxembourg law of 11 January 2008 in relation to transparency disclosures (the "Luxembourg Transparency Law") will cease to apply to the Company. **Resolution number three proposes amendments to Article 8 (Rights and Obligations of shareholders) which will ensure that the Company and its shareholders shall, to the fullest extent possible, continue to comply with the provisions of the Luxembourg Transparency Law as if it still applied to the Company,** for so long as the shares of the Company are admitted to trading on either (i) a regulated market as defined in the markets in financial instruments law dated 30 May 2018, as amended, and/or (ii) the main market for listed securities of the London Stock Exchange plc.

The provisions of the Luxembourg Transparency Law, as currently replicated in Article 8, which the Company and its shareholders will continue to adhere to, pursuant to the amendments proposed by this third resolution, include that any person shall notify the Company of the proportion of voting rights of the Company it holds as a result of an acquisition or disposal where such proportion reaches, exceeds or falls below the thresholds specified by the Luxembourg Transparency Law, as amended from time to time. These thresholds are: 5%, 10%, 15%, 20%, 25%, 33 1/3 %, 50 % and 66 2/3 % of the total voting rights in the Company. The proposed amendments under the third resolution will not result in shareholders having an increased burden with regard to disclosures, as the amendments to Article 8 will ensure that provisions equivalent to the position under the current Article 8 will continue to apply after the end of the Brexit transitional period.

### **Extraordinary Resolution number 4**

Resolution number four proposes that the Company's Articles be amended by including a new additional article (to be numbered as Article 35) which sets out a framework for how any takeover offers for the Company (and any subsequent squeeze-out or sell-out procedures) should be conducted following the end of the Brexit transitional period which, presently is due to occur at midnight (CET) or 11pm (GMT) on 31 December 2020. The current position in relation to those matters and the proposed changes to be made to the Articles are as follows:

### **(i) Takeover provisions**

As the Company is incorporated under the laws of Luxembourg and has its registered office in Luxembourg, the Company is currently subject to the Luxembourg takeover law of 19 May 2006 (the "Luxembourg Takeover Law"), as applied by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "CSSF"). Also as the Company's shares are admitted to trading on the London Stock Exchange (and not on any other regulated market of an EEA member state), the Company is also subject to certain provisions of the UK's City Code on Takeovers and Mergers (the "City Code") as applied by the UK's Panel on Takeovers and Mergers (the "UK Takeover Panel").

Any takeover offer for the Company would currently be subject to the shared jurisdiction of the UK Panel on Takeovers and Mergers and the CSSF.

Following the end of the Brexit transitional period, the shared jurisdiction of the UK Takeover Panel and the CSSF will cease to apply in relation to any takeover offer for the Company as the London Stock Exchange will no longer be an EEA regulated market. From such time also the City Code and the Luxembourg Takeover Law will cease to apply to the Company. The Board therefore considers it is in the best interests of the Company and its shareholders generally, for the Company to have in place a framework that is intended to facilitate the orderly conduct of any takeover offer for the Company had the Company still been subject to the shared jurisdiction takeover regime described above.

**It is therefore proposed that the Company's Articles be amended to provide that the Company will, so far as practicable and to the extent permitted by applicable law and regulation continue to adopt the provisions of the City Code (as amended from time to time) in relation to any takeover offer that may be made for the Company following the end of the Brexit transitional period.**

It is also similarly proposed to continue to adopt the Luxembourg Takeover Law mandatory offer threshold which applies where a person (together with others acting in concert with them) acquire control of 33 1/3% or more of the voting rights in the Company.

This approach is intended to provide shareholders with substantially the same protections as far as practicable as those which have applied since the time of the Company's IPO and as are provided under the current shared jurisdiction regime, such as the requirement to treat all shareholders in the same position equally.

Under the provisions of the proposed Article 35, the Board would use its reasonable endeavours to apply and have the Company abide by the General Principles of the City Code (the "General Principles") as though the Company were subject to the City Code and the mandatory bid provisions described below and set out in new Article 35. In the event that the Company becomes the subject of an approach or a third party offer, the Board would endeavour to comply and to procure that the Company complies with the provisions of the City Code in its conduct of the relevant offer (including but not limited to, the Company appointing an independent financial adviser and seeking to ensure equal treatment for all shareholders in the same position). In the event that the Board intends to recommend to the shareholders any takeover offer made for the Company, the Board would use reasonable endeavours to obtain the undertaking of the offeror(s) to comply with the provisions of the City Code in its conduct and the execution of the relevant offer. This approach is consistent with that adopted by many other companies which are listed in the UK but are not subject to the jurisdiction of the UK Takeover Panel. A copy of the City Code is available at <https://www.thetakeoverpanel.org.uk/the-code/download-code>

Article 35 requires shareholders and persons interested in or proposing to be interested in any shares of the Company to comply with the requirements of the City Code as if the City Code applied to the Company, including the mandatory offer provisions set out in that article and also to comply with applicable disclosure obligations during offer period. Articles 35.6 to 35.9 seek to reflect the key City Code requirements under Rules 4, 5, 6, 7.1, 8 and 11 relating to acquisitions of shares in the Company (all of which currently apply to the Company). Article 35 also provides the Board with certain powers in the case of an acquisition which is undertaken in contravention of these articles, including the ability to suspend voting rights in relation to shares acquired in breach of the relevant provisions of new Article 35.

It should be noted that both the Luxembourg Takeover Law and the City Code currently reflect the provisions of the EU Takeover Directive. It is possible that, over time following the end of the Brexit transitional period, the provisions of the City Code, and therefore the takeovers regime that will be deemed to apply to the Company by virtue of new Article 35, may diverge from the provisions of the EU Takeover Directive but your Board believes that it is appropriate to adopt the provisions of the City Code on the basis proposed given that the City Code is regarded as one of the preeminent takeover regimes globally.

Other than in relation to the mandatory offer threshold, Article 35 does not seek to reflect the provisions of the Luxembourg Takeover Law which currently apply to the Company under the shared jurisdiction regime described above. Under Article 35 the Board will therefore be authorised by the Articles to apply the City Code to employee information and other matters including the following:

*Employee information:* The City Code requires the Company to make any possible or firm offer announcements and the formal offer document (or Company's response circular) readily available to the employees (or employee representatives). There is no material difference to this and the position under the Luxembourg Takeover Law which has applied to the Company's since IPO;

*Frustrating actions:* Under the City Code, once the Company has reason to believe that a bona fide offer might be imminent, it shall not (subject to certain exceptions), without shareholder approval, take actions which may result in such offer being frustrated or in shareholders being denied the opportunity to decide on the offer (for example, issuing new shares or granting new options, sell or dispose of material assets or otherwise enter into contracts outside ordinary course of business). Under the Luxembourg Takeover Law which has applied to the Company since IPO, a company may voluntarily submit to the frustrating action provisions included in the Luxembourg Takeover Law which have similar effect to the equivalent provisions of the City Code;

*Offer-related arrangements:* Rule 21.2 of the City Code has a general prohibition (subject to certain limited exceptions) on the Company (or its concert parties, including the Directors) agreeing to offer-related arrangements in favour of an offeror (or its concert parties), such as break fee, non-solicitation of competing offer and exclusivity undertakings, etc. The rationale for this prohibition is to prevent a target company from entering into arrangements that might prevent a competing offer being made which could potentially deliver greater value for shareholders. The Luxembourg Takeover Law which has applied to the Company since IPO does not have an equivalent prohibition and Rule 21.2 is currently not applicable to the Company under the shared jurisdiction regime. However, on the new additional Article 35 being adopted and coming into effect, the Board will have the ability to apply Rule 21.2, which has the effect of potentially putting the Company in a stronger position vis-à-vis an offeror consistently therefore with the position that applies under the City Code; and

## EXPLANATION OF BUSINESS TO BE CONSIDERED AT THE EXTRAORDINARY GENERAL MEETING continued

*Equality of information to competing bidder:* Rule 21.3 of the City Code requires any information given by the Company to an offeror must, on request, be given equally to another bona fide offeror (subject to appropriate confidentiality restrictions), even if that other offeror is less welcome. The Luxembourg Takeover Law which has applied to the Company since IPO does not have an equivalent requirement and Rule 21.3 is currently not applicable to the Company under the shared jurisdiction regime. However, once Article 35 comes into effect, the Board will have the power to apply Rule 21.3, which seeks to ensure a level-playing field amongst possible offerors.

Articles 35.1 to 35.10 will allow the Company to continue to adopt and apply the principles of the City Code and an equivalent mandatory bid threshold as currently applies to the Company in relation to any takeover that might be made for the Company once the Brexit transitional period has ended. The proposed arrangements will apply through the mechanism of the Articles and Article 35.8 includes powers which the Board may exercise in circumstances where any person breaches the City Code regime applied under the Articles including, inter alia, being able to require a person to sell shares which they have acquired in breach of any the takeover provisions included in the Articles.

### **(ii) Squeeze-out and sell-out provisions**

The Luxembourg Takeover Law contains squeeze-out and sell-out provisions (as summarised below) which are currently applicable to the Company, but will cease to apply to the Company following the end of the Brexit transitional period. Therefore in order to provide a framework for squeeze-out and sell-out provisions following the end of that period, the new additional Article 35 re-applies as far as practical the key provisions of the Luxembourg Takeover Law in this regard.

Under the Luxembourg Takeover Law if an offeror held shares representing not less than 95% of the voting rights in the Company as a result of a takeover offer, the offeror would be entitled to mandatorily acquire the shares held by the remaining minority shareholders (known as "squeeze-out") at a fair price.

As that law will cease to apply to the Company, a squeeze-out provision with the same threshold to that applied under the Luxembourg Takeover Law has been included in Article 35.12, which applies where the offeror together with persons acting in concert with it have reached (or exceeded) that threshold. Article 35.12 provides for the fair price to be paid by the offeror for any share which is subject to squeeze-out, will be the same price per share given to the other shareholders under the takeover offer.

Under the Luxembourg Takeover Law if an offeror held shares representing not less than 90% of the voting rights in the Company as a result of a takeover offer, a holder of any remaining shares could mandatorily require the offeror to buy those shares (known as a "sell-out") at a fair price.

As that law will cease to apply to the Company, a sell-out provision with the same threshold to that applied under the Luxembourg Takeover Law has been included in Article 35.12, which applies where the offeror together with persons acting in concert with it have reached (or exceeded) that threshold. Article 35.12 provides that the fair price to be paid by the offeror for any share in a sell-out, will be the same price per share given to the other shareholders under the takeover offer.

The above is a summary only of certain provisions of the proposed new Article 35. The full text of the amended Articles is available for inspection as described in note 2.1 under "Notes to the Notice of the Extraordinary General Meeting (EGM)" section on page 17 below.



## NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING (EGM)

### 1. Record date

To have the right to attend and to vote at the EGM (and also for the purpose of calculating how many votes a person may cast) a shareholder must have their name entered on the Register of Shareholders of the Company as **at 12 midnight (CET) on Thursday 19 November 2020**. Changes to the Register of Shareholders after this time will be disregarded in determining the rights of any person to attend or to vote at the EGM.

### 2. Declaration of Participation

Shareholders must submit their Declaration of Participation for the EGM to the Company **by 12 midnight (CET) on Thursday 19 November 2020**. Holders of Depositary Interests in CREST do not need to complete a Declaration of Participation.

The completed Declaration of Participation should be returned to the Company either by email or post to:

Lars.Nientiet@bmstores.eu

B&M European Value Retail S.A.  
9, Allée Scheffer  
L-2520 Luxembourg  
Grand-Duchy of Luxembourg

#### 2.1 Electronic communications

Other documents and information relating to the EGM are available on the B&M European Value Retail S.A.'s website:

<http://www.bandmretail.com/investors/egm.aspx>

from a period commencing on the date of publication of the convening Notice of the EGM, and ending no earlier than after closing of the EGM. These documents and information include:

- the convening Notice
- the Form of Declaration of Participation
- the Form of Proxy
- the Form of Direction
- the Articles showing the proposed amendments to them

These documents will also be sent electronically to those shareholders who have provided the Company with an email address requesting EGM documents to be sent to them by email.

The Articles showing the proposed amendments will also be available at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, during usual business hours (9.30 am - 5.30 pm UK time) Monday to Friday (excluding public holidays) from the date of this Notice until the close of the EGM, and at the place of the EGM for at least 15 minutes before and during the EGM. In light of the ongoing Covid-19 situation, any shareholders who wish to inspect the Articles at the offices of Clifford Chance LLP is required to email [main.security@cliffordchance.com](mailto:main.security@cliffordchance.com) to book an appointment before their visit and must wear a face mask or covering when visiting those offices, otherwise they may be denied access.

#### 2.2 Mail communications

Shareholders who have not requested EGM documents to be sent to them by email will be sent hard copies by standard mail with a Declaration of Participation and Proxy form.

### 3. Quorum and voting

The quorum for the EGM is shareholder(s) represented in person or by proxy at the meeting who hold at least one half of the issued share capital of the Company.

If this quorum condition is not satisfied a second meeting may be convened to deliberate upon the same agenda, following notices being given of that second meeting under the Articles of Association of the Company. At any second meeting the quorum requirement of the original meeting does not apply, and the quorum is at least one shareholder present in person or represented by proxy.

In accordance with Article 24.6.3 of the Articles of Association of the Company, all decisions at the EGM shall be passed by at least two thirds of the votes cast at the meeting on each resolution.

Each holder of ordinary shares has one vote in respect of each ordinary share held.

## NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING (EGM) continued

### 4. Total voting rights

As at 27 October 2020 (being the last business day prior to the publication of this Notice) the Company's issued ordinary share capital consists of 1,000,733,147 (one billion seven hundred and thirty-three thousand one hundred and forty-seven) ordinary shares, carrying one vote each. The Company holds no treasury shares, therefore the total voting rights in the Company as at 27 October 2020 is 1,000,733,147 (one billion seven hundred and thirty-three thousand one hundred and forty-seven).

### 5. Poll

All items in the Notice of the EGM will be decided by a poll of shareholders.

### 6. Rights of shareholders to request additional items to the agenda

In accordance with Article 24.4 of the Articles of Association of the Company, one or more shareholders who together hold at least 5% (five per cent) of the issued ordinary share capital of the Company, are entitled to request that new items be added to the agenda of the EGM and, if so requested, to provide draft resolutions in support of such items. Any such request must be:

- sent by email to Lars.Nientiet@bmstores.eu with reasons justifying your request, a draft of your proposed resolution and indicating a postal or email address which the Company can send an acknowledgment of receipt of your request to; and
- received by the Company **no later than 12 midnight (CET) on Wednesday 11 November 2020**. The Company will acknowledge receipt of any request within 48 hours of receipt. If necessary, the Company will publish a revised agenda of the EGM **by no later than Wednesday 18 November 2020**.

### 7. Appointment of proxies by shareholders (who do not hold their shares in CREST)

- 7.1 This facility is only open to shareholders who hold registered ordinary shares of the Company and do not hold their ordinary shares as Depository Interests through CREST.
- 7.2 Any shareholder entitled to attend and vote at the EGM may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.
- 7.3 Any person to whom this Notice is sent who is a person nominated to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the EGM. 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 shareholder as to the exercise of voting rights.
- 7.4 In the case of joint holdings, unless otherwise notified to the Company by those joint holders, the vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
- 7.5 If you submit more than one valid proxy appointment in respect of the same share, the appointment received last before the latest time for the receipt of proxies will take precedence.
- 7.6 The appointment of a proxy can be registered by using the paper Form of Proxy enclosed and returning it as set out below and by the time referred to below.
- 7.7 Registering the appointment of a proxy will not preclude a shareholder from attending the EGM and voting in person if they wish to do so. Any shareholder or the proxy holder of a shareholder attending the meeting has the right to ask questions relating to the business being dealt with at the meeting.
- 7.8 The Form of Proxy should be completed in accordance with the instructions detailed in it.
- 7.9 To be valid, the Form of Proxy must be completed and returned to arrive by **no later than 12:00 noon (CET) on Tuesday 01 December 2020** at:

Apex Corporate Services S.A.  
9, Allée Scheffer  
L-2520 Luxembourg  
Grand-Duchy of Luxembourg

**Shareholders should bear in mind that the receipt address is in Luxembourg and should therefore allow extra time for posting in order to ensure that the above deadline is met.**

As an alternative method for lodging your voting instructions a pdf copy of the Form of Proxy may be sent in the first instance to Lars.Nientiet@bmstores.eu with the original proxy to follow to the address as above. **Please note, however, that the original Form of Proxy must still be received at this address by no later than 12:00 noon (CET) on Tuesday 01 December 2020.**

## 8. Voting instructions from holders of Depository Interests (“DI Holders”)

- 8.1 As a DI Holder, you will be directing the Depository, Link Market Services Trustees Limited, to vote your ordinary shares in accordance with your voting instructions.
- 8.2 Voting instructions must be lodged using the Form of Direction enclosed with this Notice of EGM or electronically (see below).
- 8.3 DI Holders who hold their ordinary shares in CREST and wish to attend the EGM should contact the Depository at Link Market Services Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England or by emailing [custodymgt@linkgroup.co.uk](mailto:custodymgt@linkgroup.co.uk) by no later than **12:00 noon (CET) Monday 30 November 2020**.
- 8.4 DI Holders who hold their ordinary shares in CREST may direct the Depository on how to vote on their behalf at the EGM by completing and returning the enclosed Form of Direction. The Form of Direction should be completed in accordance with the instructions as detailed thereon.
- 8.5 To be valid, the Form of Direction must be completed and returned, together, if applicable, with the power of attorney or other authority under which it is signed (or a copy of such authority certified by a notary), so as to arrive by no later than **12:00 noon (CET) Monday 30 November 2020** at the offices of Link Asset Services in England:

Link Asset Services  
PXS  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU  
England

- 8.6 As an alternative method for lodging your voting instructions you can use **Electronic voting instructions via the CREST voting service as follows:**
- 8.6.1 DI Holders who hold their ordinary shares in CREST may transmit voting instructions by using the CREST voting service in accordance with the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.
- 8.6.2 In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (“CREST Voting Instruction”), must be properly authenticated in accordance with Euroclear UK & Ireland’s specifications and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)).
- 8.6.3 To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company’s agent RA10 by no later than **12:00 noon (CET) Monday 30 November 2020**. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company’s agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.
- 8.6.4 DI Holders who hold their ordinary shares in CREST and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such actions as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by a particular time. In this connection, DI Holders, and where applicable, their CREST sponsors or voting service providers, are referred in particular, to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.
- 8.6.5 The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## 9. Corporate representatives

A company which is a shareholder may authorise a person or persons to act as its representative(s) at the EGM. Any Director or the Company Secretary may require such a corporate representative to produce a certified copy of the resolution from which their authority is derived.

## 10. Communication

Except as provided above, members who have general queries about the EGM can call the Daily Manager on +352 246 130 209 or email [Lars.Nientiet@bmstores.eu](mailto:Lars.Nientiet@bmstores.eu).

## ENQUIRIES AND CONTACTS

Link Asset Services maintain a copy of the Company's statutory Register of Members and the Depositary Interests Register. They also provide a telephone helpline service. If you have any enquiries about the EGM or about your shareholding, you may contact Link directly using the details given below:

### **Share Register**

Apex Corporate Services S.A.  
9, Allée Scheffer  
L-2520 Luxembourg  
Grand-Duchy of Luxembourg  
Tel: +352 44 09 29  
Email: [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk)  
[www.linkassetservices.com](http://www.linkassetservices.com)

### **Depositary Interests Register**

Link Registrars (Guernsey) Limited  
Mont Crevelt House  
Bulwer Avenue  
St Sampson  
Guernsey  
GY2 4LH  
Channel Islands  
Email: [custodymgmt@linkgroup.co.uk](mailto:custodymgmt@linkgroup.co.uk)

### **Depositary**

Link Market Services Trustees Limited  
Regulated Business  
The Registry  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU  
England  
Email: [custodymgmt@linkgroup.co.uk](mailto:custodymgmt@linkgroup.co.uk)