



B&M European Value Retailing

# 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 1:00 pm (CET) on Friday 29 July 2016 at the Sofitel Grand-Ducal, 40, Boulevard d'Avranches, L-1160 Luxembourg before a Luxembourg notary, is set out on page 4 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 blue 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 1:00 pm (CET) on Wednesday 27 July 2016.

## **Depositary Interest Holders**

The enclosed blue 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 1:00 pm (CET) on Tuesday 26 July 2016. 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.

Société Anonyme

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## Letter from the Chairman

24 June 2016

### Dear Shareholder,

#### Notice of the Extraordinary General Meeting of B&M European Value Retail S.A. ("the Company") to be held at 1:00 pm (CET) on Friday 29 July 2016

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 Friday 29 July 2016 at the Sofitel Grand-Ducal, 40, Boulevard d'Avranches, L-1160 Luxembourg at 1:00 pm (CET) ("EGM" or "Meeting").

The notice convening the Extraordinary General Meeting is set out on page 4.

### Amendment to Articles of Association

In common with other Luxembourg public companies, the authority of the Board to issue ordinary shares on a non-pre-emptive basis is set out in the Articles of Association of the Company (the "Articles"). The Articles currently authorise the Directors to dis-apply pre-emption rights for the issue (a) for cash of shares representing up to a maximum of 5% (five per cent) of the issued ordinary share capital of the Company per year (b) to deal with fractional entitlements on otherwise pre-emptive issues of shares, and (c) in connection with employee share options.

The Pre-emption Group of the Financial Reporting Council published an updated Statement of Principles in March 2015 (the "Statement of Principles") which gives companies additional flexibility to seek a further 5% disapplication of pre-emption rights (in addition to the 5% already set out in Article 5.2 of the Company's Articles of Association), provided that such additional shares are only issued in connection with an acquisition or a specified capital investment.

The Board believes it is in the best interests of shareholders to amend Article 5.2 of the Company's Articles of Association to reflect the additional 5% provided for in the Statement of Principles. Any amendments to the Articles of Association require the approval by a majority of at least two thirds of the votes cast at an extraordinary general meeting.

The Board considers it prudent to propose the adoption of the additional flexibility permitted by the Statement of Principles (as supported by the Investment Association and the Pensions and Lifetime Savings Association). The Board has no present intention of exercising this power but believes the authority will give the Company greater flexibility to respond to market developments. The Board intends to follow the Statement of Principles as set out in the explanatory note to resolution 1 on page 5 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 which concern an amendment to the Articles must be passed by at least two-thirds of the votes cast with at least half of the share capital of the Company being present or represented at the EGM. If this quorum is not met, a second meeting may be convened in accordance with Article 24.6.3 and such second meeting may validly deliberate regardless of the proportion of the 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, 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 Capita IRG Trustees Limited if you are a Depositary Interest holder in CREST. A blue Form of Direction to be completed is enclosed for Depositary Interest holders and for voting must be returned in accordance with the instructions and closing date timelines set out on page 8.

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 blue Declaration of Participation which is enclosed, if you wish to participate in the EGM in person or by proxy. The blue Declaration of Participation must be received by the Company by the record date which, for the EGM is **Friday 15 July 2016 at 12:00 midnight (CET)** in accordance with the procedures set out below.

The Declaration of Participation is not a substitution for the blue Form of Proxy, and the procedure for lodging a blue 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 Depositary Interests in CREST do not need to complete a Declaration of Participation, but for voting must lodge their blue Form of Direction under the procedure set out below.

## Resolutions

For the resolutions in the Notice of the EGM on page 4, an explanatory note on each of them is set out on page 5 of this document.

## Recommendation

Your Board recommends that shareholders vote in favour of all 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 77,777 ordinary shares representing approximately 0.01% of the present issued ordinary share capital of the Company<sup>1</sup>.

Yours faithfully,

**Sir Terry Leahy**  
Chairman

On behalf of the Board

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

# 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 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 the Sofitel Grand-Ducal, 40, Boulevard d'Avranches, L-1160 Luxembourg on Friday 29 July 2016 starting at 1:00 pm (CET) to consider and to vote upon the following items.

### **AGENDA**

#### **Extraordinary resolution**

1. To approve the amendments set out below to the Articles of Association of the Company without amending the corporate object of the Company:

By replacing paragraph 4 of Article 5.2 ("Authorised share capital") of the articles of association of the Company with the text below:

"The Board of Directors is specially authorised to issue such new shares (or grant of options exercisable into shares, rights to subscribe for or convert any instruments into shares) by cancelling or limiting the existing shareholders' preferential rights to subscribe for the new shares (or options exercisable into new shares, or instruments convertible into new shares), provided that the Board of Directors may only issue such new shares (or grant such options or rights) pursuant to the authorisation in this article 5.2 on a non-pre-emptive basis by cancelling or limiting shareholders' preferential rights to subscribe for such new shares (or options or rights):

- (1) in respect of the issue for cash of such number of new shares (or the grant of such options or rights in respect of such number of new shares) as represents up to: (A) five per cent (5%) of the issued share capital (as determined based on the latest publicly available information on the Company's share capital at the time of the first issue of shares each year) per year; and (B) an additional five per cent (5%) of the issued share capital (as determined based on the latest publicly available information on the Company's share capital at the time of the first issue of shares each year) per year, provided such additional five per cent (5%) is used only for the purposes of financing (or refinancing, if the authority is to be used within six (6) months of the original transaction and not after the date of expiration of this article 5.2) a transaction which the directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group of the Financial Reporting Council; or
- (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; or
- (3) in connection with employee share options or similar awards.

For the avoidance of doubt, these limits fall within the initial one-third limit referred to above."

#### **Ordinary resolution**

2. Subject to extraordinary resolution 1 being passed, to confirm that the Directors have full power to issue ordinary shares on a non-pre-emptive basis in respect of shares representing 10% (ten per cent) of the issued share capital of the Company as provided by the Company's Articles of Association at paragraph 4 of Article 5.2 and to acknowledge the Directors' intention to comply with the Pre-Emption Group's revised Guidelines on Dis-applying Pre-Emption Rights (issued in March 2015) supported by the Investment Association and the Pensions and Lifetime Savings Association, to the extent practical for a Luxembourg company.

On behalf of the Board of Directors

#### **Sir Terry Leahy**

Chairman

9, Allée Scheffer

L-2520 Luxembourg

Grand-Duchy of Luxembourg

24 June 2016

# Explanation of Business to be considered at the Extraordinary General Meeting

## Extraordinary Resolution number 1 and Ordinary Resolution number 2

In common with the articles of association of other Luxembourg public limited liability companies, the Articles of the Company provide full power to the Board of Directors to issue ordinary shares on a non-pre-emptive basis under certain conditions within the framework of the Company's authorised share capital which is limited in both time (expiring on the fifth anniversary of the publication of the resolutions taken on 13 June 2014, unless otherwise renewed) and in amount. The Board as a matter of policy intends to comply with the Pre-Emption Group's revised guidelines on Dis-applying Pre-Emption Rights issued in March 2015 which are supported by the Investment Association and the Pensions and Lifetime Savings Association, to the extent practical as a Luxembourg company. This resolution serves to confirm that intention.

Article 5.2 of the Articles currently provides the Directors with authority, within the framework of the Company's authorised share capital, to dis-apply pre-emption rights for the issue (a) for cash of shares representing up to a maximum of 5% (five per cent) of the issued ordinary share capital of the Company per year (b) to deal with fractional entitlements on otherwise pre-emptive issues of shares, and (c) in connection with employee share options.

The Directors are proposing an amendment to Article 5.2 of the Articles, within the framework of the authorised capital, to issue ordinary shares representing up to 10% (ten per cent) of the issued share capital of the Company for cash without having first to offer the shares to existing shareholders. This amount is in line with the Statement of Principles.

If this resolution is passed, in exercising the power to allot shares on a non-pre-emptive basis, the Directors intend to adhere to the provisions in the Statement of Principles and not to allot shares for cash on a non-pre-emptive basis:

- (a) in excess of an amount equal to 5% (five per cent) of the total issued ordinary share capital of the Company excluding treasury shares; or
- (b) in excess of an amount equal to 7.5% (seven point five per cent) of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three year period, without prior consultation with shareholders,

in each case, except where the issue is in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six month period and is disclosed in the announcement of the allotment.

The 10% limit of the authority under the resolution is to be calculated by reference to the nominal issued share capital of the Company at the time of the first issue of shares in the relevant year when any such authority is exercised.

As at 1 June 2016, being the latest practicable date prior to publication of this Notice, an issue of shares for cash up to an aggregate nominal value of £10,000,000 (being 100,000,000 ordinary shares of 10 pence each) would have represented 10% of the Company's issued ordinary share capital.

At the present time there is no intention to exercise the power to issue shares for cash on a non-pre-emptive basis, except as may be required to satisfy options under the Company's share option schemes.

# 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 Friday 15 July 2016**. 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 Friday 15 July 2016**. Holders of Depository 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:

Emmanuel.Forgeotdarc@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 blue Form of Declaration of Participation
- the blue Form of Proxy
- the blue Form of Direction

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.

### 2.2 Mail communications

Shareholders who have not requested EGM documents to be sent to them by email will be sent hard copies by registered 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 together 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, 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 of the Articles of Association of the Company, all decisions taken at the EGM will be passed:

- (i) in relation to extraordinary resolution number 1, by at least two thirds of the votes cast at the meeting on the resolution;
- (ii) in relation to ordinary resolution number 2, by a simple majority of the votes cast at the meeting on the resolution.

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

## 4. Total voting rights

As at 23 June 2016 (being the last business day prior to the publication of this notice) the Company's issued ordinary share capital consists of 1,000,000,000 (one billion) ordinary shares, carrying one vote each. The Company holds no treasury shares, therefore the total voting rights in the Company as at 23 June 2016 is 1,000,000,000 (one billion).

## 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 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 request must be:

- sent by email to Emmanuel.Forgeotdarc@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 Thursday 7 July 2016**. 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 Thursday 14 July 2016**.

## 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 blue 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 blue Form of Proxy should be completed in accordance with the instructions detailed in it.

**7.9** To be valid, the blue Form of Proxy must be completed and returned to arrive by **no later than 1:00 pm (CET) on Wednesday 27 July 2016** at:

Capita Fiduciary 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 blue Form of Proxy may be sent in the first instance to Emmanuel.Forgeotdarc@bmstores.eu with the original proxy to follow to Capita Fiduciary S.A.'s address as above. Please note, however, that the original Form of Proxy must still be received at this address by **no later than 1:00 pm (CET) on Wednesday 27 July 2016**.

# Notes to the Notice of the Extraordinary General Meeting (EGM) continued

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

**8.1** As a DI Holder, you will be directing the Depositary, Capital IRG Trustees Limited, to vote your ordinary shares in accordance with your voting instructions.

**8.2** Voting instructions must be lodged using the blue 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 request a Letter of Representation by contacting the Depositary at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England or by emailing [custodymgf@capita.co.uk](mailto:custodymgf@capita.co.uk) by no later than **1:00 pm (CET) on Tuesday 26 July 2016**.

**8.4** DI Holders who hold their ordinary shares in CREST may direct the Depositary on how to vote on their behalf at the EGM by completing and returning the enclosed blue Form of Direction. The Form of Direction should be completed in accordance with the instructions as detailed thereon.

**8.5** To be valid, the blue 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 **1:00 pm (CET) on Tuesday 26 July 2016** at the offices of Capita Asset Services in England:

Capita 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 **1:00 pm (CET) on Tuesday 26 July 2016**. 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 Daily Manager 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 +352 246 130 207 or email [Emmanuel.Forgeotdarc@bmstores.eu](mailto:Emmanuel.Forgeotdarc@bmstores.eu).



## Enquiries and contacts

Capita 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 Capita directly using the details given below:

### **Share Register**

Capita Fiduciary S.A.  
9, Allée Scheffer  
L-2520 Luxembourg  
Grand-Duchy of Luxembourg  
Tel: +352 44 0929  
Email: [shareholderenquiries@capita.co.uk](mailto:shareholderenquiries@capita.co.uk)  
[www.capitaassetservices.com](http://www.capitaassetservices.com)

### **Depositary Interests Register**

Capita Registrars (Guernsey) Limited  
Mont Crevelt House  
Bulwer Avenue  
St Sampson  
Guernsey  
GY2 4LH  
Channel Islands  
Email: [custodymgmt@capitaregistrars.com](mailto:custodymgmt@capitaregistrars.com)

### **Depositary Capita IRG Trustees Limited**

Regulated Business  
The Registry  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU  
England  
Email: [custodymgmt@capitaregistrars.com](mailto:custodymgmt@capitaregistrars.com)

