## IMPORTANT NOTICE

**THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE OUTSIDE OF THE UNITED STATES (AND, IF INVESTORS ARE RESIDENT IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM, NOT A RETAIL INVESTOR (AS DEFINED HEREIN)).**

**THE ATTACHED PRELIMINARY OFFERING CIRCULAR SHALL NOT BE PUBLISHED, RELEASED OR DISTRIBUTED IN THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN.**

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached preliminary offering circular (the "**Preliminary Offering Circular**") following this page. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached Preliminary Offering Circular. In accessing the attached Preliminary Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. If you have gained access to this transmission contrary to any of the following restrictions, you are not authorised and will not be able to purchase any of the securities described in the Preliminary Offering Circular (the "**Securities**"). The Preliminary Offering Circular is highly confidential and does not constitute an offer to the public generally or to any person other than the recipient to subscribe for or otherwise acquire any of the Notes offered therein. You acknowledge that this electronic transmission and the delivery of the attached Preliminary Offering Circular is intended for you only and you agree you will not forward this electronic transmission or the attached Preliminary Offering Circular to any other person. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with the following directives may result in a violation of the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the applicable laws of other jurisdictions.

The Preliminary Offering Circular has been prepared solely in connection with the proposed offering to certain institutional and professional investors of the Securities. In particular, the Preliminary Offering Circular refers to certain events as having occurred that have not occurred at the date they are made available but that are expected to occur prior to approval of the final offering circular (the "**Final Offering Circular**") to be delivered in due course.

Although it is intended that the Final Offering Circular will be approved by the Luxembourg Stock Exchange, this Preliminary Offering Circular has not been so approved.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) OTHER THAN PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE ATTACHED PRELIMINARY OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. THE ATTACHED PRELIMINARY OFFERING CIRCULAR MAY ONLY BE DISTRIBUTED TO INSTITUTIONAL INVESTORS OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND IN RELIANCE ON, REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED PRELIMINARY OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

**PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS**: The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in a member of the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a "professional client" as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. **PRIIPS REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS**: The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a "retail investor" means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 (as amended, "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES**: Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for

distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES**: Solely for the purposes of each manufacturer's product approval process, the target market assessment in the UK in respect of the Notes described in the Preliminary Offering Circular has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the Financial Conduct Authority ("**FCA**") Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

THE ATTACHED PRELIMINARY OFFERING CIRCULAR IS NOT A PROSPECTUS FOR THE PURPOSES OF REGULATION (EU) 2017/1129 (AS AMENDED, THE "**EU PROSPECTUS REGULATION**"). IN ADDITION, THE ATTACHED PRELIMINARY OFFERING CIRCULAR IS NOT A PROSPECTUS FOR THE PURPOSES OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "**UK PROSPECTUS REGULATION**"). ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE ANY OFFER OF THE NOTES WITHIN THE EEA OR THE UNITED KINGDOM SHOULD DO SO ONLY IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY OF THE INITIAL PURCHASERS TO PRODUCE A PROSPECTUS FOR SUCH OFFER UNDER THE EU PROSPECTUS REGULATION OR THE UK PROSPECTUS REGULATION, RESPECTIVELY. NEITHER THE ISSUER NOR THE INITIAL PURCHASERS HAVE AUTHORISED, NOR DO THEY AUTHORISE, THE MAKING OF ANY OFFER OF NOTES THROUGH ANY FINANCIAL INTERMEDIARY, OTHER THAN THE OFFERS MADE BY THE INITIAL PURCHASERS, WHICH CONSTITUTE THE FINAL PLACEMENT OF THE NOTES CONTEMPLATED IN THE ATTACHED PRELIMINARY OFFERING CIRCULAR.

**CONFIRMATION OF YOUR REPRESENTATION**: In order to be eligible to view the attached Preliminary Offering Circular or make an investment decision with respect to the Securities being offered, prospective investors must be located outside the United States in accordance with Regulation S and, to the extent that prospective investors are resident in a Member State of the EEA or the United Kingdom, they must not be a retail investor. The attached Preliminary Offering Circular is being sent to you at your request, and by accepting the e-mail and accessing the attached Preliminary Offering Circular, you shall be deemed to have represented to the Issuer and the initial purchasers set forth in the attached Preliminary Offering Circular that (1) (a) you and any customers you represent are not resident or physically present in the United States, (b) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, any State of the United States or the District of Columbia or any of its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or other areas subject to its jurisdiction and (c) you are purchasing the Securities being offered in an offshore transaction (within the meaning of Regulation S), (2) to the extent you are resident in a Member State of the European Economic Area or the United Kingdom, you are not a retail investor (as defined herein), and (3) you consent to delivery of the attached Preliminary Offering Circular (and any amendments and supplements thereto) by electronic transmission.

The attached Preliminary Offering Circular has not been approved by an authorised person in the United Kingdom and is for distribution only to, may only be communicated or caused to be communicated to persons in the United Kingdom in circumstances where section 21(1) of the FSMA does not apply and may be distributed only to persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order, or (iii) to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any Securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This attached Preliminary Offering Circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this attached Preliminary Offering Circular relates is available only to relevant persons and will be engaged in only with relevant persons.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. No action has been or will be taken in any jurisdiction by the Initial Purchasers, the Issuer or the Guarantors that would or is intended to, permit a public offering of the Securities, or possession or distribution of the attached Preliminary Offering Circular (in preliminary, proof or final form) or any other offering or publicity material relating to the Securities, in any country or jurisdiction where action for that purpose is required. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Initial Purchaser or any affiliate of such Initial Purchaser is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Initial Purchaser or affiliate on behalf of the Issuer in such jurisdiction.

Under no circumstances shall the attached Preliminary Offering Circular constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the Securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The attached Preliminary Offering Circular has been sent to you in an electronic format. You are reminded that documents transmitted in an electronic format may be altered or changed during the process of transmission and consequently none of the Issuer, the Guarantors, the Initial Purchasers and their respective affiliates, directors, managers, officers, employees, representatives and agents or any other person controlling the Issuer, the Guarantors, the Initial Purchasers or any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard-copy version.

You are reminded that the attached Preliminary Offering Circular has been delivered to you on the basis that you are a person into whose possession the attached Preliminary Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you receive this document by e-mail, you should not reply by e-mail to this announcement. Any reply e-mail communications, including those

you generate by using the “Reply” function on your e-mail software, will be ignored or rejected. You may not transmit the attached Preliminary Offering Circular (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Initial Purchasers.

**You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.**

**£250,000,000 % Senior Secured Notes due 2030**

B&M European Value Retail S.A. (the "**Issuer**"), a Luxembourg public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg, with its registered office at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 187275 is offering (the "**Offering**") £250,000,000 aggregate principal amount of % Senior Secured Notes due 2030 (the "**Notes**"). The Issuer expects to use the gross proceeds of the Offering to purchase up to £250,000,000 in aggregate principal amount of the Existing 2025 Notes (as defined herein) in the Tender Offer (as defined herein), for general corporate purposes and to pay fees and expenses incurred in connection with the Transactions (as defined herein). To the extent less than £250,000,000 in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, the Issuer intends to use the difference between the amount of net proceeds which would have been used to purchase the Maximum Acceptance Amount (as defined below) of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes. See "*Use of Proceeds*".

The Notes will bear interest at a rate of % and will mature on 2030. Interest on the Notes will be paid semi-annually in arrears on and of each year, commencing on 2024.

The Issuer may redeem the Notes in whole or in part at any time on or after 2026, in each case, at the redemption prices set out in this offering circular (the "**Offering Circular**"). Prior to 2026, the Issuer will be entitled to redeem, at its option, all or a portion of the Notes at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, plus a "make-whole" premium, as described in this Offering Circular. Prior to 2026, the Issuer may, at its option, and on one or more occasions, also redeem up to 40% of the original aggregate principal amount of the Notes with the net proceeds from certain equity offerings. Additionally, the Issuer may redeem the Notes in whole, but not in part, at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a change of control, the Issuer may be required to repurchase all or any portion of the Notes at 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase.

The Notes are senior obligations of the Issuer, guaranteed (the "**Guarantees**" and, each, a "**Guarantee**") on a senior basis by B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Limited, B & M Retail Limited, Heron Food Group Limited and Heron Foods Limited (together, the "**Guarantors**"), and secured by the Collateral (as defined herein). The Notes and Guarantees will rank *pari passu* in right of payment with all of the Issuer's and the Guarantors' existing and future indebtedness that is not subordinated in right of payment to the Notes, including indebtedness incurred under the Existing Senior Facilities Agreement and the Existing Notes (each as defined herein). The property and assets that will secure the Notes and the Guarantees also secure liabilities under the Existing Senior Facilities Agreement and the Existing Notes and may secure certain hedging obligations and certain other future indebtedness (the "**Senior Obligations**") on a *pari passu* basis. The validity and enforceability of the Guarantees and the security interests and the liability of each Guarantor will be subject to the limitations described in "*Limitations on Validity and Enforceability of Guarantees and Security and Certain Insolvency Law Considerations*". The Collateral and the Guarantees may be released in certain circumstances.

There is currently no public market for the Notes. Application will be made to list the Notes on the Official List of the Luxembourg Stock Exchange (the "**LuxSE**") and to obtain their admission to trading on the Euro MTF market of the LuxSE (the "**Euro MTF Market"**). There are no assurances that the Notes will be listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market. The Euro MTF Market is not a regulated market within the meaning of Directive 2014/65/EU on markets in financial instruments. The Euro MTF Market falls within the scope of Regulation (EU) 596/2014 on market abuse and the related Directive 2014/57/EU on criminal sanctions for market abuse.

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**An investment in the Notes involves a high degree of risk.**
**Please see "Risk Factors" beginning on page 29.**

**Price for the Notes: %, plus accrued interest, if any, from the Issue Date**

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The Notes and the Guarantees (the "**Securities**") have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws, or the laws of any other jurisdiction, and they may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Securities are being offered and sold only to institutional investors outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the Securities Act ("**Regulation S**"). See "*Plan of Distribution*".

The Offering does not constitute an offer to sell, or solicitation of an offer to buy, Securities in any jurisdiction in which such offer or solicitation would be unlawful. The Securities have not been and will not be registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction, and may not be offered, sold, pledged or otherwise transferred, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) other than pursuant to an effective registration statement under the Securities Act or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. For a discussion of certain restrictions on transfers of the Securities, see "*Notice to Investors*".

The Notes will be issued in the form of one or more Global Notes in registered form, which will be delivered in book-entry form through a common depositary of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") on or about 2023 (the "**Issue Date**"). See "*Book-Entry Delivery and Form*".

| *Joint Global Coordinators and Joint Physical Bookrunners* | | *Joint Global Coordinator and Joint Bookrunner* |
|---|---|---|
| **HSBC** | **BNP PARIBAS** | **BofA Securities** |

*Joint Bookrunners*

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|---|---|---|---|
| **Lloyds Bank Corporate Markets Wertpapierhandelsbank** | **NatWest Markets** | **Rabobank** | **Bank of Ireland** |

The date of this Offering Circular is 2023

## IMPORTANT INFORMATION

In making an investment decision regarding the Notes and the Guarantees offered by this Offering Circular, you must rely on your own examination of the Issuer and the terms of this offering, including the merits and risks involved. This Offering Circular relates to the offering of the Notes on the Issue Date. The Offering is being made on the basis of this Offering Circular only. Any decision to purchase the Notes and the Guarantees in the offering must be based on the information contained in, or incorporated by reference into, this Offering Circular.

The Issuer accepts responsibility for the information in, or incorporated by reference into, this Offering Circular. We have prepared this Offering Circular solely for use in connection with this Offering and for application of the Notes for listing on the Official List of the LuxSE and for their admission to trading on the Euro MTF Market. You may not distribute this Offering Circular or make photocopies of it without our prior written consent other than to people you have retained to advise you in connection with this Offering.

You are not to construe the contents of this Offering Circular as investment, legal or tax advice. You should consult your own counsel, accountants and other advisors as to legal, tax, business, financial, regulatory and related aspects of a purchase of the Notes and the Guarantees. You are responsible for making your own examination of the Notes and the Issuer and your own assessment of the merits and risks of investing in the Notes and the Guarantees. None of the Issuer, the Guarantors or any of the Initial Purchasers is making any representation to you regarding the legality of an investment in the Notes and the Guarantees by you under appropriate legal investment or other laws.

To the best of our knowledge and belief, having taken all reasonable care to ensure such is the case, the information contained in, or incorporated by reference into, this Offering Circular is in accordance with the facts and contains no omission likely to affect its import. The information contained in, or incorporated by reference into, this Offering Circular has been furnished by the Issuer and other sources we believe to be reliable. This Offering Circular contains summaries, believed to be accurate, of some of the terms of specific documents, but reference is made to the actual documents, copies of which will be made available upon request, for the complete information contained in those documents. You should contact the Issuer or the Initial Purchasers with any questions about this offering or if you require additional information to verify the information contained in, or incorporated by reference into, this Offering Circular. All summaries are qualified in their entirety by this reference. Copies of such documents and other information relating to the issuance of the Notes and the Guarantees will be available at the specified offices of the listing agent in Luxembourg. See "*Listing and General Information*".

The Initial Purchasers will provide prospective investors with a copy of this Offering Circular and any related amendments or supplements. By receiving this Offering Circular, you acknowledge that you have not relied on the Initial Purchasers in connection with your investigation of the accuracy or the adequacy of the information contained in, or incorporated by reference into, this Offering Circular or your decision whether or not to invest in the Notes and the Guarantees.

The information set out in those sections of this Offering Circular describing clearing and settlement is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear and Clearstream currently in effect. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures. None of the Issuer or the Guarantors will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book-entry interests.

No person is authorised in connection with any offering made by this Offering Circular to give any information or to make any representation not contained in, or incorporated by reference into, this Offering Circular and, if given or made, any other information or representation must not be relied upon as having been authorised by the Issuer, the Guarantors or the Initial Purchasers. The information contained in, or incorporated by reference into, this Offering Circular is accurate as of the date hereof. Neither the delivery of this Offering Circular at any time nor any subsequent commitment to purchase the Notes or the Guarantees shall, under any circumstances, create any implication that there has been no change in the information set forth in, or

incorporated by reference into, this Offering Circular or in the business of the Issuer or the Guarantors since the date of this Offering Circular.

The Initial Purchasers, the Trustee, the Security Agent, the Paying Agent, the Transfer Agent, the Registrar, the Listing Agent and the other agents of the Issuer make no representation or warranty, express or implied, as to, and assume no responsibility for, the accuracy or completeness of the information contained in, or incorporated by reference into, this Offering Circular. Nothing contained in, or incorporated by reference into, this Offering Circular is, or shall be relied upon as, a promise or representation by the Initial Purchasers as to the past or the future. The Issuer and the Guarantors have furnished the information contained in, or incorporated by reference into, this Offering Circular.

The Notes and the Guarantees are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable securities laws. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. See "*Plan of Distribution"* and *"Notice to Investors*".

It is intended that the Notes will be listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market, and the Issuer has submitted this Offering Circular to the LuxSE in connection with the listing application. In the course of any review by the LuxSE, the Issuer may be requested to make changes to the financial and other information included in this Offering Circular. Comments by the LuxSE may require significant modification or reformulation of information contained in this Offering Circular or may require the inclusion of additional information, including financial information in respect of the Guarantors. The Issuer may also be required to update the information in this Offering Circular to reflect changes in our business, financial condition or results of operations and prospects. We cannot guarantee that our application for admission of the Notes to trading on the Euro MTF Market and to listing on the Official List of the LuxSE will be approved as of the settlement date for the Notes or any date thereafter, and settlement of the Notes is not conditional on obtaining this listing.

The Issuer reserves the right to withdraw this offering at any time. The Issuer is making this Offering subject to the terms described in this Offering Circular and the purchase agreement relating to the Notes (the "**Purchase Agreement**"). The Issuer and the Initial Purchasers each reserve the right to reject any commitment to subscribe for the Notes in whole or in part and to allot to any prospective investor less than the full amount of the Notes sought by such investor. The Initial Purchasers and certain of their related entities may acquire, for their own accounts, a portion of the Notes.

The distribution of this Offering Circular and the offer and sale of the Notes and the Guarantees are restricted by law in some jurisdictions. This Offering Circular does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes and the Guarantees in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. Each prospective offeree or *purchaser* of the Notes and the Guarantees must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes and the Guarantees or possesses or distributes this Offering Circular, and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither the Issuer nor the Initial Purchasers shall have any responsibility thereof. See "*Notice to Certain Investors*", "*Plan of Distribution*", and "*Notice to Investors*".

Investing in the Notes involves a high degree of risk. Please see "*Risk Factors*" beginning on page 29.

## STABILISATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, HSBC BANK PLC (THE "**STABILISING MANAGER**") (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) MAY OVER-ALLOT THE NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL

TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR PERSONS ACTING ON ITS BEHALF) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

## NOTICE TO CERTAIN INVESTORS

### General

This Offering Circular does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Offering Circular and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular comes are required to inform themselves about and to observe any such restrictions. Each purchaser of the Notes will be deemed to have made the representations, warranties and acknowledgements that are described in this Offering Circular under "*Notice to Investors*" in this Offering Circular.

No action has been taken in any jurisdiction that would permit a public offering of the Notes. No offer or sale of the Notes may be made in any jurisdiction except in compliance with the applicable laws thereof. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Notes or possess this Offering Circular. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Initial Purchaser or any affiliate of such Initial Purchaser is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by such Initial Purchaser or affiliate on behalf of the Issuer in such jurisdiction.

For a description of certain restrictions relating to the offer and sale of the Notes, see "*Plan of Distribution*". The Issuer accepts no liability for any violation by any person, whether or not a prospective purchaser of the Notes, of any such restrictions.

### Notice to U.S. Investors

The Notes and the Guarantees have not been and will not be registered under the Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States in offshore transactions in reliance on Regulation S.

### Notice to EEA Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in a member of the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This Offering Circular has been prepared on the basis that any offer of Notes in any Member State of the EEA will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Notes. This Offering Circular is not a prospectus for the purposes of the EU Prospectus Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market

assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**Notice to United Kingdom Residents**

This Offering Circular is only being distributed to and is only directed at (a) persons who are outside the United Kingdom, (b) persons falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**")), (c) persons falling within Article 49(2)(a) to (d) of the Order (high net worth entities, unincorporated associations, etc.) or (d) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act (as amended, the "**FSMA**")) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This Offering Circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Circular relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this Offering Circular or any of its contents. The Notes are not being offered to the public in the United Kingdom.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of the following: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 (as amended, "**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in the United Kingdom in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the Financial Conduct Authority ("**FCA**") Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

This Offering Circular has been prepared on the basis that any offer of Notes in the UK will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Notes. This Offering Circular is not a prospectus for the purposes of the UK Prospectus Regulation.

**Notice to Luxembourg Investors**

This Offering Circular constitutes a prospectus for the purpose of Part IV (*Admissions of securities to trading on a Luxembourg market not set out in the list of regulated markets published by ESMA*) of the Luxembourg law of 16 July 2019 on prospectuses for securities(the "**Luxembourg Prospectus Law**").

This Offering Circular has not been approved by, and will not be submitted for approval to, the Luxembourg Financial Services Authority (*Commission de Surveillance du Secteur Financier*) for the purpose of a public offering or sale in the Grand Duchy of Luxembourg ("**Luxembourg"**). Accordingly, the Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this Offering Circular nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in or from, or published in Luxembourg, except for the sole purpose of the listing on the Official List of the LuxSE and the admission to trading of the Notes on the Euro MTF Market and except in circumstances which do not constitute an offer of securities to the public which benefits from an exemption to or constitutes a transaction not subject to, the requirement to publish a prospectus in accordance with the Luxembourg Prospectus Law and the EU Prospectus Regulation.

## INFORMATION INCORPORATED BY REFERENCE

We are incorporating by reference certain information into this Offering Circular, which means we are disclosing important information to you by referring you to such information.

The information set out below, which has previously been published on the website of the Issuer (https://www.bandmretail.com/) and will be filed with the LuxSE, shall be deemed to be incorporated in, and to form part of, this Offering Circular.

Such documents will be made available, free of charge, during normal business hours on any weekday at the specified office of the listing agent, unless such documents have been modified or superseded.

This Offering Circular incorporates by reference, and should be read and construed in conjunction with, the following information:

The documents incorporated by reference in this Offering Circular are:

- the Issuer's Annual Report and Accounts for the year ended 25 March 2023 (which, for the avoidance of doubt, includes the audited consolidated financial statements of B&M European Value Retail S.A. and its subsidiaries (collectively, the "**Group**") as of and for the financial year ended 25 March 2023 (which also includes financial information for the financial year ended 26 March 2022) (the "**Audited Financial Statements**") *but excluding* the sections of the Issuer's Annual Report and Accounts 2023 entitled (collectively, the "**Excluded Annual Report Information**"):
    - the "Current trading and outlook" section on page 18 of the Issuer's Annual Report and Accounts 2023;
    - the "Viability Statement" section on page 33 of the Issuer's Annual Report and Accounts 2023;
    - the "Corporate social responsibility" section on pages 34-45 of the Issuer's Annual Report and Accounts 2023;
    - the "Stakeholders and Section 172 statement" section on pages 54-57 of the Issuer's Annual Report and Accounts 2023;
    - the "Going concern and financial viability" section on page 72 of the Issuer's Annual Report and Accounts 2023;
    - the "Directors' remuneration report" section on pages 76-91 of the Issuer's Annual Report and Accounts 2023; and
    - the "Statement of Directors responsibilities" section on page 97 of the Issuer's Annual Report and Accounts 2023,

(the "**Annual Report**"), and

- the Issuer's Interim Results Announcement for the 26 weeks ended 23 September 2023 (which, for the avoidance of doubt, includes the unaudited condensed consolidated interim financial statements of the Group as of and for the 26 weeks ended 23 September 2023 (which also includes financial information for the 26 weeks ended 24 September 2022) (the "**Interim Financial Statements**", and together with the Audited Financial Statements, the "**Financial Statements**") *but excluding* the sections of the Issuer's Interim Results Announcement entitled (collectively, the "**Excluded Interim Report Information**"):
    - the section "Current trading and outlook" on page 2 of the Issuer's Interim Results Announcement; and

- the "Directors' responsibilities statement" on page 29 of the Issuer's Interim Results Announcement,

(the "**Interim Report**").

**Any reference in this Offering Circular to the Annual Report and the Interim Report shall be deemed to exclude the Excluded Annual Report Information and the Excluded Interim Report Information, respectively.** Other than the information specifically incorporated by reference into this Offering Circular, information included on, or accessible from, our website is not incorporated by reference or made a part of this Offering Circular and, in each case, should not be relied upon for the purposes of forming an investment decision with respect to the Notes.

The Annual Report contains, among other things, a description of the Group and its activities, principal risks and uncertainties related to the Group's business and the Audited Financial Statements, and the Interim Report contains, among other things, a description of the Group and its activities, principal risks and uncertainties related to the Group's business and the Interim Financial Statements. It is important that you read this Offering Circular, including the information incorporated by reference herein, in its entirety before making an investment decision regarding the Notes.

Any information contained in the Annual Report or the Interim Report, as applicable, has not been updated since 31 May 2023 and 9 November 2023, respectively, and such documents speak only as of such respective dates. Any statement or amount contained in the Annual Report shall be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained in the Interim Report or this Offering Circular modifies or supersedes such statement or amount. Any statement or amount contained in the Interim Report shall be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained in this Offering Circular modifies or supersedes such statement or amount. Any statement or amount that is so modified or superseded shall not be deemed, except as modified or superseded, to constitute a part of this Offering Circular. The Annual Report and the Interim Report are an important part of this Offering Circular. All references herein to this Offering Circular include the Annual Report and the Interim Report, in each case as modified or superseded.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular and are either covered in another part of this Offering Circular or are not relevant for the investors.

Copies of the documents incorporated by reference in this Offering Circular are available for viewing on the website of the Issuer (https://www.bandmretail.com/) and on the website of the LuxSE (www.luxse.com) once the Notes are admitted to listing on the Official List of the LuxSE and admitted to trading on the Euro MTF Market. Except for the information specifically incorporated by reference in this Offering Circular, the information provided on such website is not part of this Offering Circular and is not incorporated by reference in it.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### General

The Issuer is a Luxembourg public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg with registration number B 187275. The Issuer's registered office is at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg. This Offering Circular includes the Financial Statements which are incorporated by reference. The Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and audited by KPMG Audit S.à r.l. The Interim Financial Statements have been prepared in accordance with International Accounting Standards ("**IAS**") 34 Interim Financial Reporting, as set out in note 1 to the Interim Financial Statements.

This Offering Circular comprises this document and certain specified sections of the Annual Report (other than the Excluded Annual Report Information) and the Audited Financial Statements, and certain specified sections of the Interim Report (other than the Excluded Interim Report Information) and the Interim Financial Statements, which are incorporated by reference in this Offering Circular. See *"Information Incorporated by Reference."*

In this Offering Circular, except as specifically noted, references to:

- financial year 2023 means the 52 weeks ended 25 March 2023;
- financial year 2022 means the 52 weeks ended 26 March 2022;
- half year 2024 means the 26 weeks ended 23 September 2023; and
- half year 2023 means the 26 weeks ended 24 September 2022.

### IAS 1

Certain amendments to accounting standards and interpretations under IAS 1 effective for annual periods beginning on or after 1 January 2023 and 1 January 2024, respectively, have not yet been applied by the Group for the 52 weeks ended 25 March 2023. None of these are expected to have a significant impact on the Group's consolidated results or financial position. Please refer to note 1 to the Audited Financial Statements, which are incorporated by reference in this Offering Circular, for more information.

### Constant Basis

In this Offering Circular and the Annual Report and Interim Report (each incorporated by reference in this Offering Circular), we present certain financial information on an actual historical basis and, in some cases, on a "constant basis". Presenting a percentage change from one period to another on a constant basis is designed to eliminate the effects of foreign exchange rate fluctuations and, in some cases, differences in number of weeks, between two periods, and therefore facilitate comparability of certain financial information across these periods. The Issuer uses financial information prepared on a constant basis both for its internal analysis and for its external communications, as it believes this constant basis information provides a means by which to analyse and explain variations from one period to another on a more comparable basis. Prospective investors should be aware, however, that financial information presented on a constant basis are not measurements of performance under IFRS.

### Non-IFRS Information

This Offering Circular and the Annual Report and Interim Report (each incorporated by reference in this Offering Circular) contain certain financial measures that are not defined or recognised under IFRS, including EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Operating Profit, Adjusted Profit Before Tax, UK Like for Like Revenue Growth, Free Cash Flow, Free Cash Flow Conversion and Adjusted Operating Costs.

These alternative performance measures (described below) are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS.

Please refer to the Annual Report and the Interim Report (each incorporated by reference in this Offering Circular) for further information on the non-IFRS information included in this Offering Circular.

***EBITDA, Adjusted EBITDA and Related Margins***

EBITDA represents operating profit before interest, tax, depreciation and amortisation, and including the impact of IFRS 16. EBITDA Margin is defined as EBITDA (excluding the impact of IFRS 16) expressed as a percentage of revenue (which excludes value added tax ("**VAT**")). EBITDA (pre-IFRS 16) represents EBITDA excluding the effects of IFRS 16.

Adjusted EBITDA represents EBITDA, adjusted to exclude items that we consider to be unusual, non-trading and/or non-recurring that are not reflective of the underlying performance of the business. These include the fair value impact of derivatives yet to mature, that have not been designated as part of a hedge accounting relationship, and foreign exchange on intercompany balances, which do not relate to underlying trading, and costs incurred in relation to significant projects, which are non-recurring and do not relate to underlying trading. Similarly, Adjusted EBITDA (pre-IFRS 16) represents EBITDA (pre-IFRS 16), adjusted to exclude such items.

Adjusted EBITDA Margin is defined as Adjusted EBITDA expressed as a percentage of revenue (which excludes VAT). Similarly, Adjusted EBITDA (pre-IFRS 16) Margin represents Adjusted EBITDA Margin excluding the effects of IFRS 16.

We believe that EBITDA provides a measure of performance which is appropriate to the retail industry and presented by peers and competitors. Adjusted EBITDA is considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides an additional metric to compare periods of account.

For the avoidance of doubt, in respect of financial liabilities/borrowings, the information requirements, covenant calculations and leverage boundaries (which refer to EBITDA) in the Existing Senior Facilities Agreement reflect, rather than exclude, the implementation of IFRS 16. The terms of the Notes, where applicable, will similarly refer to calculations which reflect, rather than exclude, the implementation of IFRS 16. Please refer to the section of this Offering Circular entitled "*Description of the Notes*" and note 20 to the Audited Financial Statements, which are incorporated by reference in this Offering Circular, for more information.

***Free Cash Flow and Free Cash Flow Conversion***

Free Cash Flow represents Adjusted EBITDA (pre-IFRS 16) less total net capital expenditures.

Free Cash Flow Conversion represents Free Cash Flow divided by Adjusted EBITDA (pre-IFRS 16).

***Adjusted Operating Profit***

Adjusted Operating Profit represents operating profit including the impact of IFRS 16, adjusted to exclude items that we consider to be unusual, non-trading and/or non-recurring that are not reflective of the underlying performance of the business. These include the fair value impact of derivatives yet to mature, that have not been designated as part of a hedge accounting relationship, and foreign exchange on intercompany balances, which do not relate to underlying trading, and costs incurred in relation to significant projects, which are non-recurring and do not relate to underlying trading. Please refer to notes 2, 3 and 4 of the Interim Financial Statements for further details.

We believe that our adjusted figures, given that they incorporate the rental charges of our store estate, provide a measure of operating performance, which is appropriate to the retail industry and presented by peers and competitors, and provide the users of the accounts with an additional metric to compare periods of account.

***Adjusted Profit Before Tax***

Adjusted Profit Before Tax is profit before tax adjusted to exclude items that we consider to be unusual, non-trading and/or non-recurring.

The items that we exclude from profit before tax include certain items of finance costs and finance income that we consider to be unusual, non-trading and/or non-recurring.

***UK Like for Like Revenue Growth***

UK Like for Like Revenue Growth is a comparison between two periods of our sales of all relevant B&M stores in the UK that were open for a minimum of one week in the first relevant period and not closed permanently by the end of the second relevant period. UK Like for Like Revenue includes each store's revenue for that part of the second relevant period that falls at least 14 months after that store opened and compares it to the revenue for the corresponding part of the previous relevant period. The 14-month approach has been taken as it excludes the two-month halo period which new stores experience following opening. UK Like for Like Revenue Growth is expressed as a percentage.

***Adjusted Operating Costs***

Adjusted Operating Costs include costs, gains or losses that we consider to be exceptional or non-trading items, net of profits in associates (included in the consolidated statement of comprehensive income), excluding depreciation and amortisation, and adjusted for the effects of derivatives, one-off refinancing fees, foreign exchange on the translation of intercompany balances and the effects of revaluing or unwinding balances related to the acquisition of subsidiaries. See "*Summary Historical Consolidated Financial Information and Other Financial and Operating Data- Other Financial Data-EBITDA, Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit*".

***Leverage***

Leverage is calculated by dividing net debt by Adjusted EBITDA (pre-IFRS 16), with net debt comprising interest-bearing loans and borrowings (not including the capitalised value of operating leases), less cash and cash equivalents.

**Rounding**

Certain figures in this Offering Circular, including financial information, have been subject to rounding adjustments. Discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding. Please refer to note 1 to the Audited Financial Statements on page 105 of the Annual Report (incorporated by reference in this Offering Circular) and note 1 to the Interim Financial Statements on page 16 of the Interim Report (incorporated by reference in this Offering Circular) for further information.

## MARKET, ECONOMIC AND INDUSTRY DATA

Unless otherwise stated, the information provided in this Offering Circular and the Annual Report and Interim Report (each incorporated by reference in this Offering Circular) relating to market share and size of relevant markets and market segments is based on estimates of the Issuer and is provided solely for illustrative purposes. Certain information contained in this Offering Circular and the Annual Report and Interim Report (each incorporated by reference in this Offering Circular) relating to the general merchandise discount retail market and the industry in which we operate as well as certain economic and industry data and forecasts used in, and statements regarding our market position made in, this document were extracted or derived from other third party reports, market research, government and other publicly available information and independent industry publications.

While we believe the third party information included in this Offering Circular and the Annual Report and Interim Report (each incorporated by reference in this Offering Circular) to be reliable, we have not independently verified such third party information, and none of the Issuer, the Guarantors or the Initial Purchasers makes any representation or warranty as to the accuracy or completeness of such information as set forth in this document. We confirm that such third party information has been accurately reproduced, and so far as we are aware and are able to ascertain from information available from those publications, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the accuracy of such third party information is subject to availability and reliability of the data supporting such information and neither the information nor the underlying data has been independently verified. Additionally, the industry publications and other reports referred to above generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and, in some instances, these reports and publications state expressly that they do not assume liability for such information. We cannot therefore assure you of the accuracy and completeness of such information as it has not been independently verified.

## TRADEMARKS AND TRADE NAMES

We own or have rights to certain trademarks or trade names that we use in conjunction with the operation of our businesses. Each trademark, trade name or service mark of any other company appearing in this Offering Circular belongs to its holder.

## TAX CONSIDERATIONS

Prospective investors in the Notes are advised to consult their own tax advisors as to the consequences of purchasing, holding and disposing of the Notes, and the consequences of purchasing the Notes at a price other than the initial issue price in the Offering. See "*Certain Tax Considerations*".

## FORWARD-LOOKING STATEMENTS

Some of the statements contained in, or incorporated by reference into, this Offering Circular include forward-looking statements that reflect our, our management's or third parties' current views with respect to, among other things the intentions, beliefs and current expectations of our business or management or such third parties concerning, amongst other things, the results of operations, the financial condition, prospects, growth, strategies and dividend policy of our business and the industry in which it operates.

Statements that include the words "expects", "intends", "plans", "believes", "projects", "forecasts", "predicts", "assumes", "anticipates", "will", "targets", "aims", "may", "should", "shall", "would", "could", "continue", "risk" and similar statements of a future or forward-looking nature can be used to identify forward-looking statements.

All forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Undue reliance should not be placed on such forward looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond our control. Forward-looking statements are not guarantees of future performance or actual results of operations or financial condition, and the development of the sectors and industries in which we operate may differ materially from those indicated in or suggested by the forward-looking statements contained in this document. Accordingly, there are or will be known and unknown risks and uncertainties that could cause our actual results to differ materially from those indicated in or suggested by these statements. These factors, risks and uncertainties expressly qualify all subsequent oral and written forward-looking statements attributable to us or persons acting on our behalf and include, in addition to those listed under "*Risk Factors*" and elsewhere in, or incorporated by reference into, this Offering Circular, the following:

- the macro-economic outlook in the UK and France;
- our strategy outlook and growth prospects, particularly in regards to store and international expansion;
- our ability to attract and retain key senior management and skilled personnel;

- our distribution centres, transportation fleet and supply chain;
- finalisation of the UK's exit from the EU, including but not limited to the Windsor Framework implementation;
- exchange rate fluctuations;
- the nature of the competitive environment in which we operate;
- our performance during peak selling season;
- our leasehold property portfolio;
- our ability to predict and fulfil customer preferences or demand and manage our inventory efficiently;
- disruptions in the supply of our products from key suppliers;
- our exposure to product liability claims and other litigation;
- the reputation and value of the B&M, Heron Foods and B&M France brands;
- our reliance on our associate Multi-Lines International Company Ltd to act as buying agent in sourcing a number of our product ranges;
- our information technology, network and communications systems;
- our ability to protect confidential information of customers and employees;
- the regulatory environment in the countries in which we operate, where we are subject to a range of regulatory and legislative requirements, particularly with regard to employment-related regulations;
- the effect of natural disasters, pandemics, terrorist acts, global political events, wars and other unforeseen circumstances on our operations;
- cost inflation, fluctuations in the availability of products and commodities, the price of electricity and fuel, transportation and manufacturing costs, and the risk that decreases in demand could result in a reduction of gross margin of our business;
- our ability to maintain and enforce our intellectual property rights;
- concerns over any future acquisitions;
- changes in floating interest rates;
- our ability to obtain commercial insurance at acceptable prices;
- the default of counterparties in respect of monies and products owed to us;
- our level of indebtedness;
- risks associated with the Notes; and
- other factors discussed in this Offering Circular, including those listed under "*Risk Factors*".

The foregoing factors and others discussed in, or incorporated by reference into, this Offering Circular, including those listed under "*Risk Factors*", should not be considered exhaustive. If one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, it could affect our ability to achieve our objectives and could cause our actual results of operations or financial condition to differ materially from those in the forward-looking statements. Any forward-looking statements in, or incorporated by reference into, this Offering Circular should be read in conjunction with the other cautionary statements that are included in this Offering Circular. Any forward-looking statements in, or incorporated by reference into, this Offering Circular reflect current views with respect to future events and are subject to these and other risks, uncertainties and assumptions.

We, nor our management or any of the Initial Purchasers can give any assurances regarding the actual occurrence of the predicted developments upon which the forward-looking statements are based. We, our management and each of the Initial Purchasers expressly disclaim any obligation or undertaking to update

these forward-looking statements contained in, or incorporated by reference into, this Offering Circular to reflect any change in our expectations or any change in events, conditions, or circumstances on which such statements are based.

We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to us or individuals acting on behalf of us are expressly qualified in their entirety by this section.

## USE OF TERMS

Unless otherwise specified or the context requires otherwise in this Offering Circular, references to:

***B&M France*** are to B&M France SAS (formerly Paminvest SAS) and its subsidiaries.

***Babou*** are to Paminvest SAS and its subsidiaries prior to its acquisition by B&M in October 2018.

***Collateral*** are to (i) pledges over all of the issued share capital of each Guarantor, (ii) fixed and floating charges over substantially all of the Guarantors' and the Issuer's property and assets in England pursuant to the English law debentures and (iii) pledges over certain bank accounts in Luxembourg of the Luxembourg Guarantors and the Issuer. See "*Description of the Notes—Security".*

***Company***, the ***Group***, ***we***, ***us*** and ***our*** are to the Issuer and its subsidiaries, except as otherwise indicated or where the context otherwise requires.

***EEA*** are to the European Economic Area.

***English Guarantors*** are to B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Limited, B & M Retail Limited, Heron Food Group Limited and Heron Foods Limited.

***EU*** are to the European Union.

***Existing Facilities*** are to the Existing Term Loan A and the Existing Revolving Facility.

***Existing 2025 Indenture*** are to the indenture governing the Existing 2025 Notes, dated 13 July 2020.

***Existing 2028 Indenture*** are to the indenture governing the Existing 2028 Notes, dated 24 November 2021.

***Existing Indentures*** are to the Existing 2025 Indenture and the Existing 2028 Indenture.

***Existing 2025 Notes*** are to the £400 million 3.625% existing senior secured notes due 2025.

***Existing 2028 Notes*** are to the £250 million 4.000% existing senior secured notes due 2028.

***Existing Notes*** are to the Existing 2025 Notes and the Existing 2028 Notes.

***Existing Revolving Facility*** are to the existing £225 million revolving facility under the Existing Senior Facilities Agreement.

***Existing Senior Facilities Agreement*** are to the senior facilities agreement for the Existing Facilities dated 21 March 2023 (as amended pursuant to an amendment agreement dated 20 April 2023), among, *inter alios*, B&M European Value Retail Holdco 4 Ltd as original borrower, the Issuer as parent, BNP Paribas, London Branch and HSBC UK Bank plc as global coordinators and mandated bookrunners, BNP Paribas, London Branch, HSBC UK Bank plc, Coöperatieve Rabobank U.A. trading as Rabobank London, Lloyds Bank plc and National Westminster Bank plc as mandated lead arrangers, Bank of America Europe Designated Activity Company and The Governor and Company of the Bank of Ireland as arrangers, the financial institutions specified therein as original lenders, HSBC Bank plc as agent and Deutsche Bank AG, London Branch as security agent. See "*Description of Certain Financing Arrangements—Existing Senior Facilities Agreement*".

***Existing Term Loan A*** are to the £225 million existing Term Loan A Facility under the Existing Senior Facilities Agreement.

***FSMA*** are to the Financial Services and Markets Act 2000, as amended.

***Guarantees*** are to the guarantees of the Notes by the Guarantors.

***Guarantors*** are to the English Guarantors and the Luxembourg Guarantors.

***Heron Foods*** are to Heron Food Group Limited and its subsidiaries.

***IFRS*** are to international financial reporting standards, as adopted by the EU.

***Indenture*** are to the indenture governing the Notes to be dated the Issue Date, between, among others, the Issuer, the Guarantors and the Trustee.

***Initial Purchasers*** are to HSBC Bank plc, BNP Paribas, BofA Securities Europe SA, Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH, NatWest Markets Plc, Coöperatieve Rabobank U.A. and The Governor and Company of the Bank of Ireland.

***Intercreditor Agreement*** are to the intercreditor agreement dated 13 July 2020, between, among others, the Issuer, the Guarantors, Deutsche Trustee Company Limited, as trustee, the Security Agent and the financial institutions listed therein; see "*Description of Certain Financing Arrangements—Intercreditor Agreement*".

***Issue Date*** are to the date of the issuance of the Notes.

***Issuer*** are to B&M European Value Retail S.A., a Luxembourg public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg, with its registered office at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 187275.

***LTM*** are to last twelve months and is calculated by adding the unaudited condensed consolidated statements of comprehensive income and cash flows for the 26 weeks ended 23 September 2023 and the audited consolidated statements of comprehensive income and cash flows for the 52 weeks ended 25 March 2023, and subtracting the unaudited condensed consolidated statements of comprehensive income and cash flows for the 26 weeks ended 24 September 2022.

***Like for Like Revenues*** are to the revenues of each store (excluding wholesale revenues) for that part of the current period that falls at least 14 months after such store opened compared with its revenue for the corresponding part of the prior financial year.

***Luxembourg Guarantors*** are (i) B&M European Value Retail 1 S.à r.l., a Luxembourg private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg, with its registered office at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg and registered with the Luxembourg Register of Commerce and Companies (R.C.S. Luxembourg) under number B 173461, and (ii) B&M European Value Retail 2 S.à r.l., a Luxembourg private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg, with its registered office at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg and registered with the Luxembourg Register of Commerce and Companies (R.C.S. Luxembourg) under number B 171437.

***Non-Guarantor Subsidiaries*** are to subsidiaries of the Issuer that are not Guarantors.

***Notes*** are to the £250 million % Senior Secured Notes due 2030 to be issued by the Issuer under the Indenture in the Offering.

***Offering*** are to the offering of the Notes.

***Pound***, ***Pounds Sterling***, ***UK pound*** or ***£*** mean the lawful currency of the UK.

***Security Agent*** are to Deutsche Bank AG, London Branch.

***Security Documents*** are to the security agreements defining the terms of the Collateral that secures the Notes, the Existing Senior Facilities Agreement and the Guarantees.

***SKUs*** are to stock keeping units.

***Tender Offer*** are to the Issuer's tender offer to purchase for cash consideration up to £250 million in aggregate principal amount of the Existing 2025 Notes with the net proceeds of the Offering.

***Trustee*** are to GLAS Trustees Limited.

***Transactions*** are to, collectively, (i) the Offering and (ii) the Tender Offer.

***UK*** are to the United Kingdom.

## CURRENCY PRESENTATION

Unless otherwise indicated, all references in this document to “pounds sterling”, “£”, “pence” or “p” are to the lawful currency of the UK, all references to “$”, “US$” or “U.S. dollars” are to the lawful currency of the United States of America and all references to “€” or “Euros” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

**TABLE OF CONTENTS**

## SUMMARY

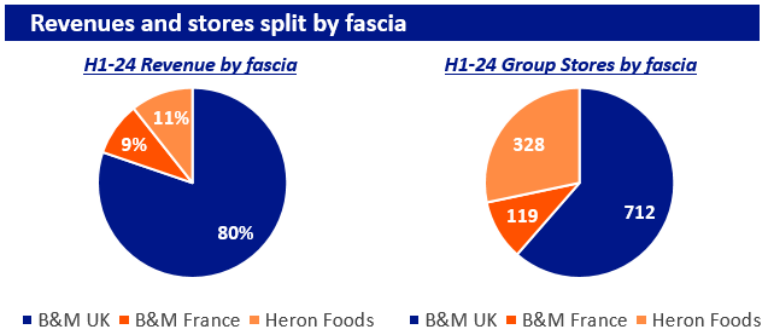
*This summary highlights information contained elsewhere in, or incorporated by reference into, this Offering Circular. The information set forth in this summary does not contain all the information that you should consider before making your investment decision. You should carefully read the entire Offering Circular, including the section "Risk Factors", which is included elsewhere in this Offering Circular, and the Annual Report and Interim Report incorporated by reference in this Offering Circular (including the Audited Financial Statements and Interim Financial Statements and related notes), before making your investment decision. This summary contains forward-looking statements that contain risks and uncertainties. Our actual results may differ significantly in the future as a result of factors such as those set forth in "Risk Factors" and "Forward-Looking Statements".*

*Except as otherwise indicated or where the context otherwise requires, all references herein to "**B&M**", "**we**", "**our**", "**us**" and the "**Company**" are to the Issuer and its direct and indirect subsidiaries.*

### Overview

#### *Business overview*

We are a well-established, disciplined and agile retailer of a limited assortment of best-selling grocery and general merchandise products. Our business model is disruptive; we have high operational standards, operate at low-cost and react rapidly to customer demand patterns. We trade under the B&M and Heron Foods brands in the UK, which have 712 and 328 stores, respectively, and the B&M brand in France, which has 119 stores. Our UK business is one of the largest companies in the fast-growing discount retail market in the UK, which we believe is continuing to take share from large grocers and specialist general merchandise retailers. Our France business was established through the acquisition of a French retail chain branded Babou, which was subsequently rebranded B&M, with the product range pivoting to follow the UK mix of grocery and general merchandise. Our stores offer a compelling customer proposition, combining leading branded fast-moving consumer goods ("**FMCG**") grocery products at attractive prices with a strong general merchandise non-grocery product offering, which together deliver great value to customers over a wide range of price points. We operate a flexible store format and our dynamic trading strategy flexes our product ranges regularly to take advantage of seasonal shifts in customer demand over the course of each year. Under this flexible category and space management model, the layout and SKU range of each B&M store is regularly adjusted in order to maximise the space allocated to seasonal and other faster-moving merchandise.




In June 2014, B&M was listed on the London Stock Exchange, and in June 2015, B&M was admitted to the FTSE 250 index. In September 2020, B&M was promoted to the FTSE 100 index on the London Stock Exchange. As of 23 September 2023, the Issuer had a market capitalisation of £5.7 billion.

#### *Financial overview*

For the 26 weeks ended 23 September 2023, we generated Group revenue of £2,549 million. For the 26 weeks ended 24 September 2022, we generated Group revenue of £2,309 million. This represents an increase of 10.4% on an actual basis and a 10.3% increase on a constant currency basis. For the 26 weeks ended 23 September 2023, gross profit increased by 16.4% to £941 million, compared to £808 million in the 26 weeks ended 23 September 2023, representing a statutory gross margin of 36.9%, up 191bps from 35.0%, and our Group Adjusted Operating Costs, excluding depreciation and amortisation, increased by 16.6% to £672 million, accounting for 26.4% of revenue, as compared to 23.9% for the 26 weeks ended 24 September 2022. Pre-IFRS 16 depreciation and amortisation expenses increased by 13.1% to £40 million, compared to £35 million for the 26 weeks ended 24 September 2022. Our Group Adjusted EBITDA (pre-IFRS 16) increased by 16.1% to £269 million for the 26 weeks ended 23 September 2023, compared to £232 million for the 26 weeks ended 24 September 2022, representing an Adjusted EBITDA (pre-IFRS 16) Margin of 10.5%, compared to 10.0% for the 26 weeks ended 24 September 2022. Our Group Adjusted Operating Profit reached £263 million for the 26 weeks ended 23 September 2023, an increase of 19.1% compared to £221 million for the 26 weeks ended 24 September 2022. At 23 September 2023, our Leverage ratio was 1.1x, improved from 1.3x at the financial year end of 2023, reflecting continued cash generation by the business leading to lower net debt and also higher Adjusted EBITDA resulting from the positive trading performance.

For the financial year 2023, we generated Group revenue of £4,983 million, driven by positive growth in Like for Like Revenues in all of our businesses, which includes inflation and mix effects, and by strong trading from new stores. For the financial year 2022, we generated Group revenue of £4,673 million. This represents an increase of 6.6% on an actual basis and a 6.5% increase on a constant currency basis. For the financial year 2023, our Group Adjusted Operating Costs, excluding depreciation and amortisation, increased by 8.4% to £1,228 million and were 24.6% as a percentage of revenue, as compared to 24.2% for the financial year 2022. Depreciation and amortisation expenses (excluding the impact of IFRS 16 and adjusting items) increased by 16.3% to £76 million, compared to £66 million in the financial year 2022, reflecting the continued investment in new store across all fascias. Our Group Adjusted EBITDA (pre-IFRS 16) for the financial year 2023 decreased by 7.4% to £573 million, compared to £619 million for the financial year 2022, normalising from the Covid-19 pandemic years. At the end of the financial year 2023, our Leverage ratio was 1.3x, unchanged from the financial year end of 2022.

In the UK, B&M UK revenues increased by 8.1% to £2,045 million for the 26 weeks ended 23 September 2023, driven by our good Like for Like Revenue growth and our continued store opening program (from £1,892 million for the 26 weeks ended 24 September 2022) compared to £1,910 million for the 26 weeks ended 24 September 2021. Our UK Like for Like Revenues for the 26 weeks ended 23 September 2023 increased by 6.2% as compared to the 26 weeks ended 24 September 2022, with our sales densities significantly higher than historic pre-Covid pandemic levels as a result of the retention of the new customers acquired during the period of Covid-19 compared to a decrease of 3.9% of our UK Like for Like Revenues for the 26 weeks ended 24 September 2022 compared to the 26 weeks ended 24 September 2021. Adjusted EBITDA (pre-IFRS 16) increased by 16.6% to £233 million for the 26 weeks ended 23 September 2023, compared to £200 million for the 26 weeks ended 24 September 2022. Adjusted EBITDA Margin increased to 11.4%, compared to 10.6% for the 26 weeks ended 24 September 2022.

For the financial year 2023, B&M UK revenues increased by 4.0% to £4,067 million, compared to £3,909 million in the financial year 2022, primarily driven by an increase in store numbers and UK Like for Like Revenues of 0.7% that reflect annualisation of lockdown comparatives. In the financial year 2023, there were 21 gross new B&M store openings, of which five were replacements for smaller legacy stores, and a further two relocations of financial year 2023 closures will occur early in financial year 2024. Operating costs, excluding depreciation and amortisation, increased by 5.7% to £950 million (compared to £899 million for the financial year 2022) which represented 23.4% of revenues (compared to 23.0% for the financial year 2022). This was primarily due to an increase in store costs driven by a strategic decision to focus on store standards to drive Like for Like Revenue, partially offset against foreign exchange gains due to our strong hedging position against the underlying spot rate. Adjusted EBITDA (pre-IFRS 16) for the B&M UK business decreased by 10.9% to £502 million (compared to £564 million in the financial year 2022) and Adjusted EBITDA Margin decreased to 12.4% (compared to 14.4% in the financial year 2022).

In France, B&M France's revenues increased by 26.1% to £232 million for the 26 weeks ended 23 September 2023 from £184 million for the 26 weeks ended 24 September 2022, representing the continual improvement of the product range, the strengthening of the FMCG offer and the clear focus on store standards that resulted in an improvement in sales densities, compared to £155 million for the 26 weeks ended 24 September 2021. B&M France's Adjusted EBITDA (pre-IFRS 16) remained flat at £18 million for the 26 weeks ended 23 September 2023 as compared to the 26 weeks ended 24 September 2022, and its Adjusted EBITDA (pre-IFRS 16) Margin for the 26 weeks ended 23 September 2023 was 7.8%, compared to 9.6% for the 26 weeks ended 24 September 2022, with the prior year period boosted by £5 million of one-off income.

For the financial year 2023, B&M France's revenues increased by 22.1% to £431 million as compared to £353 million for the financial year 2022, reflecting strong Like for Like Revenue and new store openings performance. B&M France's Adjusted EBITDA (pre-IFRS 16) increased to £41 million for the financial year 2023 as compared to £32 million for the financial year 2022. Adjusted EBITDA (pre-IFRS 16) Margin was 9.6%, compared to 9.2% in the financial year 2022. Our French business continues to build a sustainable underlying profit base and is primed to carry on delivering against the strategic and financial objectives set.

Our discount convenience chain, Heron Foods, generated revenues of £272 million for the 26 weeks ended 23 September 2023, an increase of 17.0%, from £233 million for the 26 weeks ended 24 September 2022, reflecting an increase in customer transaction numbers and an increase in basket value, compared to an increase of 14.6% to £233 million for the 26 weeks ended 24 September 2022 from £203 million for the 26 weeks ended 24 September 2021. Our Like for Like Revenue growth reflects a noticeable increase in customer transaction numbers and an increased basket value. Adjusted EBITDA (pre-IFRS 16) for the 26 weeks ended 23 September 2023 increased by 26.7% to £18 million as compared to £14 million for the 26 weeks ended 24 September 2022, representing an Adjusted EBITDA (pre-IFRS 16) Margin of 6.6% as compared to 6.1% for the 26 weeks ended 24 September 2022.

For the financial year 2023, Heron Foods' revenues increased by 18.1% to £485 million as compared to £411 million in the financial year 2022. Heron Foods' Adjusted EBITDA (pre-IFRS 16) increased to £30 million, with an Adjusted EBITDA (pre-IFRS 16) Margin of 6.1% in the financial year 2023 as compared to £23 million and 5.5% in the financial year 2022, respectively.

***Strategic overview***

Despite a challenging and unstable economic environment, we have continued to perform well and execute our strategy of driving Like for Like Revenue by optimising our customer proposition of attractive low price, consistently high store standards and offering the right product range. We are also expanding our footprint in the UK and France through securing new locations that make our offer available to more customers. Our strengthened operational capabilities have been supported through sustained investments in financial systems, information technology and infrastructure. Delivering compounding, profitable growth and strong cash generation is our core investment objective.

In the financial year 2023, we have focused on refreshing and updating our existing store estate through major improvements in store standards and increased product availabilities. Through operational efficiencies, we expect future growth to be highly profitable, deliver incremental returns on investment and allow further reinvestment back into lower prices.

We also continue to execute on our new store program, as we remain committed to our long-term target of 1,200 B&M stores in the UK from our current base of 712. As new stores tend to be bigger and more likely to have small garden centres, our square footage growth is outpacing our growth in new stores. We have continued to execute our strategy of replacing older, smaller stores at the end of their leases with new stores in more attractive locations where there are attractive catchment opportunities to do so. In support of our new store program strategy, in September 2023, we agreed an option to purchase up to 51 stores of ex-Wilko, and we expect to re-brand and convert the majority of these new stores under the B&M fascia within the next 12 months.

In France, all the acquired Babou stores now operate under the B&M fascia, and we view the financial year 2023 as the starting point from which momentum will continue building. The B&M branding of stores and our focus on product realignment, including the introduction of grocery ranges, have already driven strong financial performance.

Finally, our Heron Foods discount convenience stores offer significant potential for growth across the UK. Our current locations have recently benefited from changes in product offerings, made possible through strategic changes in store design and merchandising, which has led to an increase in sales densities while reducing the capital cost of new stores.

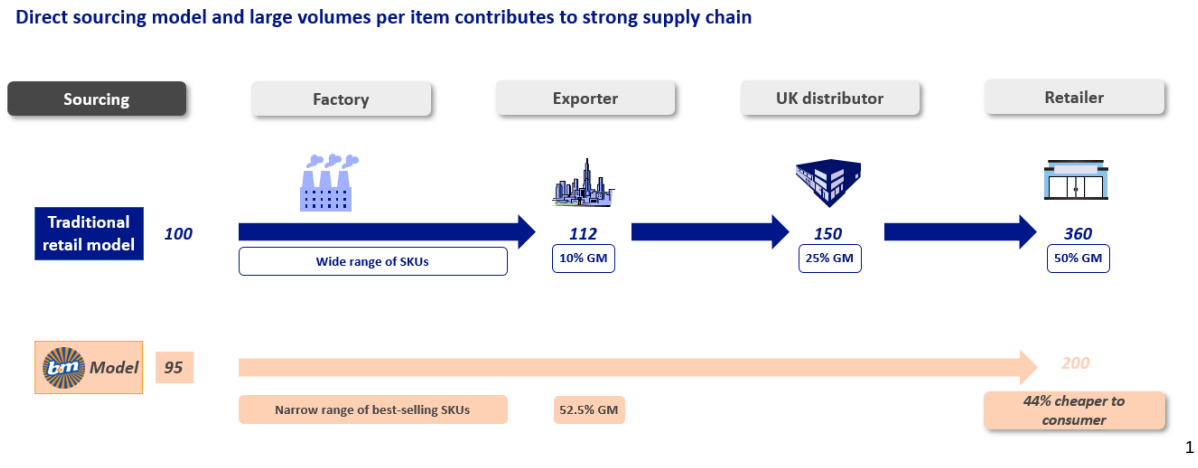
**Our Competitive Strengths**

We believe that our competitiveness and our profitability is driven by our relentless discipline around keeping costs low, buying large volumes per product line directly from factories rather than through intermediaries, and stocking only a limited assortment of the best-selling items, while remaining focused on positive store experience for our customers, which number over 4 million per week. Specifically, we believe that we have a competitive advantage because of the following key strengths, which will enable us to take advantage of current and future growth opportunities:

***Differentiated and disruptive business model with advantaged sourcing approach***

Our business model of directly sourcing a targeted range of food, FMCG and general merchandise products at the best prices we can is supported by a disruptive sourcing process, which we believe leads to significant savings for consumers. As part of our sourcing strategy, we purchase a large share of our products directly from the manufacturer, which enables us to significantly reduce the final price paid by the customer by having a direct relationship with the producers. Overall, the costs of partnering with exporters and distributors could lead to a materially higher final price and we believe this gives us an advantage over our competitors using a more traditional retail sourcing process. Our scale and strong growth over a number of years, as well as our avoidance of own-label grocery ranges, makes us an attractive counterparty for major branded FMCG producers. In particular, our direct sourcing model and strong long-term supplier relationships (various of which have lasted for over 10 years) make us more agile and responsive than our competitors.

Below, we have demonstrated the illustrative savings resulting from our direct sourcing model:




[1]

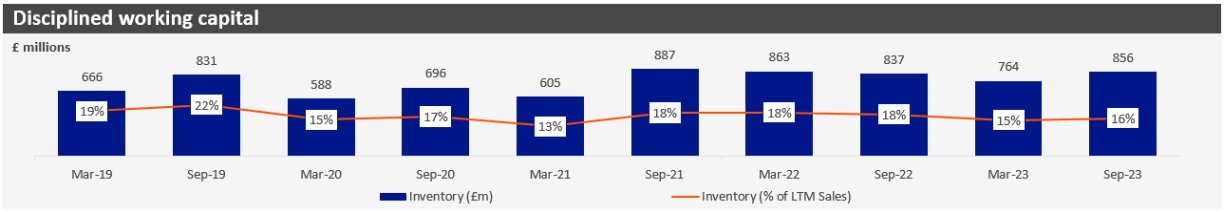
Our products are either branded (in the case of grocery and specific portions of the general merchandise product category, such as toys) or unbranded (in the case of the rest of the general merchandise products).

[1] Represents illustrative sourcing scenarios based on illustrative growth margins and 20% VAT rate. Amounts represent illustrative prices.

Our close relationships with our suppliers mean that we are able to bring new SKUs to market rapidly, enabling us to move our inventory efficiently. Our SKU count per product category is typically much lower than specialist retailers, with approximately 4,500 SKUs in each of the grocery and general merchandise categories. We currently have approximately one buyer or merchandiser per each 50 SKUs, with no policy of career rotation. We only stock known brands and we remain one of the largest growth channels for many FMCG suppliers in the UK. Our product mix includes non-discretionary products and also a flexible offer to match consumer needs (e.g., seasonal offerings).

Our skilled buying team is able to deliver a steady stream of around 200 new general merchandise lines each week to our stores. Benefiting from our deep market monitoring and experience together with our strong relationships with the suppliers, we are able to quickly introduce new products onto our shelves and rapidly decide whether to further develop a range, produce them on a larger scale or discontinue them. It can take us fewer than 12 weeks to go from initial idea to selling the item at B&M stores in the UK, underpinning our ability to bring new products to market quickly.

We have a disciplined approach focused on a limited assortment of best-selling products to drive higher sales densities and stock churn compared to specialist retailers. This enables us to introduce new products and react quickly to what is on trend and changes in demand patterns. In addition, we carefully optimise our floor space to align it with seasonal trading patterns and to efficiently manage our stock levels. This allows us to avoid seasonal low trading periods, unlike single category specialist retailers whose product offering is largely fixed throughout the year. We believe that our ability to effectively estimate demand and manage stock levels differentiates us in the competitive landscape and maximises inventory turn.




Maintaining our competitive value led price model also entails developing and retaining strong long-term supplier relationships. Many of our suppliers have grown and developed into established trading partners with us over the many years of supplying our Group businesses. However, we do not heavily rely on any single supplier, with our top five suppliers accounting for only approximately 15% of our total purchases. Since we focus on stocking only the best-selling and newest products, there are also opportunities for us to welcome new suppliers to our business. In our grocery range, our competitive price position remains consistently strong against the mainstream supermarkets. Our established price basket of approximately 500 items is constantly monitored to ensure we maintain our value position by product sub-category. This has coincided with consistent market share growth in grocery products. In relation to non-grocery products, our price position when compared to specialist retailers is even stronger than in grocery.

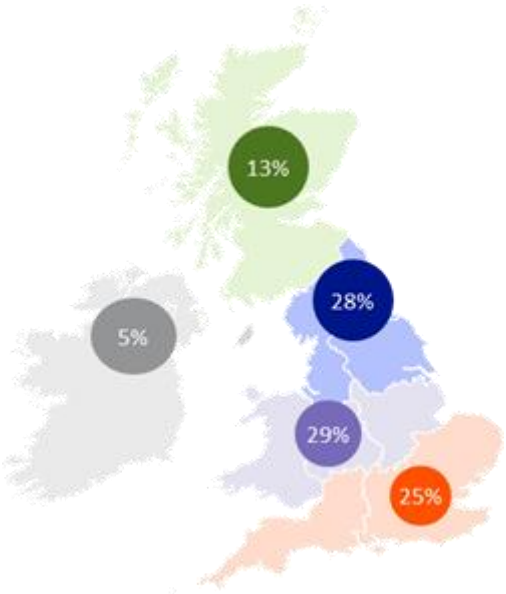
Overall, we believe that our ability to deliver value across a variety of product categories, combined with the range of items within each product line being limited to best sellers and updated regularly, is why our customers choose to keep returning to our stores.

***Modern store network and well-invested infrastructure***

Our network of over 1,100 well-located and well-invested stores in the UK and France are in convenient locations in modern retail parks, popular district centres and high streets. Our stores are generally in locations with easy access by car or other independent means of travel, as opposed to being dependent on city public transport links. The location of our stores, close to where our customers live, and their ease of access have

proved popular with our customers who enjoy the convenience on their routine shops. In addition, we believe that our comparatively large scale gives us an advantage over many of our competitors in the UK general merchandise discount sector. The majority of our stores are leases and require low initial investment. We actively manage our lease arrangements and monitor locations for new stores and potential store relocations that we believe could be profitable.

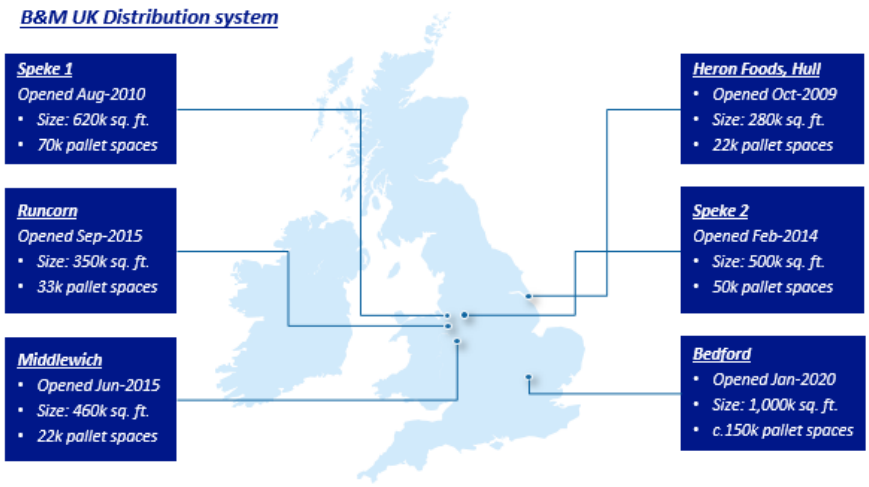
***B&M UK store locations***




There is significant “whitespace” for rolling out new stores in the UK, based on the number of B&M stores per 100,000 people, and we have a long-term target of not fewer than 1,200 B&M stores in the UK, targeting in particular “out of town” locations with convenient parking and space for a garden centre over the high street. We expect to open a minimum of 125 additional stores over the financial years 2024 through 2026, a target that is underpinned by the option agreed in September 2023 to purchase up to 51 ex-Wilko stores.

We have a modern supply chain and scalable infrastructure to support the operations and targeted growth of a number of stores. We have maintained consistent, well-targeted investment in our infrastructure, including physical assets, computing systems and operating processes, all of which serve to enhance our operating resilience and competitive position.

In the UK, we operate a modern well-invested warehouse and distribution system for our B&M stores. We have six distribution centres in total, including the newest addition, a state-of-the-art distribution centre in Bedford, UK which opened in 2020 and provides B&M with one million square foot of warehouse capacity to complement the existing B&M UK distribution centres. Our total capacity in the UK is 3.2 million square foot across 347 thousand pallet spaces. We also operate an in-house fleet of heavy goods vehicles for B&M store deliveries and intra-warehouse transfers in the UK.

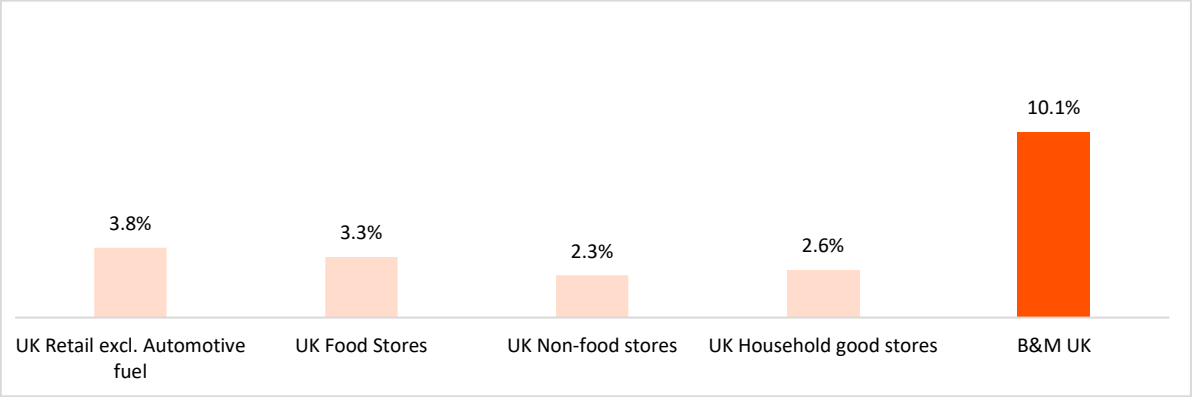



All our stores in France now also operate under the B&M fascia. Our French stores are supported by three distribution centres in the central region of France, Cournon D'Auvergne, with a combined area of 67,282 square metres. We are continuing to evolve our product proposition in France to closer alignment with the UK business. The French business also sources general merchandising lines from the Group's supply network in China, commonly redesigning packaging to the French language and ensuring that any necessary EU test certificates are also obtained.

Heron Foods also has now its own dedicated distribution centre and is developing into a convenient and competitive alternative for a record number of customers. We have targeted better in-store product availability, increased customer service and compliance standards during the financial year 2023, while also opening new "concept" stores. Since acquisition, the store estate has increased by 26%.

***Structurally growing underlying market***

The UK discount sector in which we operate has experienced strong growth in recent years, despite discounters still representing a relatively small part of the overall retail market. From 2017 to 2022, we believe that the UK general merchandise discount market and UK food discount market outpaced the overall UK retail market. While the wider UK retail market (excluding automotive fuel) generated a compound annual growth rate ("**CAGR**") of 3.8 % between the 2017 to 2022 period, B&M UK outperformed the peers and the overall retail market by generating a CAGR 10.1% during the same period. We believe this was driven by positive trends on both the demand side, such as consumer preference for value and demand for convenience or ease of shopping, as well as the supply side, such as including the availability of low-cost real estate and support from FMCG manufacturers.




Source: GlobalData, ONS. B&M UK sales calendarised to year-end December.

We believe there has also been a shift in consumer behaviour in recent years, with more consumers, including from higher household income brackets, using discount stores more often. We believe that consumers recognise that a price gap exists when measuring discount retailers versus supermarkets and specialist retailers across food, FMCG and homeware goods, with product quality being either equivalent or at acceptable levels. This has been accentuated recently as higher inflation and lower UK consumer confidence has led to an increase in UK consumers intending to switch to discount retailers for a larger portion of their shopping needs. We believe that, irrespective of market environment, we can prosper by benefiting from consumer down trading from other retailers to us during challenging economic periods and growth by retaining the new customers during more benign economic periods.


Source: GlobalData April 2023 survey. B&M UK sales calendarised to year-end December.

We believe we are well positioned to take advantage of such industry trends. The supermarket industry is experiencing significant change, and limited assortment discounters ("**LADs**") continue to win substantial market share in the UK. Our product range and offering remain highly complementary to LADs and many of our best-performing stores are co-located with these retailers. While overall store numbers across the retail industry are declining, the general trend has been store growth of among retailers focussed on value offering. We expect discounters to continue to win market share from higher priced operators and open more stores. Compared to the start of the global financial crisis, there are 2,000 more discount stores in the UK, and we believe this trend is poised to continue even after the current cost-of-living crisis ends. Discount shopping in general is continuing to become more socially accepted, presenting opportunities for us to attract new customers in the years ahead.

B&M and Heron Foods enjoy strong brand reputation in the UK for delivering consistently great value on the products that people buy for their homes and families. In a 2023 customer survey run by Savanta, B&M was rated as the 11th most loved retail brand in the UK, and B&M France has also been awarded the "2023 best chain in non-grocery discount" in the Meilleure Chaîne de Magasins awards voted by French customers. This has been heightened in the context of the Covid-19 pandemic. Each of our businesses performed well through the pandemic, and the fact that our stores remained open throughout such period demonstrates our resilience, and provided us with a valuable lesson in how to better serve customers and local communities. During this period, we built strong customer loyalty, as many new customers experienced B&M's stores for the first time and many customers have chosen to continue to transact with the brand. As the UK emerges out of its adjustment to the "new normal" following Covid-19, consumers have returned to store shopping in large numbers since lockdown restrictions were lifted, and in-store retailing remains the number one choice for most customers. In the current cost of living crisis, with rising interest rates reducing disposable and discretionary incomes, B&M has even more appeal to its customers because of our attractive offering, in terms of value for

money and wide range of categories across food and non-food products. We believe that we will be able to retain our newly attracted customers even when macroeconomic conditions change.

***Strong track record of profitable growth and cash flow generation***

The Group has a long-track record of disciplined and profitable growth. We have generated strong revenue and Adjusted EBITDA (pre-IFRS 16) growth over the last five financial years. Group revenues grew from £2,976 million for the financial year 2018 to £4,983 million for the financial year 2023 (a CAGR of 10.9%), excluding the impact of IFRS 16. Group Adjusted EBITDA (pre-IFRS 16) grew from £279 million for the financial year 2018 to £573 million for the financial year 2023 (a CAGR of 15.5%). We have seen trading patterns normalise post-COVID-19 pandemic and we see financial year 2023 as our new underlying revenue and profit base level from which to grow.

Our growth in revenue and Adjusted EBITDA has been accompanied by strong cash generation. Group cash generated from operations in the financial year 2023 was at £866 million, compared to £598 million in the financial year 2022. Our strong performance and cash generation has led to a lowering of our Leverage ratio. Our Leverage ratio for the end of the financial year 2023 was 1.3x, the fourth year that we have maintained it below 1.5x, and comfortably within our published 2.25x leverage ceiling. This is despite continued investment in store roll outs. The number of our Group stores has continually increased over the past five years, from 927 in the financial year 2018 to 1,140 in the financial year 2023 (a CAGR of 4.2%).

We have achieved consistent year-on-year revenue and Adjusted EBITDA (pre-IFRS 16) growth for over 15 years with a CAGR of 21.9% and 26.9% between 2008 and 2023, respectively, and we believe we have proven ourselves to be resilient during adverse market conditions. In the financial year 2023, our Group revenue increased by 6.6% and our B&M UK Like for Like Revenue increased by 0.7% as compared to the financial year 2022. Our Group Adjusted EBITDA (pre-IFRS 16) for the 26 weeks ended 23 September 2023 increased by 16.1% as compared the 26 weeks ended 24 September 2022 while our UK Like for Like Revenues increased by 6.2% during the same period.

We have operated with Leverage in a range of 1.0x – 1.5x since the financial year 2020. We remain comfortable with this range and believe it balances cost of capital efficiency with maintaining our strategic flexibility and level of resilience beneath our Leverage ratio of 2.25x. Where we have no superior alternative use of our capital, we will use special dividends to keep us operating within this 1.0x – 1.5x leverage range. For example, the Group has also paid over £1 billion in special dividends in the last three financial years. Leverage was at 1.1x at the end of the 26 weeks ended 23 September 2023, compared to 1.3x at the end of the 26 weeks ended 24 September 2022, at the lower end of our target range. We typically proactively review our capital allocation and special dividend approach after the Golden Quarter trading period and the year end date. As of 23 September 2023, our liquidity position (composed of cash and undrawn amounts under the Existing Revolving Facility) was £409 million.

***Skilled workforce and management, sound governance and risk management***

Developing products and ranges to provide great value while remaining fresh and on-trend requires skill, experience and discipline. We have colleagues with many years of experience in their respective product markets, many of whom have worked previously as buyers and merchandisers with category specialist competitors. Our skilled and experienced workforce collaborate across teams and with B&M's entrepreneurial flair, providing value to customers through development of products and product ranges at value prices. We continue to invest to ensure that we have appropriate training and processes to attract, retain and incentivise colleagues, as well as continuing to invest in the management team and the central head office functions of each of the businesses of the Group.

Our experienced management team ensures that we have robust and effective corporate governance and risk management structures and processes in place. Our Non-executive directors' years of experience across a range of international markets in retail and consumer product businesses allow them to provide constructive challenges to our management team and ensure that they provide the best outcomes for all our stakeholders in how we operate our businesses, provide value and manage risk appropriately.

We continue to strengthen and evolve our board of directors and experienced management team. In September 2022, we appointed Alex Russo, who previously served as Group CFO, as Group CEO, and in October 2022, we appointed a new Group CFO in Mike Schmidt, who brings with him significant experience in the retail sector having worked for the publicly listed home furniture retailer DFS for eight years. We also welcomed to our board of directors Hounaïda Lasry as a Non-executive director and Oliver Tant as Chair of the Audit & Risk Committee. In August 2023, we appointed Alex Simpson, who joined us from Amazon UK, as Group General Counsel. Bobby Arora, Group Trading Director, has also committed his future to the Group, as announced in July 2023, and he is important in delivering the Group's long-term profitability and is integral to our growth strategy.

**Our Strategy**

Our strategy is to deliver success and sustainability through our continued growth and expansion, which is relevant in both the cost of living crisis that we have in the short term, and the structural shift of consumers moving to discount options in the long term.

***Grow sales in existing B&M UK stores***

We have a targeted focus on delivering sales growth in our existing UK stores, which offer considerable scope for improving sales densities. Each 1% of growth in Like for Like Revenues is equivalent to the sales generated from seven average store openings, but without any capital expenditure or increase in fixed costs. Focusing on our core estate is highly profitable as it increases cash generation and improves return on invested capital. In addition, we plan to increase share of available spending in existing catchment areas through improvements in store standards and product availability. Significantly, we do not neglect existing stores in the pursuit of a large number of new openings.

***Investment in new and replacement B&M UK stores***

New stores remain a key driver to our revenue and earnings growth, as the sales and profit contribution performance of new stores is stronger than that of average stores. Total average net sales area, including garden centres, increased by 3.6% in the financial year 2023, which was larger than the increase in net new stores. This was driven by three factors: new stores are typically larger than existing stores; new stores are more likely to have a small garden centre than existing stores; and replacement stores are typically larger than those that they replaced. We are also focused on refreshing and updating our existing store estate by relocating older, legacy stores to a new larger format where there are catchment opportunities to do so.

Our new stores have proven to perform strongly, with cash payback of less than 12 months on average, higher average sales per store and a store profit contribution margin higher than the average for the estate as a whole.

Our opening programme is building strongly and the performance of new stores underpins our confidence in continued UK expansion. In the financial year 2023, we opened net six B&M stores across the UK, including a net one new store in the south of England. In the financial year 2024, we expect to open approximately 35 stores this current financial year, and not fewer than 45 stores in each of the two following financial years.

***Continued transformation of our French business***

Our French operation continues to evolve, with recent results demonstrating its long-term potential. All our stores now operate under the B&M fascia, with new stores now also offering layouts and merchandising akin to our B&M stores in the UK, albeit with a category emphasis reflecting the differing needs of the B&M France customer. We have refined the product mix, with greater focus on grocery and home category, and we plan to continue to evolve the offer as we grow our FMCG business in France.

We believe that the potential in France is substantial. Given the small market share that B&M France currently holds, but with France's similar population size and demographics as compared to the UK, opportunity exists for B&M France to further grow its store footprint. We opened net seven new stores in financial year

2023, all of which are performing strongly, helping to further increase the profitability of our business as it scales up. As of 23 September 2023, we had a total of 328 stores in France, and we expect to open an additional ten new stores in France in financial year 2024, with a potential for accelerated openings in future years. There remain more significant opportunities in France, such as increasing sales densities by improving the offer and expanding the store network, without adding to the current infrastructure. We also leverage knowledge from our French operations to the benefit of the UK business.

***Leverage Heron Foods growth opportunities***

Our Heron Foods discount convenience store operation has delivered strong growth through new and existing stores, with an Adjusted EBITDA Margin higher than most of its competitors. The operation has the potential to scale substantially from its present 328 store count. In the financial year 2023, we opened a gross 14 new Heron Foods stores, with six closures and three of those being relocations. We expect to open at least 20 gross new stores in the financial year 2024. Heron Foods is based primarily in the north of England and the Midlands in neighbourhood locations and has the potential to expand from its heartland to other regions of the UK. It operates in the convenience sub-sector of the UK grocery market, which is a sub-sector experiencing growth in grocery retailing in the UK.

We plan to continue the successful strategic repositioning of Heron Foods by continuing to focus on delivering value and convenience to customers, which will resonate with consumers seeking to manage their budgets during these challenging times. Through merchandising more intensively, we have been able to maintain frozen sales volumes, while adding increased sales in new areas, such as ambient and fresh products. By reducing operating costs and the capital cost of new stores, we have seen growth in total sales and sales by broad category. Heron Foods also enhances our buying economies and provides economies of scale for our Group.

**Recent Developments**

In September 2023, we agreed an option to purchase up to 51 stores of ex-Wilko, which entered administration in August 2023, for maximum aggregate consideration of £13 million, which will be fully funded from existing cash reserves. The acquisition is not expected to be subject to any regulatory approvals. These locations will underpin our pipeline for new B&M UK stores.

**The Transactions; Use of Proceeds**

Concurrently with the Offering, we intend to launch a tender offer to purchase for cash consideration up to £250 million in aggregate principal amount of the Existing 2025 Notes with the net proceeds of the Offering (the "**Tender Offer**"). The aggregate principal amount of Existing 2025 Notes to be purchased in the Tender Offer will be subject to a maximum acceptance amount determined by the Issuer, as offeror, in its sole and absolute discretion (the "**Maximum Acceptance Amount**"). The indicative Maximum Acceptance Amount will be announced as soon as reasonably practicable after the pricing of the Notes. Subject to the Issuer's final determination (in its sole and absolute discretion), the Maximum Acceptance Amount is expected to be equal to the aggregate principal amount of the Notes. The Tender Offer will be conditional upon successful completion of the Offering. The Tender Offer will be made pursuant to a separate tender offer memorandum and not pursuant to this Offering Circular.

The Issuer will issue the Notes offered hereby and estimates that the gross proceeds from the Offering will be approximately £250 million. The Issuer expects to use the gross proceeds of the Offering to purchase up to £250 million in aggregate principal amount of the Existing 2025 Notes in the Tender Offer, for general corporate purposes and to pay fees and expenses incurred in connection with the Transactions. The Issuer will also pay an accrued interest payment corresponding to accrued and unpaid interest on the Existing 2025 Notes from (and including) the immediately preceding interest payment date for the Existing 2025 Notes up to (but excluding) the relevant settlement date to all noteholders whose Existing 2025 Notes have been validly tendered (and not validly withdrawn) and accepted for purchase. To the extent less than £250 million in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, the Issuer intends to use the difference between the amount of net proceeds which would have been used to purchase the Maximum

Acceptance Amount of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes. See "*Use of Proceeds*".

Affiliates of Simon Arora, previously being a director and the Chief Executive Officer of the Issuer, and Bobby Arora, our Group Trading Director (and their affiliated entities, collectively, "**SSA**"), collectively hold a portion of the Existing 2025 Notes and have agreed (subject to, *inter alia*, receipt by the Issuer of the sponsor confirmation that the terms of the proposed transactions are fair and reasonable as far as shareholders of the Issuer are concerned as required by Listing Rule 11.1.10R of the FCA (the "**Listing Rules**")), (i) to purchase from the Initial Purchasers £30 million in aggregate principal amount of the Notes in the Offering, and the Initial Purchasers have (subject to, *inter alia*, receipt by the Issuer of such sponsor confirmation) agreed to sell £30 million in aggregate principal amount of the Notes in the Offering to SSA and (ii) to tender at least £30 million in aggregate principal amount of the Existing 2025 Notes held by SSA in the Tender Offer. The Issuer is under no obligation to accept for purchase any Existing 2025 Notes tendered pursuant the Tender Offer, and the acceptance for purchase by the Issuer of any Existing 2025 Notes pursuant to the Tender Offer is at the sole and absolute discretion of the Issuer. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes—The Notes may not become, or remain, listed on the LuxSE, and there may not be an active trading market for the Notes, and the trading price of the Notes may be volatile, in which case your ability to sell the Notes will be limited.*"

Subject to the completion of the above mentioned intended acquisition by SSA of £30 million principal amount of the Notes in the Offering, SSA have also agreed, for a period of six months from the date of such acquisition, not to directly or indirectly sell, contract to sell or otherwise dispose of any of the Notes acquired by SSA, except with the prior written consent of HSBC Bank plc, BNP Paribas and BofA Securities Europe SA.

The expected estimated sources and uses of the funds necessary to consummate the Transactions, including the proceeds of the Offering of the Notes, are shown in the table below. Actual amounts will vary from estimated amounts depending on several factors, including differences from our estimates of fees and expenses, the actual amount of indebtedness, the actual Issue Date and the amount of Existing 2025 Notes tendered and purchased in the Tender Offer.

| Sources | (£ millions) | Uses | (£ millions) |
|---|---|---|---|
| Notes offered hereby[1] | 250 | Partial purchase of Existing 2025 Notes[2] | 245 |
| | | Transaction fees and expenses[3] | 3 |
| | | Cash to balance sheet | 2 |
| **Total Sources** | **250** | **Total Uses** | **250** |

(1) Represents the aggregate principal amount of the Notes, without adjustment for fees and expenses incurred in connection with the Transactions.

(2) Represents the aggregate purchase price of £250 million in aggregate principal amount of the outstanding Existing 2025 Notes to be purchased in the Tender Offer, excluding accrued and unpaid interest in an amount equal to £3 million, assuming that £250 million in aggregate principal amount of the Existing 2025 Notes is purchased pursuant to the Tender Offer at a price equal to 98% of the principal amount. To the extent less than £250 million in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, the Issuer intends to use the difference between the amount of net proceeds which would have been used to purchase the Maximum Acceptance Amount of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes.

(3) Represents estimated fees and expenses incurred in connection with the Transactions, including fees related to the Initial Purchasers' fees and other transaction costs and professional fees, but excluding accrued and unpaid interest for Existing 2025 Notes purchased in the Tender Offer in an amount equal to £3 million.

**The Issuer**

The Issuer is B&M European Value Retail S.A., a Luxembourg public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under registration number B 187275. The Issuer's registered office is at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg. The Issuer was incorporated for an unlimited duration on 19 May 2014. The shares of the Issuer are listed in the premium listing segment of the Official List of the Main Market of the London Stock Exchange and trade under the symbol BME:LN.

The Issuer is managed by a board of directors, currently consisting of a total of eight Executive and Non-executive directors. The current directors are Peter Richard Bamford (Non-executive director and Chairman), Alejandro (Alex) Russo (Executive director and Chief Executive Officer), Michael (Mike) Stefan Schmidt (Executive director and Chief Financial Officer), Ronald (Ron) Thomas McMillan (Independent Non-executive director), Tiffany Anne Hall (Independent Non-executive director), Paula MacKenzie (Independent Non-executive director), Oliver Reginald Tant (Independent Non-executive director) and Hounaïda Lasry (Independent Non-executive director).

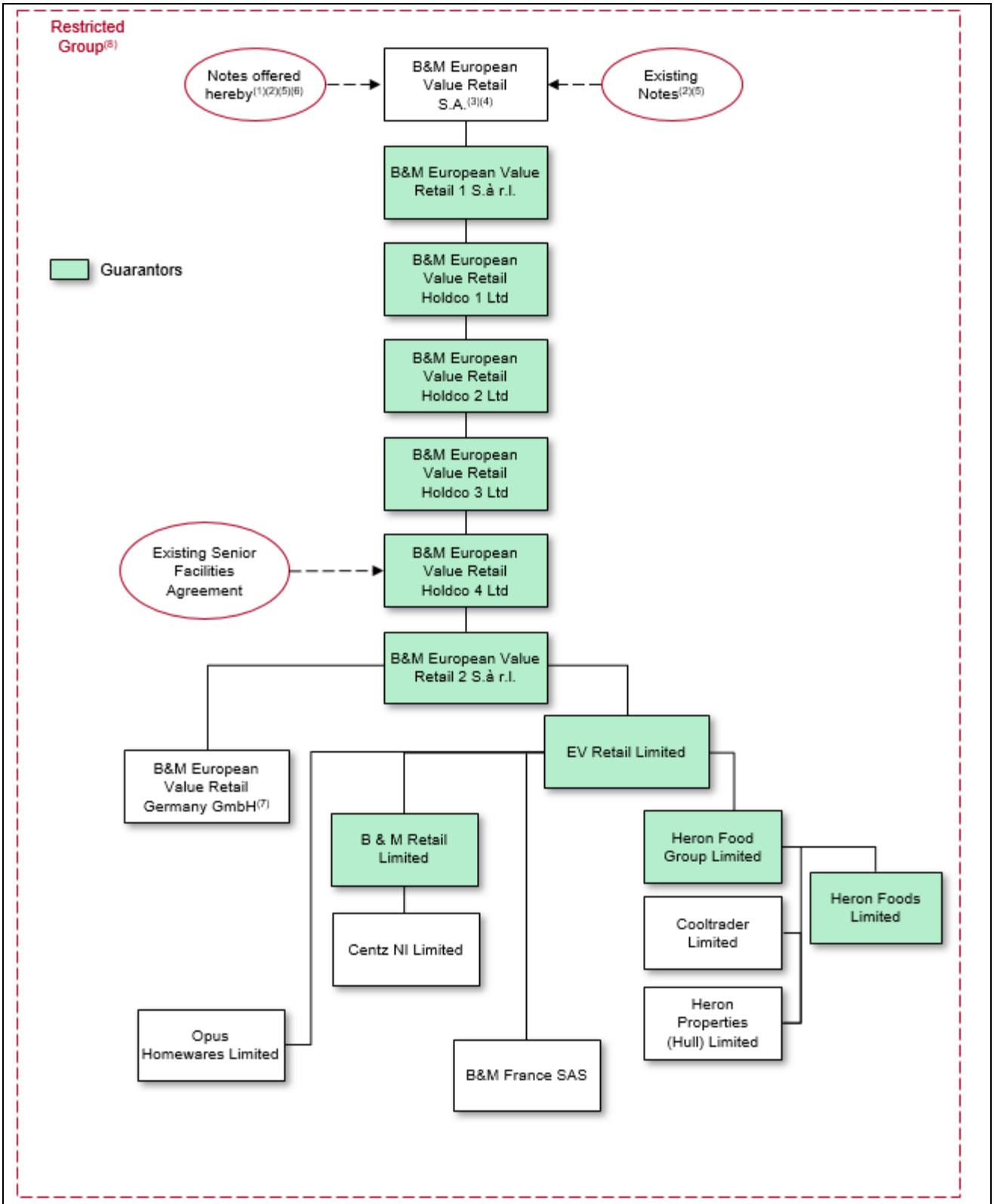
The Issuer's corporate object is described in article 3 of its articles of association, which provides in particular that the Issuer may borrow money in any form or obtain any form of credit and raise funds through, including, but not limited to, the issue of shares, bonds, notes, promissory notes, certificates and other debt instruments or debt securities, convertible or not, or the use of financial derivatives or otherwise.

The Issuer's financial year for Luxembourg corporate purposes begins on April 1 of each year end and ends 31 March of the next year.

The total issued share capital of the Issuer as at 23 September 2023 was £100,275,563.90, represented by 1,002,755,639 shares in registered form, having a nominal value of ten pence sterling (£0.10) each and is fully paid up.

**Corporate and Financing Structure**

The following chart shows a summary of our corporate structure as of the Issue Date, upon giving effect to the Transactions. For a summary of the debt obligations referenced in this diagram, see "*Description of Certain Financing Arrangements*" and "*Description of the Notes*":




(1) On the Issue Date, the Notes will be guaranteed by the Guarantors. Ranking of the Notes is described in "*Description of the Notes–Overview of the Notes and the Note Guarantees*".

(2) The Notes will rank *pari passu* in right of payment with any existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Notes, including the Issuer's obligations in respect of the Existing Senior Facilities Agreement as guarantor thereunder and the Existing 2025 Notes and Existing 2028 Notes, previously issued by the Issuer

in 2020 and 2021, respectively. The Guarantee of a Guarantor will rank *pari passu* in right of payment with any existing and future indebtedness of such Guarantor that is not subordinated in right of payment to its Guarantee, including such Guarantor's obligations in respect of the Existing Senior Facilities Agreement and the Existing Notes. As of 23 September 2023, the Guarantors and the Issuer represented 86.5% (88.6% on a pre-IFRS 16 basis) of the total assets of the Group on a consolidated basis. For the 26 weeks ended 23 September 2023, the Guarantors and the Issuer were responsible for 90.0% and 93.3% of the Group's total Adjusted EBITDA and Adjusted EBITDA (pre-IFRS 16) on the same consolidated basis, respectively.

(3) Our corporate headquarters for B&M and Heron Foods are in Liverpool, England and our corporate headquarters for B&M France are in Clermont-Ferrand, France.

(4) The Issuer is organised as a public limited liability company (*société anonyme*) under the laws of Luxembourg. The Issuer's registered office is located at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg. The Issuer is registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 187275.

(5) We expect to use the gross proceeds of the Offering to purchase up to £250 million in aggregate principal amount of the Existing 2025 Notes in the Tender Offer, for general corporate purposes and to pay fees and expenses incurred in connection with the Transactions. We will also pay an accrued interest payment corresponding to accrued and unpaid interest on the Existing 2025 Notes from (and including) the immediately preceding interest payment date for the Existing 2025 Notes up to (but excluding) the relevant settlement date to all noteholders whose Existing 2025 Notes have been validly tendered (and not validly withdrawn) and accepted for purchase. See "*Use of Proceeds*". To the extent less than £250 million in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, we intend to use the difference between the amount of net proceeds which would have been used to purchase the Maximum Acceptance Amount of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes.

(6) On the Issue Date, the Notes and the Guarantees will be secured, subject to the terms of the Security Documents, on a first-priority basis (by virtue of the Intercreditor Agreement) by the Collateral, which comprises of (i) the English law debentures, (ii) Luxembourg law bank account pledges and (iii) Luxembourg law share pledges, in each case as more specifically described under "*Description of the Notes—Security*".

(7) B&M European Value Retail Germany GmbH disposed of shares in a German retailer, J.A. Woll Handels GmbH, in March 2020. B&M European Value Retail Germany GmbH does not currently carry on any trading operations and is currently in the process of being wound up.

(8) The entities in the "Restricted Group" are subject to the covenants in the Existing Senior Facilities Agreement and the Existing Indentures and will be subject to the covenants in the Indenture.

## THE OFFERING

*The summary below describes the principal terms of the offering of the Notes. It may not contain all the information that is important to you. Some of the terms and conditions described below are subject to important limitations and exceptions. You should carefully read the "Description of the Notes" section of this Offering Circular for a more detailed description of the terms and conditions of the Notes.*

| | |
|---|---|
| **Issuer** ..... | B&M European Value Retail S.A., organised under the laws of Luxembourg as a public limited liability company (*société anonyme*) (the "**Issuer**"). |
| **Guarantors** ..... | Upon issuance, the Notes will be guaranteed (the "**Guarantees**" and, each, a "**Guarantee**") on a senior secured basis by B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Limited, B & M Retail Limited, Heron Food Group Limited and Heron Foods Limited (together, the "**Guarantors**" and each, a "**Guarantor**"). |
| **Notes Offered** ..... | £250,000,000 aggregate principal amount of % Senior Secured Notes due 2030 (the "**Notes**"). |
| **Issue Date** ..... | 2023. |
| **Maturity Date** ..... | 2030. |
| **Issue Price** ..... | %, plus accrued and unpaid interest, if any, from the Issue Date. |
| **Interest Payment Dates** ..... | Interest on the Notes will be payable semi-annually in arrears on and of each year, commencing on 2024. Interest on the Notes will accrue from the Issue Date. |
| **Denominations** ..... | Each Note will have a minimum denomination of £100,000 and integral multiples of £1,000 in excess thereof. Notes in denominations of less than £100,000 will not be available. |
| **Ranking of the Notes** ..... | After the Issue Date, the Notes:<br>• will be senior secured obligations of the Issuer;<br>• will be secured on a first-priority basis;<br>• will rank *pari passu* in right of payment with any existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Notes, including the Issuer's obligations in respect of the Existing Senior Facilities Agreement as guarantor thereunder and the Existing Notes;<br>• will rank senior in right of payment to any existing and any future indebtedness of the Issuer that is subordinated in right of payment to the Notes;<br>• will be effectively senior in right of payment to any existing or future unsecured obligations of the Issuer, to |

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| | the extent of the value of the Collateral that is available to satisfy the obligations under the Notes;<br>• will be guaranteed on a senior basis by the Guarantors, which guarantees may be subject to the guarantee limitations as described in "*Limitations on Validity and Enforceability of Guarantees and Security and Certain Insolvency Law Considerations*"; and<br>• will be structurally subordinated to any existing and future indebtedness of the Issuer's subsidiaries that are not Guarantors. |
| **Ranking of the Guarantees**..... | After the Issue Date, the Guarantee of each Guarantor:<br>• will be senior secured obligations of the relevant Guarantor;<br>• will be secured on a first-priority basis;<br>• will rank *pari passu* in right of payment with any existing and future indebtedness of that Guarantor that is not subordinated in right of payment to the relevant Guarantee, including obligations owed to lenders under the Existing Senior Facilities Agreement and the Existing Notes;<br>• will rank senior in right of payment to any existing and any future indebtedness of that Guarantor that is subordinated in right of payment to the relevant Guarantee;<br>• will be effectively senior in right of payment to any existing or future unsecured obligations of that Guarantor, to the extent of the value of the Collateral that is available to satisfy the obligations under the relevant Guarantee; and<br>• will be structurally subordinated to any existing and future indebtedness of such Guarantor's subsidiaries that are not Guarantors. |
| **Security**..... | On the Issue Date, the Notes will be secured by:<br>(1) pledges over all of the issued share capital of each Guarantor;<br>(2) English law governed fixed and floating charges over substantially all of the property and assets of the Guarantors and the Issuer; and<br>(3) Luxembourg law governed pledges over certain bank accounts of the Luxembourg Guarantors and the Issuer (together, the "**Collateral**").<br>The Collateral also secures the liabilities under the Existing Senior Facilities Agreement, the Existing Notes and may secure certain hedging obligations and certain other future indebtedness. Any proceeds received upon any enforcement over any Collateral will be applied *pro rata* in payment of all |

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| | liabilities in respect of obligations under the Existing Senior Facilities Agreement, the Existing Notes, such hedging obligations (if any), the indenture governing the Notes (the "**Indenture**"), the Notes and any other indebtedness of the Issuer or its restricted subsidiaries permitted to be incurred and secured by the Collateral on a *pari passu* basis pursuant to the Indenture and the Intercreditor Agreement. |
| **Optional Redemption** ..... | At any time on and after 2026, the Issuer will be entitled to redeem, at its option, all or a portion of the Notes at the redemption prices described under "*Description of the Notes—Optional Redemption*" plus accrued and unpaid interest to, but excluding, the redemption date.<br><br>Prior to 2026, the Issuer may redeem all or a portion of the Notes at a redemption price equal to 100% of the principal amount of the Notes plus a "make-whole" premium as described under "*Description of the Notes—Optional Redemption*," plus accrued and unpaid interest to, but excluding, the redemption date.<br><br>Prior to 2026, the Issuer may, at its option, and on one or more occasions, redeem up to 40% of the original aggregate principal amount of the Notes (including Additional Notes) with funds in an equal aggregate amount not exceeding the aggregate net cash proceeds of one or more equity offerings, at a redemption price equal to % of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, so long as at least 60% of the original aggregate principal amount of the Notes (including Additional Notes) remains outstanding immediately after the redemption. Any amount payable in any such redemption may be funded from any source.<br><br>In connection with any tender for the Notes, if holders of not less than 90% in the aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in such tender offer and the Issuer, or any other person making such tender offer *in lieu* of the Issuer, purchases all of the Notes validly tendered and not validly withdrawn by such holders, the Issuer will have the right, upon notice given not more than 30 days following such purchase pursuant to such tender offer, to redeem all of the Notes that remain outstanding following such purchase at a price in cash equal to the price offered to each holder in such tender offer, plus accrued and unpaid interest to, but excluding, the redemption date. See "*Description of the Notes—Optional Redemption*". |
| **Redemption for Tax Reasons**..... | If certain changes in the law of any Relevant Taxing Jurisdiction (as defined in "*Description of the Notes*") are announced, enacted or become effective on or after the date of this Offering Circular that would impose withholding taxes or other deductions on the payments on the Notes or any Guarantee, the Issuer may redeem the Notes in whole, but not in part, at any time, at a redemption price of 100% of the |

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| | principal amount, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption. See "*Description of the Notes—Optional Redemption for Changes in Withholding Taxes*". |
| **Additional Amounts**..... | Any payments made by the Issuer or any Guarantor under or with respect to the Notes or any Guarantee will be made without withholding or deduction for taxes imposed or levied by any Relevant Taxing Jurisdiction, unless required by law or regulation. If withholding or deduction for such taxes is required to be made with respect to a payment on the Notes or a Guarantee, subject to certain exceptions, the Issuer or the Guarantor, as the case may be, will pay such additional amounts as may be necessary so that the net amount received by the holders of the Notes after such withholding or deduction is not less than the amount that they would have received in the absence of such withholding or deduction. See "*Description of the Notes—Additional Amounts*". |
| **Change of Control** ..... | Upon the occurrence of certain events constituting a change of control, the Issuer may be required to offer to repurchase all or any part of the outstanding Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest to the date of such repurchase. "*Description of the Notes—Change of Control*". |
| **Certain Covenants**..... | The Indenture governing the Notes will contain covenants that will, among other things, limit our ability and the ability of our restricted subsidiaries to, among other things:<br>• incur additional indebtedness;<br>• create liens;<br>• pay dividends, redeem capital stock or make certain other restricted payments or investments;<br>• enter into agreements that restrict dividends from restricted subsidiaries;<br>• sell assets, including capital stock of restricted subsidiaries;<br>• impair the security interests for the benefit of the holders of the Notes; and<br>• effect a consolidation or merger.<br>These covenants are subject to a number of important qualifications and exceptions and certain of them will be suspended if and when, and for so long as, the Notes are rated investment grade. For more details see "*Description of the Notes—Certain Covenants*". |
| **Intercreditor Agreement**..... | On 13 July 2020, Deutsche Trustee Company Limited, as trustee, the Security Agent and certain other parties entered into an intercreditor agreement (the "**Intercreditor** |

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| | **Agreement**"), which governs the relative rights of the obligors and creditors under certain of our existing and future financing arrangements (including the Existing Senior Facilities Agreement, the Existing Notes, the Notes and certain hedging obligations). Among other things, with respect to such indebtedness, the Intercreditor Agreement regulates its relative priority, the ranking of security interests from which it benefits, the timing of payments, enforcement procedures and release of guarantees and security interests as well as providing for the subordination of certain of our indebtedness and turnover, equalisation and redistribution provisions. For more information, see "*Description of Certain Financing Arrangements—Intercreditor Agreement*". |
| **Use of Proceeds**..... | We estimate that the gross proceeds from the Offering of the Notes will be approximately £250 million. We expect to use the gross proceeds of the Offering to purchase up to £250 million in aggregate principal amount of the Existing 2025 Notes in the Tender Offer, for general corporate purposes and to pay fees and expenses incurred in connection with the Transactions. We will also pay an accrued interest payment corresponding to accrued and unpaid interest on the Existing 2025 Notes from (and including) the immediately preceding interest payment date for the Existing 2025 Notes up to (but excluding) the relevant settlement date to all noteholders whose Existing 2025 Notes have been validly tendered (and not validly withdrawn) and accepted for purchase. To the extent less than £250 million in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, we intend to use the difference between the amount of net proceeds which would have been used to purchase the Maximum Acceptance Amount of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes. See "*Use of Proceeds*". |
| **No Registration Rights**..... | We will not register the Notes under the U.S. federal or state securities laws or under the securities laws of any other jurisdiction. |
| **Transfer Restrictions**..... | The Notes and Guarantees have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes will be subject to certain restrictions on transfer as described under "*Notice to Investors*". |
| **Listing** ..... | Application will be made after the Issue Date to list the Notes on the Official List of the LuxSE and for the Notes to be admitted to trading on the Euro MTF Market. See "*Listing and General Information*".<br><br>There can be no assurance that the Notes will be listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market. See "*Risk Factors—Risks Related to Our* |

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| | *Financial Profile and the Notes—The Notes may not become, or remain, listed on the LuxSE, and there may not be an active trading market for the Notes, and the trading price of the Notes may be volatile, in which case your ability to sell the Notes will be limited*." |
| **Governing Law**..... | The Notes and the Indenture governing the Notes will be governed by the laws of the State of New York. For the avoidance of doubt, the application of the provisions of article 470-1 to 470-19 (inclusive) of the Luxembourg law on commercial companies dated 10 August 1915, as amended (the "**Companies Act 1915**"), is expressly excluded. The Intercreditor Agreement is governed by English law. The Security Documents will be governed by English law and the laws of Luxembourg, where applicable. |
| **Registrar and Transfer Agent**..... | GLAS USA LLC |
| **Trustee**..... | GLAS Trustees Limited |
| **Paying Agent**..... | GLAS Trust Company LLC |
| **Security Agent** ..... | Deutsche Bank AG, London Branch |
| **Listing Agent** | Banque Internationale à Luxembourg S.A. |

## SUMMARY HISTORICAL CONSOLIDATED FINANCIAL INFORMATION AND OTHER FINANCIAL AND OPERATING DATA

The tables set forth below show certain selected consolidated financial and operating information of the Group (including the Issuer) as of and for the 26 weeks ended 24 September 2022 and 23 September 2023 and as of and for the 52 weeks ended 26 March 2022 and 25 March 2023. The financial data in the tables below as of and for the 52 weeks ended 26 March 2022 and 25 March 2023 are derived from the Annual Financial Statements incorporated by reference into this Offering Circular. The Annual Financial Statements and the accompanying notes thereto have been prepared in accordance with IFRS as adopted by the EU, and have been audited by KPMG Audit S.à r.l., as stated in its report, which is incorporated by reference into this Offering Circular. The financial data in the tables below as of and for the 26 weeks ended 24 September 2022 and 23 September 2023 are derived from the Interim Financial Statements incorporated by reference into this Offering Circular. The unaudited Interim Financial Statements have been prepared in accordance with IFRS on interim financial reporting (IAS 34).

The tables below also include certain financial data on an as adjusted basis to give effect to the Transactions, including financial data as adjusted to reflect the effect of the Transactions on the indebtedness of the Group as if the Transactions had occurred as of 23 September 2023 and assuming that £250 million in aggregate principal amount of the Existing 2025 Notes is purchased pursuant to the Tender Offer at a price equal to 98% of the principal amount plus accrued and unpaid interest. See "*Presentation of Financial and Other Information*" and "*Capitalisation*", and for a description of the adjustments to give effect to the Transactions, including the issuance of the Notes offered hereby and the application of the proceeds thereof, see "*Use of Proceeds*". The as adjusted financial information has been prepared for illustrative purposes only and does not represent what our actual results would have been had the Transactions occurred on 23 September 2023, nor does it purport to project our indebtedness at any future date. The as adjusted financial information has not been prepared in accordance with the requirements of Regulation S-X of the Securities Act, the EU Prospectus Regulation, the UK Prospectus Regulation, IFRS or any generally accepted accounting standards.

This Offering Circular contains certain non-IFRS measures, including EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted Operating Profit, Adjusted EBITDA Margin, Adjusted Profit, Adjusted Profit Before Tax, UK Like for Like Revenue Growth and Adjusted Operating Costs, used to evaluate our economic and financial performance. These measures should not be considered as an alternative measure to evaluate the performance of the Group. See "*Presentation of Financial and Other Information—Non-IFRS Information*".

This financial information should be read in conjunction with the Annual Report and Interim Report incorporated by reference in this Offering Circular, including the Audited Financial Statements and Interim Financial Statements included therein, respectively. The results of prior financial years are not necessarily indicative of the results to be expected for any future period.

## Consolidated Statement of Comprehensive Income Data

| | 52 weeks ended 26 March 2022 | 52 weeks ended 25 March 2023 | 26 weeks ended 24 September 2022 | 26 weeks ended 23 September 2023 | LTM 23 September 2023 |
|---|---|---|---|---|---|
| | | | £'m | | |
| **Revenue** | **4,673** | **4,983** | **2,309** | **2,549** | **5,223** |
| Cost of sales | (2,921) | (3,182) | (1,501) | (1,608) | (3,289) |
| **Gross profit** | **1,752** | **1,801** | **808** | **941** | **1,934** |
| Administrative expenses | (1,142) | (1,265) | (560) | (666) | (1,371) |
| **Operating profit** | **610** | **536** | **248** | **275** | **563** |
| Share of profits/(losses) in associates | 3 | (1) | 1 | - | - |
| **Profit on ordinary activities before net finance costs and tax** | **613** | **535** | **249** | **275** | **561** |
| Finance costs on lease liabilities | (59) | (61) | (29) | (32) | (64) |
| Other finance costs | (29) | (40) | (19) | (22) | (43) |
| Finance income | 0 | 2 | 0 | 1 | 3 |
| **Profit on ordinary activities before tax** | **525** | **436** | **201** | **222** | **457** |
| Income tax expense | (103) | (88) | (44) | (58) | (102) |
| **Profit for the period** | **422** | **348** | **157** | **164** | **355** |

## Consolidated Statement of Financial Position Data

| | 26 March 2022 | 25 March 2023 | 24 September 2022 | 23 September 2023 |
|---|---|---|---|---|
| | | £'m | | |
| **Assets** | | | | |
| Non-current assets | 2,515 | 2,521 | 2,512 | 2,520 |
| Current assets | 1,123 | 1,066 | 1,240 | 1,210 |
| **Total assets** | **3,638** | **3,587** | **3,752** | **3,730** |
| **Equity and Liabilities** | | | | |
| **Total equity** | **(746)** | **(720)** | **(840)** | **(795)** |
| Total current liabilities | (755) | (824) | (778) | (886) |
| Total non-current liabilities | (2,137) | (2,043) | (2,134) | (2,043) |
| **Total liabilities** | **(2,892)** | **(2,867)** | **(2,912)** | **(2,935)** |
| **Total equity and liabilities** | **(3,638)** | **(3,587)** | **(3,752)** | **(3,730)** |

## Consolidated Statement of Cash Flows Data

| | 26 March 2022 | 25 March 2023 | 24 September 2022 | 23 September 2023 |
|---|---|---|---|---|
| | | £'m | | |
| **Net cash flows from operating activities** | **491** | **782** | **328** | **294** |
| **Net cash flows from investing activities** | **(85)** | **(87)** | **(45)** | **(47)** |
| **Net cash flows from financing activities** | **(450)** | **(634)** | **(235)** | **(260)** |
| Effects of exchange rate changes | (1) | 3 | 2 | (0) |
| Net (decrease)/increase in cash and cash equivalents | (45) | 64 | 50 | (13) |
| Cash and cash equivalents at the beginning of the period | 218 | 173 | 173 | 237 |
| **Cash and cash equivalents at the end of the period** | **173** | **237** | **223** | **224** |

## OTHER FINANCIAL DATA

The following table sets out certain key non-IFRS financial and operational data of the Group for the periods indicated. We believe that the following non-IFRS financial and operational data provide useful supplemental information to understand and analyse the underlying results of the Group.

### *Other Financial Data*

| | 52 weeks ended 26 March 2022 | 52 weeks ended 25 March 2023 | 26 weeks ended 24 September 2022 | 26 weeks ended 23 September 2023 | LTM 23 September 2023 |
|---|---|---|---|---|---|
| | *£'m (except percentages and ratios)* | | | | |
| Revenue | 4,673 | 4,983 | 2,309 | 2,549 | 5,223 |
| UK Like for Like Revenue Growth (%)[1] | (9.0)% | 0.7% | (3.9)% | 6.2% | 5.6% |
| Adjusted Operating Profit[2] | 601 | 554 | 221 | 263 | 596 |
| EBITDA[3] | 840 | 777 | 368 | 399 | 808 |
| EBITDA Margin (%)[4] | 18.0% | 15.6% | 15.9% | 15.7% | 15.5% |
| Adjusted EBITDA[5] | 828 | 796 | 340 | 387 | 843 |
| Adjusted EBITDA (pre-IFRS 16)[5] | 619 | 573 | 232 | 269 | 610 |
| Adjusted EBITDA (pre-IFRS 16) Margin(%)[6] | 13.2% | 11.5% | 10.0% | 10.5% | 11.7% |
| Free Cash Flow[7] | 534 | 484 | 187 | 221 | 518 |
| Free Cash Flow Conversion[7] | 86.3% | 84.5% | 80.6 | 82.2% | 84.9% |
| Interest-bearing loans and borrowings[8] | 963 | 961 | 959 | 924 | 924 |
| Net debt (pre-IFRS 16)[9] | 790 | 724 | 736 | 700 | 700 |
| Net debt[10] | 2,100 | 2,024 | 1,964 | 2,010 | 2,010 |
| Ratio of net debt (pre-IFRS 16) to Adjusted EBITDA (pre-IFRS 16)[11] | 1.276 | 1.264 | 1.295 | 1.148 | 1.148 |

(1) UK Like for Like Revenues relate to the B&M estate only and include each store's revenue for that part of the current period that falls at least 14 months after it opened; compared with its revenue for the corresponding part of the previous period. This 14 month approach has been used as it excludes the two month halo period which new stores experience following opening. Halo period refers to the two month period which new stores experience following opening.

(2) Adjusted Operating Profit represents statutory profit before interest and tax, adjusted to exclude items that we consider to be unusual, non-trading and/or non-recurring that are not reflective of the underlying performance of the business. These include the fair value impact of derivatives yet to mature, that have not been designated as part of a hedge accounting relationship, and foreign exchange on intercompany balances, which do not relate to underlying trading, and costs incurred in relation to significant projects which are non-recurring and do not relate to underlying trading. Adjusted Operating Profit is not a measure of performance or liquidity under IFRS and should not be considered by investors in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS. Adjusted Operating Profit may not be comparable to similarly titled measures disclosed by other companies, and investors should not use these non-GAAP measures as a substitute for the figures provided in the Financial Statements (incorporated by reference in this Offering Circular).

(3) EBITDA represents operating profit before interest, tax, depreciation and amortisation, including the impact of IFRS 16. EBITDA and related measures are not a measurement of performance or liquidity under IFRS and should not be considered by investors in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS. EBITDA and related measures may not be comparable to similarly titled measures disclosed by other companies, and investors should not use these non-GAAP measures as a substitute for the figures provided in the Financial Statements (incorporated by reference in this Offering Circular). For a reconciliation of EBITDA, see "*—EBITDA, Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit*" below.

(4) EBITDA margin represents EBITDA expressed as a percentage of revenue (which excludes VAT).

(5) Adjusted EBITDA represents EBITDA, adjusted to exclude the same items as listed in footnote 2 above. Adjusted EBITDA and related measures are not a measurement of performance or liquidity under IFRS and should not be considered by investors in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS. Adjusted EBITDA and related measures may not be comparable to similarly titled measures disclosed by other companies, and investors should not use these non-GAAP measures as a substitute for the figures provided in the Financial Statements (incorporated by reference in this Offering Circular). Adjusted EBITDA (pre-IFRS 16) is Adjusted EBITDA stated before the impacts of IFRS 16. For a reconciliation of Adjusted EBITDA, see "*—EBITDA, Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit*" below.

(6) Adjusted EBITDA (pre-IFRS 16) Margin represents Adjusted EBITDA (pre-IFRS 16) expressed as a percentage of revenue (which excludes VAT).

(7) Free Cash Flow represents Adjusted EBITDA (pre-IFRS 16) less total net capital expenditures and Free Cash Flow Conversion represents Free Cash Flow divided by Adjusted EBITDA (pre-IFRS 16):

| | 52 weeks ended 26 March 2022 | 52 weeks ended 25 March 2023 | 26 weeks ended 24 September 2022 | 26 weeks ended 23 September 2023 | LTM 23 September 2023 |
|---|---|---|---|---|---|
| | *£'m (except percentages)* | | | | |
| **Adjusted EBITDA (pre-IFRS 16)**... | **619** | **573** | **232** | **269** | **610** |
| Total net capital expenditures..... | (85) | (89) | (45) | (48) | (92) |
| **Free Cash Flow** ..... | **534** | **484** | **187** | **221** | **518** |
| **Free Cash Flow Conversion** ..... | **86.3%** | **84.5%** | **80.6** | **82.2%** | **84.9%** |

(8) Interest-bearing loans and borrowings reflect the gross amount of cash borrowed at that time, as opposed to the carrying value under the amortised cost method. Lease balances are not included.
(9) Net debt (pre-IFRS 16) reflects external interest-bearing loans and borrowings less cash and short-term deposits and, for the avoidance of doubt, does not include lease liabilities.
(10) Net debt represents external interest-bearing loans and borrowings and lease liabilities less cash and short-term deposits.
(11) The ratio of net debt (pre-IFRS 16) to Adjusted EBITDA (pre-IFRS 16) for the 26 weeks ended 24 September 2022 and the 26 weeks ended 23 September 2023 is calculated on the basis of net debt (pre-IFRS 16) and Adjusted EBIDTA (pre-IFRS 16) for the last twelve months ended 24 September 2022 and 23 September 2023, respectively.

## AS ADJUSTED OTHER FINANCIAL DATA

The following table sets out certain key non-IFRS financial and operational data of the Group for the period indicated as adjusted for the Transactions, assuming that £250 million in aggregate principal amount of the Existing 2025 Notes is purchased pursuant to the Tender Offer at a price equal to 98% of the principal amount plus accrued and unpaid interest.

### As Adjusted Financial Data

| | LTM 23 September 2023 |
|---|---|
| | *£'m* |
| LTM Adjusted EBITDA (pre-IFRS 16)..... | 610 |
| LTM Adjusted EBITDA..... | 843 |
| As adjusted net debt (pre-IFRS 16)(1) ..... | 698 |
| As adjusted net debt(2)..... | 2,008 |
| Ratio of as adjusted net debt (pre-IFRS 16) to LTM Adjusted EBITDA (pre-IFRS 16)..... | 1.14 |
| Ratio of as adjusted net debt to LTM Adjusted EBITDA..... | 2.38 |

(1) As adjusted net debt (pre-IFRS 16) is given as at 23 September 2023 and reflects net debt (pre-IFRS 16) as of such date after giving effect to the Transactions as if the Transactions had occurred on such date. See "*Capitalisation*".
(2) As adjusted net debt is given as at 23 September 2023 and reflects net debt as of such date after giving effect to the Transactions as if the Transactions had occurred on such date. See "*Capitalisation*".

### EBITDA, Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit

The following table sets forth a reconciliation of EBITDA, Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit, in addition to EBITDA (pre-IFRS 16), Adjusted EBITDA (pre-IFRS 16) and Adjusted Profit (pre-IFRS 16), to profit on ordinary activities before interest and tax for the periods indicated.

| | 52 weeks ended 26 March 2022 | 52 weeks ended 25 March 2023 | 26 weeks ended 24 September 2022 | 26 weeks ended 23 September 2023 |
|---|---|---|---|---|
| | *£'m* | | | |
| Profit on ordinary activities before interest and tax..... | 613 | 535 | 249 | 275 |
| Add back depreciation and amortisation..... | 227 | 242 | 119 | 124 |
| **EBITDA**(1) ..... | **840** | **777** | **368** | **399** |
| Reverse the fair value impact of derivatives yet to mature..... | (13) | 17 | (28) | (12) |
| Online project costs..... | - | 2 | - | - |
| Foreign exchange on intercompany balances..... | 1 | 0 | 0 | 0 |
| **Adjusted EBITDA** ..... | **828** | **796** | **340** | **387** |
| Depreciation and amortisation..... | (227) | (242) | (119) | (124) |
| **Adjusted Operating Profit**(2)..... | **601** | **554** | **221** | **263** |
| Interest costs related to lease liabilities..... | (59) | (61) | (29) | (32) |

| | | | | |
|---|---|---|---|---|
| Net other finance costs | (29) | (38) | (19) | (21) |
| **Adjusted Profit Before Tax** | **513** | **455** | **173** | **210** |
| Adjusted tax | (101) | (91) | (35) | **(55)** |
| **Adjusted profit for the period** | **412** | **364** | **138** | **155** |
| | | | | |
| **EBITDA** (above) | **840** | **777** | **368** | **399** |
| Remove effects of IFRS 16 on EBITDA | (209) | (223) | (108) | (118) |
| **EBITDA (pre-IFRS 16)**[3] | **631** | **554** | **260** | **281** |
| Adjusting items (above) | (12) | 19 | (28) | (12) |
| **Adjusted EBITDA (pre-IFRS 16)** | **619** | **573** | **232** | **269** |
| Pre-IFRS 16 depreciation and amortisation | (66) | (76) | (35) | (40) |
| Net other finance costs | (29) | (38) | (19) | (21) |
| Adjusted tax | (107) | (93) | (34) | (53) |
| **Adjusted profit for the period (pre-IFRS 16)** | **417** | **366** | **144** | **155** |

(1) EBITDA represents EBITDA represents operating profit before interest, tax, depreciation and amortisation, and including the impact of IFRS 16. EBITDA and related measures are not a measurement of performance or liquidity under IFRS and should not be considered by investors in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS. EBITDA and related measures may not be comparable to similarly titled measures disclosed by other companies, and investors should not use these non-GAAP measures as a substitute for the figures provided in the Financial Statements (incorporated by reference in this Offering Circular).

(2) Adjusted Operating Profit represents statutory profit before interest and tax, adjusted to exclude items that we consider to be unusual, non-trading and/or non-recurring that are not reflective of the underlying performance of the business. These include the fair value impact of derivatives yet to mature, that have not been designated as part of a hedge accounting relationship, and foreign exchange on intercompany balances, which do not relate to underlying trading, and costs incurred in relation to significant projects which are non-recurring and do not relate to underlying trading. Adjusted Operating Profit is not a measure of performance or liquidity under IFRS and should not be considered by investors in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS. Adjusted Operating Profit may not be comparable to similarly titled measures disclosed by other companies, and investors should not use these non-GAAP measures as a substitute for the figures provided in the Financial Statements (incorporated by reference in this Offering Circular).

(3) EBITDA (pre-IFRS 16) represents EBITDA before inclusion of the effects of IFRS 16. EBITDA (pre-IFRS 16) and related measures are not a measurement of performance or liquidity under IFRS and should not be considered by investors in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS. EBITDA (pre-IFRS 16) and related measures may not be comparable to similarly titled measures disclosed by other companies, and investors should not use these non-GAAP measures as a substitute for the figures provided in the Financial Statements (incorporated by reference in this Offering Circular).

## Store data

The following table set outs store data (gross and net) for the Group over the periods indicated.

| | 52 weeks ended 26 March 2022 | 52 weeks ended 25 March 2023 | 26 weeks ended 24 September 2022 | 26 weeks ended 23 September 2023 |
|---|---|---|---|---|
| Number of stores[1] | 1,119 | 1,140 | 1,129 | 1,159 |
| *B&M (UK)* | 701 | 707 | 704 | 712 |
| *Heron Foods (UK)* | 311 | 319 | 314 | 328 |
| *B&M France (France)* | 107 | 114 | 111 | 119 |
| Net new stores[2] | 28 | 21 | 6 | 20 |
| *B&M (UK)* | 20 | 6 | 3 | 5 |
| *Heron Foods (UK)* | 5 | 8 | 3 | 10 |
| *B&M France (France)* | 3 | 7 | 0 | 5 |

(1) Number of stores is the gross number of operating stores at the end of the period indicated (including acquired stores not newly opened).

(2) Net new stores is calculated as the number of new stores opened net of relocations and stores closed.

## Cash Flow Available for Debt Service and Growth

| | 52 weeks ended 26 March 2022 | 52 weeks ended 25 March 2023 | 26 weeks ended 24 September 2022 | 26 weeks ended 23 September 2023 |
|---|---|---|---|---|
| | | *£'m* | | |
| Adjusted EBITDA (pre-IFRS 16) | 619 | 573 | 232 | 269 |
| Change in working capital | (231) | 66 | 41 | (22) |

| | | | | |
|---|---|---|---|---|
| New store capital expenditure | (34) | (33) | (16) | (18) |
| Infrastructure and freehold capital expenditure | (9) | (16) | (7) | (17) |
| Maintenance capital expenditures | (42) | (40) | (22) | (13) |
| **Total net capital expenditures[1]** | **(85)** | **(89)** | **(45)** | **(48)** |
| Income tax (expense) | (108) | (84) | (42) | (58) |
| Other | (6) | 4 | (1) | 3 |
| Cash available for debt service and growth | 189 | 470 | 185 | 144 |

(1) Total net capital expenditures includes capital expenditure on intangible assets and proceeds from the sale of capital.

## RISK FACTORS

*An investment in the Notes involves a high degree of risk. Prospective investors in the Notes should carefully consider the following risks, together with other information provided in, or incorporated by reference into, this Offering Circular, in deciding whether to invest in the Notes. The occurrence of any of the events discussed below could materially adversely affect our business, financial condition or results of operations. If these events occur, the trading prices of the Notes could decline, and we may not be able to pay all or part of the interest or principal on the Notes and you may lose all or part of your investment. Additional risks not currently known to us or that we now deem immaterial could also adversely affect our business, financial condition or results of operations, or our ability to fulfil our obligations under the Notes and affect your investment.*

*This Offering Circular contains "forward-looking" statements that involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include those discussed below and elsewhere in this Offering Circular. Please see "Forward-Looking Statements".*

*This document sets out the risks relating to our financial profile and the Notes. Please refer to the Annual Report and Interim Report incorporated by reference in this Offering Circular, which set out the risks related to our business.*

### Risks Related to Our Financial Profile and the Notes

***Risks relating to indebtedness.***

As of 23 September 2023, our consolidated net debt amounted to £700 million. Subject to certain conditions, we may also incur or guarantee new borrowings. Our level of indebtedness may affect our financing capacity as well as the financial costs thereof. We may be required to devote a significant portion of our cash flow to meet our debt service obligations, which may result in a reduction of funds available to finance our operations, capital expenditures, organic growth initiatives or acquisitions. In particular, our financial expenses may increase in the event of a material increase in interest rates, *inter alia*, in relation to the unhedged portion of our debt. We may therefore be at a disadvantage compared to competitors that do not have a similar level of indebtedness.

***We are subject to contractual obligations which limit our operating and financial flexibility.***

Our ability to meet our obligations, in particular complying with the restrictions and contractual obligations contained in the Existing Senior Facilities Agreement, the Existing Indentures and the Indenture, or to pay interest on our loans, the Existing Notes and the Notes or to refinance or repay our loans or other debt obligations in accordance with the terms of our debt agreements will depend on the future operating performance, which may be affected by a number of factors (general economic conditions, conditions in the debt market, legal and regulatory changes, etc.), some of which are beyond our control. If at any time we have insufficient cash to service our debt, we may be forced to reduce or delay acquisitions or capital expenditures, sell assets, refinance our debt or seek additional funding, which may adversely affect our business or financial condition. We may not be able to refinance our debt or obtain additional financing on acceptable terms.

***We are subject to restrictive covenants which limit our operating and financial flexibility.***

The Existing Senior Facilities Agreement and the Existing Indentures contain, and the Indenture will contain, covenants which impose significant restrictions on the way we can operate, including restrictions on our ability to:

- incur or guarantee additional debt and issue preferred stock;
- make certain payments, including dividends or other distributions;
- make certain loans, investments or acquisitions, including participating in joint ventures;

- prepay or redeem subordinated debt;
- create or incur restrictions on the ability of our subsidiaries to pay dividends or to make other payments to us;
- issue or sell redeemable preferred shares;
- agree to limitations on the ability of our subsidiaries to make distributions;
- sell assets, consolidate or merge with or into other companies;
- sell or transfer all or substantially all of our assets or those of our subsidiaries on a consolidated basis;
- issue or sell share capital of certain subsidiaries; and
- create or incur certain liens.

All of these limitations will be subject to significant exceptions and qualifications. See "*Description of the Notes*" and "*Description of Certain Financing Arrangements*". The covenants to which we are subject could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be in our interest. The restrictions contained in the Existing Senior Facilities Agreement, the Existing Indentures and the Indenture could affect our ability to operate our business and may limit our ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect our ability to finance our operations, make strategic acquisitions, investments or alliances, restructure our organisation or finance our capital needs.

Any future indebtedness may include similar or other restrictive terms. These restrictions could materially and adversely affect our ability to finance our future operations or capital needs or to engage in other business activities or consummate transactions that may be in our best interests.

In addition to limiting our flexibility to operate our business, our failure to comply with the covenants under the Existing Senior Facilities Agreement, the Existing Indentures and the Indenture, including as a result of events beyond our control, could result in an event of default under the terms of our other financing agreements and cause all the debt under these agreements to be accelerated. If this were to occur, it could materially and adversely affect our financial condition and results of operations and we can make no assurance that we would have sufficient assets to repay our debt.

***Changes in taxation may materially and adversely affect our business, financial condition and results of operations.***

Our business and operations are subject to the tax laws and regulations of the countries and markets in which they are organised and in which they operate. Changes in tax laws or regulations, or in the interpretation of these laws or regulations, may have a material adverse effect on our business, financial condition and results of operations. We cannot predict whether any tax laws or regulations impacting corporate taxes will be enacted, what the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations.

In addition, the Organisation for Economic Co-operation and Development (the "**OECD**") has, in conjunction with the G20, undertaken to propose measures to counter Base Erosion and Profit Shifting ("**BEPS**"). As a result of the conclusion of the so-called "BEPS project" in October 2015, an action plan was presented with 15 measures, which provide concrete and actionable recommendations against harmful tax competition and aggressive tax planning of companies involved in cross-border transactions. As part of the BEPS project, new rules have been, or are anticipated to be, introduced in relation to the operation of double tax treaties, interest deductibility, the taxation of payments involving hybrid instruments and entities, and the mandatory disclosure of tax-related information. Further to the BEPS project, the OECD is currently undertaking a new phase of work on tax policy in response to the challenges of the digitalisation of the economy, which has two pillars ("**BEPS 2.0**"). The first pillar focuses on the allocation of taxing rights among jurisdictions for multinational enterprises that meet certain revenue thresholds and profitability and the second pillar focuses on the development of rules that seek to apply a minimum effective tax rate of at least 15% (determined on a jurisdiction by jurisdiction basis) to multinational enterprises that meet certain revenue

thresholds and their cross-border transactions. The rules relating to the first pillar are still in the process of being finalised and the rules relating to the second pillar are currently expected to become effective in participating jurisdictions from 2024. The implementation of BEPS and similar legislation may have a material impact on our business, financial condition and results of operations.

***We may incur substantially more debt in the future, which may make it difficult for us to service our debt, including the Notes, and impair our ability to operate our businesses.***

We may incur substantial additional debt in the future. Although the Existing Senior Facilities Agreement and the Existing Indentures contain, and the Indenture will contain, restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions and, under certain circumstances, the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial and secured. Under the Indenture, in addition to specified permitted indebtedness, we will be able to incur additional unsecured indebtedness so long as our consolidated coverage ratio (as defined in the Indenture) is at least 2.00 to 1.00, and any additional secured indebtedness (which may be secured on a junior priority basis or *pari passu* with the indebtedness securing the Notes, the Existing Notes and the Existing Senior Facilities Agreement) so long as our consolidated secured net leverage ratio (as defined in the Indenture, which, among other things, excludes certain specified permitted indebtedness from the calculation of such ratio) is no more than 3.25 to 1.00. The terms of the Indenture will permit us to incur future debt that may have substantially the same covenants as, or covenants that are more restrictive than, those of the Indenture. Moreover, some of the debt we may incur in the future could be structurally senior to the Notes and may be secured by collateral that does not secure the Notes. In addition, the Indenture, the Existing Indentures and the Existing Senior Facilities Agreement will not prevent us from incurring obligations that do not constitute indebtedness under those agreements. The incurrence of additional debt would increase the leverage-related risks described in this Offering Circular.

***We will require a significant amount of cash to meet our obligations under our indebtedness and to sustain our operations, which we may not be able to generate or raise.***

Our ability to make principal or interest payments when due on our indebtedness, including our obligations under the Notes, and to fund our ongoing operations, depends on our performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in these "*Risk Factors*", many of which are beyond our control.

We cannot assure you that our business will generate sufficient cash flow from operations, that currently anticipated cost savings, revenue growth and operating improvements will be realised or that future debt or equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the Notes, or to fund our other liquidity needs, including the repayment at maturity of the then outstanding amount under the Existing Senior Facilities Agreement and the Existing 2025 Notes, which mature in 2025, and the Existing 2028 Notes, which mature in 2028.

If our future cash flow from operations and other capital resources (including borrowings under the Existing Senior Facilities Agreement) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditures;
- sell assets;
- obtain additional debt or equity capital; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity.

We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on commercially reasonable terms, if at all. At the maturity of the Notes or any other debt which we may incur, if we do not have sufficient cash flows from operations and other capital resources to pay our debt obligations, or to fund our other liquidity needs or we are otherwise restricted from doing so due to corporate, tax or

contractual limitations, we may be required to refinance our indebtedness. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business, financial condition and results of operations. The type, timing and terms of any future financing will depend on our cash needs and the prevailing conditions in the financial markets. If we are unable to refinance all or a portion of our indebtedness or obtain such refinancing on terms acceptable to us, we may be forced to reduce or delay our business activities or capital expenditures, sell assets or raise additional debt or equity financing in amounts that could be substantial. In addition, the terms of the Notes and any future debt may limit our ability to pursue any of these measures.

If we are unable to satisfy our obligations through alternative financing, we may not be able to satisfy our debt obligations, including under the Notes. In that event, borrowings under other debt agreements or instruments that contain cross acceleration or cross default provisions, including the Notes, the Existing Notes and the Existing Senior Facilities Agreement, may become payable on demand, and we may not have sufficient funds to repay all our debts, including the Notes.

***The loans under our Existing Senior Facilities Agreement bear interest at floating rates that could rise significantly, increasing our costs and reducing our cash flow.***

The loans under our Existing Senior Facilities Agreement bear interest at floating rates of interest per annum equal to (a) in relation to advances in euro, EURIBOR (subject to a zero floor), (b) in relation to advances in pound sterling, a compound reference rate based on SONIA (subject to a daily rate zero floor) or (c) in relation to advances in U.S. dollars, SOFR (subject to a daily rate zero floor), as adjusted periodically, plus a margin. Our business is affected by unstable economic conditions. Interest rates are volatile and could rise significantly in the future, with such fluctuations resulting in increased distribution, transport and utility costs for the Group. Although we are permitted to enter into interest rate hedging arrangements in order to mitigate some of the risk associated with fluctuations in these rates, there can be no assurance that hedging will be available on commercially reasonable terms at the relevant time. Under these interest rate agreements, we would be exposed to credit risk in respect of our counterparties. If one or more of our counterparties falls into bankruptcy, claims we have under the hedging agreements may become worthless. In addition, in the event that we refinance our debt or otherwise terminate hedging agreements, we may be required to make termination payments, which would result in a loss. To the extent that interest rates were to increase significantly, our interest expense would correspondingly increase, reducing our cash flow.

***The Issuer and certain of the Guarantors are holding companies that have no revenue generating operations of their own and will depend on cash from the operating companies of the Group to be able to make payments on the Notes or the Guarantees.***

The Issuer and certain of the Guarantors are holding companies with no business operations and no assets other than inter-company receivables and the equity interests they hold in each of their subsidiaries. These entities will, therefore, be dependent upon the cash flow from the operating subsidiaries of the Group in the form of dividends, interest payments on inter-company loans or other distributions or payments to meet their obligations, including their obligations under the Notes and the Guarantees, as well as under the Existing Senior Facilities Agreement and the Existing Indentures. The obligations of the subsidiaries of the Issuer under inter-company loans will be subordinated in right of payment to certain existing and future senior indebtedness of such subsidiaries, including obligations under the Existing Senior Facilities Agreement and the Existing Notes. If the subsidiaries of the Issuer do not fulfil their obligations under the inter-company loans and do not distribute cash to the Issuer to make scheduled payments on the Notes, the Issuer will not have any other source of funds that would allow it to make payments to the holders of the Notes. The amounts of dividends and distributions available to the Issuer and the holding company Guarantors will depend on the profitability and cash flows of the operating companies within the Group. The subsidiaries of the Issuer may not, however, be able to, or may not be permitted under applicable law to make dividends, distributions or otherwise make upstream payments or advance upstream loans to their shareholders (including the Issuer and the holding company Guarantors) to make payments in respect of our indebtedness, including the Notes and the Guarantees.

***The Notes will be structurally subordinated to the liabilities of Non-Guarantor Subsidiaries.***

Not all of our subsidiaries will guarantee the Notes and our subsidiaries do not have any obligations to pay amounts due under the Notes or to make funds available for that purpose unless they guarantee the Notes. Generally, holders of indebtedness of, and trade creditors of, any of the Non-Guarantor Subsidiaries, including lenders under bank financing agreements, are entitled to payment of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer or any Guarantor, as a direct or indirect shareholder.

Accordingly, in the event that any Non-Guarantor Subsidiary becomes insolvent, is liquidated, reorganised or dissolved or is otherwise wound up other than as part of a solvent transaction:

- the creditors of the Issuer (including the holders of the Notes) and the Guarantors will have no right to proceed against the assets of such Non-Guarantor Subsidiary; and
- the creditors of such Non-Guarantor Subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before the Issuer or any Guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such Non-Guarantor Subsidiary.

As such, the Notes and each Guarantee will be structurally subordinated to the creditors (including trade creditors) and any preferred stockholders of our Non-Guarantor Subsidiaries. As of 23 September 2023, the Non-Guarantor Subsidiaries had 10.7% on a post-IFRS 16 basis (7.0% on a pre-IFRS 16 basis) of the Group's total liabilities on a consolidated basis. Any of the debt that our Non-Guarantor Subsidiaries incur in the future in accordance with the Indenture will rank structurally senior to the Notes and the Guarantees.

***We may not be able to finance a change of control offer and the occurrence of certain important corporate events will not constitute a change of control.***

The Indenture will require us to make an offer to repurchase all outstanding Notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to (but excluding) the date of repurchase upon the occurrence of certain events constituting a change of control. Additionally, a change of control under the Existing Senior Facilities Agreement (which includes a different definition of change of control), unless waived by the lenders, would permit any lender under the Existing Senior Facilities Agreement to elect to cancel its commitments thereunder and the participation of that lender in all amounts outstanding under the Existing Senior Facilities Agreement would become immediately due and payable together with accrued and unpaid interest and all other amounts due to that lender that are accrued and unpaid. Similarly, a change of control under the Existing Indentures would require us to make an offer to repurchase all outstanding Existing Notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to (but excluding) the date of repurchase. The source of funds for any repurchase required as a result of any such event would be available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by our subsidiaries. Sufficient funds may not be available at the time of any such events to make any required repurchases of the Notes tendered and we may not be able to secure access to enough cash to finance the required repurchases of the Notes tendered. Our failure to effect a change of control offer when required would constitute an event of default under the Indenture, which would, in turn, constitute a default under the Existing Senior Facilities Agreement. See "*Description of the Notes—Change of Control*". In addition, a change of control could constitute a default under our other indebtedness.

The change of control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events that might adversely affect the value of the Notes (including certain reorganisations, restructurings, mergers or other similar transactions) because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "change of control" as defined in the Indenture. Except as described under "*Description of the Notes—Change of Control"*, the Indenture will not contain provisions that require us to offer to repurchase or redeem the Notes in the event of a reorganisation, restructuring, merger, recapitalisation or similar transaction.

The definition of "change of control" contained in the Indenture includes a disposition of all or substantially all of the assets of the Issuer and the restricted group taken as whole to any person. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Issuer and its restricted subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

***You may face foreign exchange risks by investing in the Notes.***

The Notes are denominated and payable in pounds sterling. If you measure their investment returns by reference to a currency other than pounds sterling, an investment in the Notes will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the pounds sterling relative to the currency by reference to which such investors measure the return on their investments. These changes may be due to economic, political and other factors over which we have no control. Depreciation of the pounds sterling against the currency by reference to which such investors measure the return on their investments could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to investors when the return on the Notes is translated into the currency by reference to which such investors measure the return on their investments.

***Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.***

One or more independent credit rating agencies may assign credit ratings to the Notes. The credit ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed in these "*Risk Factors*" and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the Notes.

***There are circumstances other than repayment or discharge of the Notes under which the Collateral securing the Notes or the Guarantees will be released automatically without your consent or the consent of the Trustee.***

Under various circumstances, the Collateral securing the Notes and the Guarantees will be released automatically, including, but not limited to:

- upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture, as provided under "*Description of the Notes—Defeasance*" and "*—Satisfaction and Discharge*";
- as described under "*Description of the Notes—Amendments and Waivers*" and "*Description of the Notes—Certain Covenants—Limitation on Liens*";
- automatically, if the lien granted in favour of the Existing Senior Facilities Agreement or such other Indebtedness that gave rise to the obligation to grant the lien over such Collateral is released (other than pursuant to the repayment and discharge thereof);
- as provided for under the Intercreditor Agreement, including in accordance with certain enforcement actions taken by the creditors under certain of our secured Indebtedness in accordance with the Intercreditor Agreement or any Additional Intercreditor Agreement;
- in the case of property and assets and capital stock of a Guarantor, to the extent such Guarantor is released from its Note Guarantee pursuant to the terms of the Indenture;

- to the extent permitted in accordance with the covenant described under the caption "*Description of the Notes—Certain Covenants—Impairment of Security Interest*" below;
- in connection with any asset sale or disposition or transfer of assets to a person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary, if the sale or other disposition does not violate the covenant described under the caption "*Description of the Notes—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*"; or
- as otherwise permitted under the Indenture.

In addition, under various circumstances, Guarantees will be released automatically, including, but not limited to:

- upon a sale or other disposition (including by way of consolidation or merger) of ownership interests in such Guarantor (whether by direct sale or sale of a holding company) such that such Guarantor does not remain a Restricted Subsidiary or the sale or disposition of all or substantially all the assets of such Guarantor (in each case, other than to the Issuer or a Restricted Subsidiary) in accordance with the terms of the Indenture (including, but not limited to, the covenants described under the caption "*Description of the Notes—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*");
- if the Issuer designates any Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary (as defined in "*Description of the Notes*") in accordance with the applicable provisions of the Indenture;
- upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided under "*Description of the Notes—Defeasance*" and "*Description of the Notes—Satisfaction and Discharge*";
- in connection with certain enforcement actions taken by the creditors under certain of our secured Indebtedness in accordance with the Intercreditor Agreement or any Additional Intercreditor Agreement;
- as described under "*Description of the Notes—Amendments and Waivers*";
- as a result of a transaction permitted by "*Description of the Notes—Merger and Consolidation*"; or
- upon the release of the Guarantor's guarantee under any Indebtedness that triggered such Guarantor's obligation to guarantee the Notes under the covenant described in "*Description of the Notes—Certain Covenants—Future Guarantors*".

See "*Description of Certain Financing Arrangements—Intercreditor Agreement*" and "*Description of the Notes*".

***The courts having jurisdiction to commence insolvency or similar proceedings with respect to the Issuer and the Guarantors may not be the courts within the territory of which the Issuer and the Guarantors have their respective registered offices. The bankruptcy and insolvency laws of England and Wales or Luxembourg may not be as favourable as the bankruptcy and insolvency laws in other jurisdictions with which you may be familiar.***

The Issuer's obligations under the Notes will be guaranteed by the Guarantors. The Issuer and certain of the Guarantors are incorporated in Luxembourg, and other Guarantors are incorporated under the laws of England and Wales. In addition, the Notes will be secured by security interests over property, rights and assets located in England and Wales and Luxembourg. In relation to the Issuer and the Guarantors incorporated in Luxembourg, any insolvency proceedings applicable to such a company are in principle governed by Luxembourg law. The insolvency laws of Luxembourg may not be as favourable to your interests as creditors as the laws of the United States or other jurisdictions with which you may be familiar.

In relation to the Guarantors incorporated under the laws of England and Wales only, in the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in England and Wales or any other relevant jurisdiction, and your rights under the Notes, the Guarantees and the Collateral would likely be subject to the insolvency laws of England and Wales, as well as any other applicable jurisdiction, and there can be no

assurance that you will be able enforce your rights effectively in such complex, multiple bankruptcy, insolvency or other proceedings.

In addition, the bankruptcy, insolvency, administrative and other laws of the Issuer's and of the Guarantors' jurisdictions of incorporation may be materially different from, or in conflict with, each other and those of the United States, including in the areas of the rights of creditors, the priority of governmental and other creditors, the ability to obtain post-petition interest and the duration of the proceeding.

The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes and Guarantees in these jurisdictions or limit any amounts that you may receive. See "*Limitation on the Validity and Enforceability of Guarantees and the Collateral and Certain Insolvency Law Considerations*" with respect to certain of the jurisdictions listed above.

***Certain covenants may be suspended upon the occurrence of a change in the Group's ratings.***

The Indenture will provide that, if at any time following the date of the Indenture, the Notes receive a rating of Baa3 or better by Moody's and a rating of BBB- or better by S&P and no default has occurred and is continuing under the Indenture, then beginning that day and continuing until such time, if any, at which such Notes cease to have such ratings, certain covenants will cease to be applicable to such Notes. See "*Description of the Notes—Certain Covenants—Suspension of Covenants on Achievement of Investment Grade Status*". If these covenants were to cease to be applicable, the Group would be able to incur additional debt or make payments, including dividends or investments, which may conflict with the interests of holders of the Notes. There can be no assurance that the Notes will ever achieve an investment grade rating or that any such rating will be maintained.

***The granting of the security interests in connection with the issuance of the Notes or the incurrence of permitted debt in the future may create or restart hardening periods.***

The granting of security interests to secure the Notes and the Guarantees may create hardening periods for such security interests in certain jurisdictions. The granting of a shared security interest to secure future indebtedness may restart or reopen hardening periods in certain jurisdictions, in particular, as the Indenture will permit the release and retaking of security granted in favour of the Notes in certain circumstances including in connection with the incurrence of future indebtedness. The applicable hardening period may run from the moment such new security is amended, granted or perfected. If the security interest granted were to be enforced before the end of the respective hardening period applicable in such jurisdiction, it may be declared void or ineffective and/or it may not be possible to enforce it. If the grantor of such security interest were to become subject to a bankruptcy or winding up proceeding after the Issue Date, any security interest in Collateral delivered after the Issue Date would face a greater risk than security interests in place on the similar authority, or otherwise set aside by a court, as a preference under insolvency law. To the extent that the grant of any security interest is voided, holders of the Notes would lose the benefit of the security interest. See "*Limitations on Validity and Enforceability of Guarantees and Security and Certain Insolvency Law Considerations*". The same rights and risks also will apply with respect to future security interests granted in connection with the accession of further subsidiaries as additional Guarantors and the granting of security interests over their relevant assets and equity interests for the benefit of holders of the Notes. See "*Description of the Notes—Security*."

***Each Guarantee and security interest will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defences that may limit its validity and enforceability.***

Each Guarantee will provide the holders of the Notes with a direct claim against the relevant Guarantor. In addition, the Issuer and the Guarantors will secure the payment of the Notes and the Guarantees by granting security under the relevant Security Documents. However, the Indenture may provide that each Guarantee will be limited to the maximum amount that may be guaranteed by the relevant Guarantor without, among other things, rendering the relevant Guarantee, as it relates to that Guarantor, voidable or otherwise ineffective or limited under applicable law or causing the officers of the Guarantor to incur personal civil or criminal liability, and enforcement of each such Guarantee would be subject to certain generally available defences and laws,

and each security interest granted under a Security Document will be limited in scope to the value of the relevant assets expressed to be subject to that security interest. These laws and defences include those that relate to corporate benefit and uncommercial transactions, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally. For further information, please see "*Limitations on Validity and Enforceability of the Guarantees and Security and Certain Insolvency Law Considerations*."

Under bankruptcy, insolvency, fraudulent conveyance or transfer and other laws in England and Wales, Guarantees and security interests can be challenged and a court could (i) declare unenforceable against third parties (including the beneficiaries thereof) and/or void any legal act performed by a Guarantor (including, without limitation, the granting by it of the Guarantees or the security interests granted under the Security Documents), (ii) require, if payment had already been made under a Guarantee or enforcement proceeds applied under a Security Document, that the recipient (and possibly, subsequent transferees thereof) return the payment to the relevant Guarantor and (iii) take other action that is detrimental to you, typically if the court found, *inter alia*, that:

- the relevant Guarantee or security interest under a Security Document was incurred with actual intent to give preference to one creditor over another, hinder, delay or defraud any present or future creditors or shareholders of the Guarantor or, when the granting of the Guarantee has the effect of giving a creditor a preference over another when the Guarantors contemplated filing for insolvency or the Guarantors subsequently entered an insolvency process or when the recipient was aware that the Guarantor was insolvent or it would be rendered insolvent when it granted the relevant Guarantee or security interest;
- the Guarantor did not receive fair consideration or consideration of equivalent value in money or money's worth or corporate benefit for the relevant Guarantee or security interests and the Guarantor was: (i) insolvent or rendered insolvent because of the relevant Guarantee or security interest; (ii) undercapitalised or became undercapitalised because of the relevant Guarantee or Security Document; or (iii) intended to incur, or believed that it would incur, indebtedness beyond its ability to pay at maturity;
- the Guarantor incurred debts beyond its ability to pay those debts as they mature;
- the relevant Guarantees or Security Documents were held to exceed the corporate objects of the Guarantor or not to be in the best interests or for the corporate benefit of the Guarantor; or
- the amount paid or payable under the relevant Guarantee was in excess of the maximum amount permitted under applicable law.

These or similar laws may also apply to any future guarantee granted by any of our subsidiaries pursuant to the Indenture. Limitations on the enforceability of judgments obtained in New York courts could limit the enforceability of any Guarantee against any Guarantor.

For further information, please see "*Limitations on Validity and Enforceability of the Guarantees and Security and Certain Insolvency Law Considerations*."

***Under the Intercreditor Agreement, the holders of the Notes are required to share recovery proceeds with other secured creditors, and are subject to certain limitations on their ability to enforce the Security Interests.***

The Trustee under the Indenture will accede to the Intercreditor Agreement with, among others, the agent under the Existing Senior Facilities Agreement and the Security Agent on 13 July 2020. Other creditors may become parties to the Intercreditor Agreement or we may enter into additional intercreditor agreements in the future. Among other things, the Intercreditor Agreement governs the enforcement of the Security Interests, the sharing in any recoveries from such enforcement and the release of the Collateral by the Security Agent.

With respect to the validity and enforceability under Luxembourg law of subordination provisions, Luxembourg counsels are of the view that the Luxembourg courts would, in order to assess the validity and

enforceability of contractual subordination provisions, in principle turn to Luxembourg legal doctrine and case law that admit the validity and enforceability of a provision whereby a party agrees to subordinate its claim to that of another creditor, but may not be enforceable against third parties which are not party to the relevant agreement. The treatment of turnover provisions in intercreditor arrangements in Luxembourg law has not been tested before Luxembourg courts. It is possible that a turnover provision (to which a Luxembourg entity is a party) will be characterised as a mere contractual mechanism (unless it takes the form of a Luxembourg security right effective in the insolvency of a junior creditor). Where a junior creditor has been paid in priority over a senior creditor, it is uncertain whether a senior creditor can claw back these amounts in the bankruptcy of a junior creditor.

The Notes will be secured by the same Collateral that secures on a *pari passu* basis our obligations under the Existing Senior Facilities Agreement and the Existing Notes, and that will secure certain hedging obligations and certain other Indebtedness that we may incur in the future in accordance with the terms of the Indenture and the Intercreditor Agreement.

The Intercreditor Agreement provides that a common security agent will serve as the Security Agent for secured parties under the Existing Senior Facilities Agreement, the Existing Notes and the Notes and hedging arrangements with respect to the shared collateral. Subject to certain limited exceptions, the Security Agent will act with respect to such collateral only at the direction of our senior secured creditors holding a simple majority of the aggregate principal amount of our senior secured debt that is subject to the Intercreditor Agreement (including, for this purpose, both drawn and undrawn uncancelled commitments under our Existing Senior Facilities Agreement, debt in respect of certain hedging obligations and debt under the Notes and the Existing Notes). The holders of the Notes will not have separate rights to enforce the collateral. As a result, the holders of the Notes will not be able to instruct the Security Agent, force a sale of collateral or otherwise independently pursue the remedies of a secured creditor under the relevant Security Documents unless the aggregate principal amount of Notes held by such holders exceeds 50% of the aggregate principal amount of the total senior secured debt (as calculated above), or before holders of Notes themselves.

Disputes may occur between the holders of the Notes, holders of the Existing Notes and creditors under our Existing Senior Facilities Agreement as to the appropriate manner of pursuing enforcement remedies and strategies with respect to the Collateral. In such an event, the holders of the Notes will be bound by any decision of the instructing group, which may result in enforcement action in respect of the Collateral, whether or not such action is approved by the holders of the Notes or may be adverse to such holders. The creditors under our Existing Senior Facilities Agreement and/or holders of the Existing Notes may have interests that are different from the interests of holders of the Notes and they may elect to pursue their remedies under the relevant Security Documents at a time when it would otherwise be disadvantageous for the holders of the Notes to do so.

The Intercreditor Agreement provides that any proceeds from an enforcement of security which is available to satisfy the obligations under the Notes will be paid *pro rata* in repayment of the Notes and any other obligations secured by the Collateral on a *pari passu* basis. The Intercreditor Agreement provides that the Security Agent may release certain Collateral in connection with sales of assets pursuant to a permitted disposal or enforcement sale and in other circumstances permitted by the Indenture and the Existing Senior Facilities Agreement. Therefore, such collateral available to secure the Notes could be reduced in connection with the sales of assets or otherwise, subject to the requirements of the financing documents and the Indenture.

Certain additional amounts will be available for additional borrowing under the Existing Senior Facilities Agreement by way of incremental facilities (subject to the fulfilment of certain conditions thereunder). In addition, the Indenture, the Existing Indentures and the Existing Senior Facilities Agreement will permit us, in compliance with the covenants in those agreements, to incur significant additional indebtedness secured by liens on the Collateral. Our ability to incur additional debt in the future secured on the Collateral may have the effect of diluting the ratio of the value of such Collateral to the aggregate amount of the obligations secured by the Collateral. As a result, holders of Notes may receive less than holders of other secured indebtedness. The granting of a shared security interest to secure future indebtedness may restart or reopen hardening periods in certain jurisdictions. The applicable hardening period may run from the moment such new security is amended, granted or perfected. If the security interest granted were to be enforced before the end of the respective hardening period applicable in such jurisdiction, it may be declared void or ineffective and/or it may

not be possible to enforce it. Please see "*Limitations on Validity and Enforceability of Guarantees and Security and Certain Insolvency Considerations*".

***Enforcing your rights as a holder of the Notes or under the Guarantees or the Collateral across multiple jurisdictions may prove difficult.***

The Issuer is organised under the laws of Luxembourg and each of the Guarantors are organised under the laws of England and Wales or Luxembourg; the Collateral will include pledges over all of the issued share capital of each Guarantor, fixed and floating charges over substantially all of the Guarantors' and the Issuer's property and assets of the Guarantors and the Issuer in England pursuant to the English law debentures and pledges over certain bank accounts in Luxembourg of the Luxembourg Guarantors and the Issuer. In the event of bankruptcy, insolvency, administration or similar event, proceedings could be initiated in England and Wales or Luxembourg. Your rights under the Notes, the Guarantees and the Collateral are likely to be subject to insolvency laws of England and Wales or Luxembourg and there can be no assurance that you will be able to effectively enforce your rights in such complex proceedings. See "*Limitations on Validity and Enforceability of Guarantees and Security and Certain Insolvency Law Considerations*". In addition, the multi-jurisdictional nature of enforcement over the Collateral may limit the realisable value of the Collateral.

The insolvency, administration and other laws of the jurisdiction of organisation of England and Wales or Luxembourg may be materially different from, or conflict with, each other and with the laws of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest, the duration of proceeding and preference periods. The application of these laws, and any conflict between them, could call into question whether, and to what extent, the laws of any particular jurisdiction should apply, adversely affect your ability to enforce your rights under the Guarantees and the Security Documents in these jurisdictions or limit any amounts that you may receive.

***The Notes are secured only to the extent of the value of the Collateral that has been granted as security for the Notes and future secured indebtedness may be secured by certain assets that do not secure the Notes.***

The Notes are secured only to the extent of the value of the Collateral described in this Offering Circular. See "*Description of the Notes—Security*". Not all of our assets secure the Notes, and the Indenture allows the Issuer and its restricted subsidiaries to secure any future senior secured indebtedness (as defined in the Indenture) permitted to be incurred under the Indenture (which may be structurally senior to the Notes and the Guarantees) with the property and assets of the restricted subsidiaries that do not secure the Notes. The value of such assets and property could be significant. If there is an event of default and to the extent that the claims of the holders of the Notes exceed the value of the Collateral securing the Notes and other obligations, those claims will rank equally with the claims of the holders of all other existing and future senior unsecured indebtedness ranking *pari passu* with the Notes and the Guarantees.

While the Indenture creates certain obligations to provide additional guarantees and grant additional security over assets, or a particular class of assets, whether as a result of the acquisition or creation of future assets or subsidiaries, the designation of an unrestricted subsidiary as a restricted subsidiary or otherwise, such obligations are subject to certain agreed security principles. The agreed security principles set forth in the Existing Senior Facilities Agreement set out a number of limitations on the rights of the holders of the Notes to be granted security in certain circumstances. The operation of the agreed security principles may result in, among other things, the amount recoverable under any Collateral provided being limited or security not being granted over a particular type or class of assets. Accordingly, the agreed security principles may affect the value of the security provided by the Issuer and the Guarantors.

***The value of the Collateral may not be sufficient to satisfy our obligations under the Notes and such Collateral may be reduced or diluted under certain circumstances.***

The Notes will be secured by the Collateral. If we default on the Notes, holders of the Notes will be secured only to the extent of the value of the assets underlying the security interests granted in favour of holders of the Notes. There is no guarantee that the value of the Collateral on the issue of the Notes or subsequently will be sufficient to enable the Issuer to perform its obligations under the Notes. There is no requirement to provide

funds to enhance the value of the Collateral if it is insufficient. In the event of an enforcement of the pledges in respect of the Notes, the proceeds from the sale of the assets underlying the pledges may not be sufficient to satisfy the Issuer's obligations with respect to the Notes.

No appraisals of the Collateral have been prepared by or on behalf of the Issuer or the Guarantors in connection with the issue of the Notes. The amount of proceeds realised upon the enforcement of the security interests over the Collateral or in the event of liquidation will depend upon many factors, including, among others, whether or not our business is sold as a going concern, the jurisdiction in which the enforcement action or sale is completed, the ability to readily liquidate the Collateral, the availability of buyers and the condition of the Collateral and exchange rates. Further, there may not be any buyer willing and able to purchase our business as a going concern, or willing to buy a significant portion of its assets in the event of an enforcement action.

By its nature, some or all of the Collateral may not have a readily ascertainable market value or may not be saleable or, if saleable, there may be substantial delays in its disposal. To the extent that liens, security interests and other rights granted to other parties encumber assets owned by the Issuer or the Guarantors, those parties have or may exercise rights and remedies with respect to the property subject to their liens, security interests or other rights that could adversely affect the value of that Collateral and the ability of the Trustee or investors as holders of the Notes to realise or enforce that Collateral. If the proceeds of any sale of Collateral are not sufficient to repay all amounts due on the Notes or the Guarantees, investors (to the extent not repaid from the proceeds of the sale of the Collateral) would have only an unsecured claim against the Issuer's and the Guarantors' remaining assets. Each of these factors or any challenge to the validity of the Collateral or the Intercreditor Agreement governing our creditors' rights could reduce the proceeds realised upon enforcement of the Collateral. In addition, there can be no assurance that the Collateral could be sold in a timely manner, if at all. For instance, the shares and other Collateral that are pledged or assigned for the benefit of the holders of the Notes may provide for only limited repayment of the Notes, in part because most of these shares and inter-company loan receivables may not be liquid and their value to other parties may be less than their value to us. Likewise, we cannot assure you that the Collateral will be saleable or, if saleable, that there will not be substantial delays in the liquidation thereof.

The Indenture also allows incurrence of certain additional permitted debt in the future that is secured by the Collateral on a *pari passu* basis. See "*Description of the Notes—Certain Covenants—Limitation on Liens*" and the definition of Permanent Collateral Liens as defined in "*Description of the Notes—Certain Definitions*". The incurrence of any additional debt secured by the Collateral would reduce amounts payable to investors from the proceeds of any sale of the Collateral. The value of the Collateral and the amount to be received upon a sale of such Collateral will depend upon many factors including, among others, the ability to sell the Collateral in an orderly sale, the availability of buyers and other factors. The book value of the Collateral should not be relied on as a measure of realisable value for such assets. Portions of the Collateral may be illiquid and may have no readily ascertainable market value. In the event of an enforcement of the liens in respect of the Notes, the proceeds from the sale of the Collateral may not be sufficient to satisfy the Issuer's obligations under the Notes.

To the extent that other first priority security interests, pre-existing liens, liens permitted under the Indenture and other rights encumber the Collateral securing the Notes, those parties may have or may exercise rights and remedies with respect to the Collateral that could adversely affect the value of the security and the ability of the security trustee to realise or foreclose on the security.

The Indenture also permits the granting of certain liens other than those in favour of the holders of the Notes on the Collateral. To the extent that holders of other secured indebtedness or third parties enjoy liens, including statutory liens, whether or not permitted by the Indenture or the Security Documents, such holders or third parties may have rights and remedies with respect to the Collateral that, if exercised, could reduce the proceeds available to satisfy our obligations under the Notes. Moreover, if we issue additional notes under the Indenture, holders of such additional notes would benefit from the same collateral as the holders of the Notes offered hereby, thereby diluting your ability to benefit from the liens on the Collateral.

***It may be difficult to realise the value of the Collateral securing the Notes.***

The Collateral securing the Notes is subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the Indenture and the Intercreditor Agreement and accepted by other creditors that have the benefit of first-priority security interests in the Collateral from time to time, whether on or after the date the Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral securing the Notes as well as the ability of the Security Agent to realise or foreclose on such security. Furthermore, the first-priority security interests can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or re-characterisation under English law.

The security interests of the Security Agent are subject to practical problems generally associated with the realisation of security interests over real or personal property such as the Collateral. For example, the Security Agent may need to obtain the consent of a third party to enforce a security interest. We cannot assure you that the Security Agent will be able to obtain any such consents or that such consents will be given when required. Accordingly, the Security Agent may not have the ability to foreclose upon security and the value of the security may significantly decrease.

Certain of our material contracts terminate or may be terminated by the counterparties thereto upon the occurrence of certain insolvency events. If we, the holders of the Notes, the Trustee or any other party causes such an insolvency event, we would lose our rights under those contracts, which represent a material percentage of our expected turnover and a substantial portion of our property portfolio. As a consequence, the alternative methods available to the holders of the Notes for enforcing the security interests in the Collateral in certain of our material contracts may be limited.

***The rights of the holders of the Notes may be adversely affected by the failure to perfect security interests in the Collateral and the granting of the security interest in the Collateral may be subject to hardening periods for such security interests in accordance with law.***

Under applicable law, a security interest in certain tangible and intangible assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party or the grantor of the security.

The liens on the Collateral may not be perfected with respect to the Notes and the Guarantees if we or the Security Agent are not able to or do not take the actions necessary to perfect any such liens. Such failure may result in the invalidity of the relevant security interest in the Collateral securing the Notes and the Guarantees or adversely affect the priority of such security interest in favour of the Notes and the Guarantees against third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same Collateral. Neither the Trustee nor the Security Agent will have an obligation to monitor the acquisition of additional property or rights that constitute Collateral or take any action in relation to the perfection of any security interest therein.

Additionally, the Indenture and the Security Documents entered into in connection with the Notes will not require us to take actions that might improve the perfection or priority of the liens of the Security Agent in the Collateral. To the extent that the security interests created by the Security Documents with respect to any Collateral are not perfected, the Security Agent's rights will be equal to the rights of general unsecured creditors in the event of a liquidation, foreclosure, bankruptcy, reorganisation or similar proceeding.

The granting of security interests in connection with the issuance of the Notes may be subject to hardening periods for such security interests. The applicable hardening period for these new security interests will run as from the moment each new security interest has been granted, perfected or recreated, depending on the applicable laws. At each time, if the security interest granted, perfected or recreated were to be enforced before the end of the respective hardening period applicable in such jurisdiction, it may be declared void, it may be deemed ineffective towards the bankruptcy estate and/or it may not be possible to enforce it. In addition, the granting of a shared security interest to secure future indebtedness may restart or reopen hardening periods and the aforementioned limitations may apply.

***Transfer of the Notes is restricted, which may adversely affect their liquidity and value.***

The Notes and the Guarantees have not been, will not be, and are not required to be, registered under the Securities Act or the securities laws of any other jurisdiction, they may not be offered or sold in the United States except in offshore transactions in accordance with Regulation S or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and all other applicable laws. These restrictions may limit the ability of investors to resell the Notes. We have not agreed to or otherwise undertaken to register the Notes with the U.S. Securities and Exchange Commission (including by way of an exchange offer). It is the obligation of investors in the Notes to ensure that all offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See "*Notice to Investors*".

***The Notes will initially be held in book-entry form through Euroclear and Clearstream and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.***

Interests in the global notes representing the Notes trade in book-entry form only, and the Notes in definitive registered form, or definitive registered Notes, can be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests are not considered owners or holders of the Notes. The common depositary, or its nominee, for Euroclear and Clearstream is the sole registered holder of the global notes representing the Notes. Payments of principal, interest and other amounts owing on or in respect of the global notes representing the Notes are made to the Paying Agent, which makes payments to Euroclear and Clearstream. Thereafter, these payments are credited to participants' accounts that hold book-entry interests in the global notes representing the Notes and credited by such participants to indirect participants. After payment to the common depositary for Euroclear and Clearstream, the Issuer, as applicable, has no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear and Clearstream, and if you are not a participant in Euroclear and Clearstream, you must rely on the procedures of the participant through which you own their interest, to exercise any rights and obligations of a holder of the Notes under the Indenture.

Unlike the holders of the Notes themselves, owners of book-entry interests do not have the direct right to act upon the solicitations for consents of the Issuer, as applicable, requests for waivers or other actions from holders of the Notes. Instead, if you own a book-entry interest, you are permitted to act only to the extent you have received appropriate proxies to do so from Euroclear and Clearstream or, if applicable, a participant. The procedures implemented for the granting of such proxies may not be sufficient to enable such investor to vote on a timely basis.

Similarly, upon the occurrence of an event of default under the Indenture, unless and until definitive registered Notes are issued in respect of all book-entry interests, if you own book-entry interests, they are restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes. See "*Book-Entry; Delivery and Form*".

***The Notes may not become, or remain, listed on the LuxSE, and there may not be an active trading market for the Notes, and the trading price of the Notes may be volatile, in which case your ability to sell the Notes will be limited.***

Although the Issuer will, in the Indenture, agree to use its commercially reasonable efforts to have the Notes listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market, and to maintain a listing on that or another internationally recognised stock exchange or admission to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange as long as the Notes are outstanding, the Issuer cannot assure you that the Notes will become, or remain listed. Although no assurance is made as to the liquidity of the Notes as a result of their listing on the Official List of the LuxSE and their admission to trading on the Euro MTF Market or another internationally recognised stock exchange or multilateral trading facility operated by an EEA-regulated recognised stock exchange, failure to be approved for listing or the delisting of the Notes from the Official List of the LuxSE or another stock exchange or failure to be admitted to trading or removal from admission to trading on a multilateral trading facility operated by an EEA-regulated

recognised stock exchange may have a material adverse effect on a holder's ability to resell Notes in the secondary market.

We cannot assure you that the Notes will become or will remain listed. In addition, we cannot assure you as to the liquidity of any market for the Notes, your ability to sell them or the price at which you may be able to sell them.

The Issuer, together with its affiliates, reserves the right, to the extent permitted by applicable law, to acquire the Notes, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise. Such purchases may be on such terms and at such prices as the Issuer may determine. This could affect the trading market of the Notes.

Generally, future trading prices of the Notes depend on a number of factors, including, among other things, prevailing interest rates, the market for similar securities, general economic conditions and our own financial condition, performance and prospects. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities. Historically, the market for non-investment grade securities, such as the Notes, has been subject to disruptions that have caused substantial price volatility. We cannot assure you that if a market for the Notes were to develop, such a market would not be subject to similar disruptions, which may have a negative effect on you, as a holder of Notes, regardless of our prospects and financial performance. In addition, SSA is (subject to, *inter alia*, receipt by the Issuer of the sponsor confirmation that the terms of the proposed transactions are fair and reasonable as far as shareholders of the Issuer are concerned as required by Listing Rule 11.1.10R of the Listing Rules, (i) to purchase from the Initial Purchasers £30 million in aggregate principal amount of the Notes in the Offering, and the Initial Purchasers are (subject to, *inter alia*, receipt by the Issuer of such sponsor confirmation) to sell £30 million in aggregate principal amount of the Notes in the Offering to SSA and (ii) to tender at least £30 million in aggregate principal amount of the Existing 2025 Notes held by SSA in the Tender Offer. Subject to the completion of the above mentioned intended acquisition by SSA of £30 million principal amount of the Notes in the Offering, SSA have also agreed, for a period of six months from the date of such acquisition, not to directly or indirectly sell, contract to sell or otherwise dispose of any of the Notes acquired by SSA, except with the prior written consent of HSBC Bank plc, BNP Paribas and BofA Securities Europe SA. These arrangments could impact the liquidity and trading of the Notes. As a result, we cannot assure you that an active trading market for the Notes will develop or, if one does develop, that it will be maintained. If there is no active trading market, you may not be able to resell your Notes at a fair value, if at all.

***Payments of interest on the Notes may be subject to UK withholding tax unless an exemption is available.***

There is a risk that interest on the Notes may be regarded as having a UK source and, as such, payments of interest on the Notes may be subject to UK withholding tax, unless an exemption is available under UK domestic law or an applicable double tax treaty. In view of the fact that the Notes will be officially listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market, which is a "recognised stock exchange" for the purposes of UK domestic law, under current law the quoted Eurobond exemption should apply so that, even if the Notes are regarded as having a UK source, interest payments on the Notes may be made without deduction or withholding for or on account of UK tax. In the event that the Notes are no longer determined to be listed on a "recognised stock exchange" or admitted to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange for the purposes of UK domestic law, other exemptions may be available. If any withholding or deduction on account of UK tax is required to be made (see *"Certain Tax Considerations—Certain United Kingdom Tax Considerations—Payments on the Notes—Withholding Tax"*), the Issuer or the Guarantors (as the case may be) will generally be obliged, except in certain circumstances (see "*Description of the Notes—Additional Amounts*"), to pay such additional amounts so as to result in the receipt by the holders of the Notes of such amounts as would have been received by them if no such withholding or deduction had been required.

There can be no assurance that the quoted Eurobond exemption will continue to apply to payments of interest on the Notes, or that individual holders will be entitled to additional amounts under the Description of the Notes in the event that any UK withholding tax becomes applicable to payments of interest on the Notes.

## USE OF PROCEEDS

We estimate that the gross proceeds from the Offering will be approximately £250 million. We expect to use the gross proceeds of the Offering to purchase up to £250 million in aggregate principal amount of the Existing 2025 Notes in the Tender Offer, for general corporate purposes and to pay fees and expenses incurred in connection with the Transactions. We will also pay an accrued interest payment corresponding to accrued and unpaid interest on the Existing 2025 Notes from (and including) the immediately preceding interest payment date for the Existing 2025 Notes up to (but excluding) the relevant settlement date to all noteholders whose Existing 2025 Notes have been validly tendered (and not validly withdrawn) and accepted for purchase. To the extent less than £250 million in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, we intend to use the difference between the amount of net proceeds which would have been used to purchase the Maximum Acceptance Amount of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes.

The expected estimated sources and uses of the funds necessary to consummate the Transactions, including the proceeds of the Offering of the Notes, are shown in the table below. Actual amounts will vary from estimated amounts depending on several factors, including differences from our estimates of fees and expenses, the actual amount of indebtedness, the actual Issue Date and the amount of Existing 2025 Notes tendered and purchased in the Tender Offer.

| Sources | (£ millions) | Uses | (£ millions) |
|---|---|---|---|
| Notes offered hereby[1] | 250 | Partial purchase of Existing 2025 Notes[2] | 245 |
| | | Transaction fees and expenses[3] | 3 |
| | | Cash to balance sheet | 2 |
| **Total Sources** | **250** | **Total Uses** | **250** |

(1) Represents the aggregate principal amount of the Notes, without adjustment for fees and expenses incurred in connection with the Transactions.

(2) Represents the aggregate purchase price of £250 million in aggregate principal amount of the outstanding Existing 2025 Notes to be purchased in the Tender Offer, excluding accrued and unpaid interest in an amount equal to £3 million, assuming that £250 million in aggregate principal amount of the Existing 2025 Notes is purchased pursuant to the Tender Offer at a price equal to 98% of the principal amount. To the extent less than £250 million in aggregate principal amount of the Existing 2025 Notes is purchased in the Tender Offer, the Issuer intends to use the difference between the amount of net proceeds which would have been used to purchase the Maximum Acceptance Amount of the Existing 2025 Notes and the amount of net proceeds actually used to purchase Existing 2025 Notes for general corporate purposes.

(3) Represents estimated fees and expenses incurred in connection with the Transactions, including fees related to the Initial Purchasers' fees and other transaction costs and professional fees, but excluding accrued and unpaid interest for Existing 2025 Notes purchased in the Tender Offer in an amount equal to £3 million.

## CAPITALISATION

The following table sets forth the consolidated cash and cash equivalents, capitalisation and certain other statements of financial position information of the Issuer and its subsidiaries (i) as of 23 September 2023 on an actual basis and (ii) on an as adjusted basis after giving effect to the Transactions as described in "*Use of Proceeds*", as if these events had occurred on such date.

You should read this table in conjunction with "*Use of Proceeds*", "*Summary Historical Consolidated Financial Information and Other Financial and Operating Data*" and our Financial Statements, incorporated by reference in this Offering Circular, and related notes thereto. The information below is illustrative only and does not purport to be indicative of our actual capitalisation following the Transactions.

| | As of 23 September 2023 | |
|---|---|---|
| | **Actual** | **As Adjusted** |
| | *(£ millions)* | |
| **Cash and cash equivalents**[(1)] | **224** | **226** |
| Existing Facilities[(2)(3)] | | |
| Existing Revolving Facility[(4)] | 40 | 40 |
| Existing Term Loan A | 225 | 225 |
| Existing 2025 Notes[(5)] | 400 | 150[(6)] |
| Existing 2028 Notes[(7)] | 250 | 250 |
| Notes offered hereby[(8)] | — | 250 |
| Other debt[(9)] | 9 | 9 |
| Total senior secured debt | 924 | 924 |
| **Net debt (pre-IFRS 16)**[(10)] | **700** | **698** |
| Lease liabilities | 1,310 | 1,310 |
| **Total debt** [(11)] | **2,234** | **2,234** |
| **Net debt**[(12)] | **2,010** | **2,008** |
| **Total equity** | **795** | **795** |
| **Total capitalisation**[(13)] | **2,805** | **2,803** |

(1) The "as adjusted" amount of cash and cash equivalents reflects the actual amount of cash at hand as of 23 September 2023 as adjusted to reflect the implementation of the Transactions. This does not reflect any other cash or cash equivalents generated or used since 23 September 2023 and assumes that £250 million in aggregate principal amount of the Existing 2025 Notes is purchased pursuant to the Tender Offer at a price equal to 98% of the principal amount plus accrued and unpaid interest.

(2) Represents the aggregate principal amount outstanding under our Existing Facilities as of 23 September 2023.

(3) The Notes, the Existing Facilities and the Existing Notes have been reflected at their aggregate principal amount, excluding unamortised debt issue costs.

(4) Drawings under such Existing Revolving Facility were made on 24 August 2023 (£10 million) and 7 September 2023 (£30 million).

(5) The "actual" amount represents the aggregate principal amount outstanding of the Existing 2025 Notes. Excludes accrued and unpaid interest.

(6) The "as adjusted" amount assumes that £250 million in aggregate principal amount of the Existing 2025 Notes is purchased pursuant to the Tender Offer.

(7) Represents the aggregate principal amount outstanding of the Existing 2028 Notes. Excludes accrued and unpaid interest.

(8) Represents the aggregate principal amount of the Notes, without adjustment for fees and expenses incurred in connection with the Transactions.

(9) The B&M France facilities, the Heron facilities and certain overdraft facilities will remain outstanding.

(10) Net debt (pre-IFRS 16) reflects external interest-bearing loans and borrowings less cash and short-term deposits and, for the avoidance of doubt, does not include lease liabilities.

(11) Total debt represents total senior secured debt and lease liabilities.

(12) Net debt represents external interest-bearing loans and borrowings and lease liabilities less cash and short-term deposits.

(13) As at 23 September 2023, total capitalisation reflects total net debt plus total equity.

## DESCRIPTION OF CERTAIN FINANCING ARRANGEMENTS

*The following contains a summary of the expected material provisions of the Existing Senior Facilities Agreement and the Intercreditor Agreement. It does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the underlying documents. The terms of the Existing Senior Facilities Agreement and Intercreditor Agreement may differ from the terms described below. For further information regarding our existing indebtedness, see "Use of Proceeds" and "Capitalisation".*

### Existing Senior Facilities Agreement

B&M European Value Retail Holdco 4 Ltd (as borrower and guarantor (the "**Borrower**")), the Issuer (as parent (for the purpose of this section, the "**Parent**" and guarantor) and the other Guarantors (as guarantors) entered into the Existing Senior Facilities Agreement with certain lenders on 21 March 2023. Funding under the Existing Senior Facilities Agreement is subject to a number of conditions precedent.

The description set forth below is a summary of the principal terms and conditions of the Existing Senior Facilities Agreement, and is qualified in its entirety by reference to the Existing Senior Facilities Agreement and the other documents entered into in connection therewith.

#### *Structure*

The Existing Senior Facilities Agreement provides for senior facilities of up to £450 million consisting of (a) a term loan "A" facility (the "**Term Loan A Facility**") of £225 million and (b) a revolving credit facility (the "**Revolving Credit Facility**") of £225 million, to be made available by way of cash advances, bank guarantees, letters of credit and ancillary facilities.

The proceeds of the Term Loan A Facility were used (a) to refinance certain then existing financial indebtedness of the Group, including under the senior facilities agreement, dated 3 July 2020, among, *inter alios*, B&M European Value Retail Holdco 4 Ltd as borrower, the Issuer as parent, BNP Paribas, London Branch and HSBC UK Bank plc as global coordinators, mandated bookrunners and mandated lead arrangers, the financial institutions specified therein as original lenders, Bank of America Merrill Lynch International Designated Activity Company as agent, and Deutsche Bank AG, London Branch as security agent (the "**Original Senior Facilities Agreement**"), (b) for general corporate and working capital purposes of the Group and (c) to pay fees, costs and expenses incurred in connection with the Existing Senior Facilities Agreement, the Existing Notes, the refinancing of the Original Senior Facilities Agreement and any transaction in relation to the foregoing. The proceeds of the Revolving Credit Facility are to be used for the general corporate and working capital purposes of the Group. We do not expect the Revolving Credit Facility will be drawn in connection with the Offering.

The Existing Senior Facilities Agreement provides for uncommitted incremental facilities (each an "**Incremental Facility**" and, together with the Term Loan A Facility and the Revolving Credit Facility, the "**Facilities**") that may become committed in accordance with the terms of the Existing Senior Facilities Agreement in an amount which, when aggregated with any outstanding Incremental Facility and any other outstanding indebtedness of the Group incurred under the secured leverage ratio basket described in the definition of "Permitted Security" in the Existing Senior Facilities Agreement, shall not exceed the sum of (A) the higher of (i) £350 million and (ii) 50% of EBITDA and (B) an additional amount which, on a pro forma basis after giving effect to the implementation and full drawdown of such Incremental Facility and to the consummation of any acquisition financed thereby would not result in the Secured Leverage Ratio (as defined in the Existing Senior Facilities Agreement) being greater than 4.50:1.

Subject to the extension option described below, the Term Loan A Facility and the Revolving Credit Facility are finally repayable on the date falling five years after 21 March 2023, being the date on which the Existing Senior Facilities Agreement was signed. This termination date in respect of the Term Loan A Facility and/or the Revolving Credit Facility may be extended on up to two occasions, in each case for a period of up to 364 days, by the Borrower delivering (and the applicable lender(s) agreeing to) an extension request at least 20 (but not more than 90 days) days prior to the first anniversary and/or the second anniversary of the date of first utilisation of the Term Loan A Facility.

***Interest Rate and Fees***

Loans under the Term Loan A Facility and the Revolving Credit Facility bear interest at rates per annum equal to the applicable margin plus (a) in relation to advances in euro, EURIBOR (subject to a zero floor), (b) in relation to advances in pound sterling, a compound reference rate based on SONIA (subject to a daily rate zero floor) or (c) in relation to advances in U.S. dollars, SOFR (subject to a daily rate zero floor). The initial applicable margin under the Revolving Credit Facility is 1.75% per annum and under the Term Loan A Facility is 2.00% per annum. The margin is subject to adjustment (up or down as appropriate) in accordance with the margin adjustment mechanisms for the Term Loan A Facility and the Revolving Credit Facility based on the Leverage Ratio (as such term is defined in the Existing Senior Facilities Agreement) and will range from 1.25% to 3.25% per annum.

In addition to paying interest on loans outstanding under the Existing Senior Facilities Agreement, the Borrower is also required to pay a commitment fee at a rate of a percentage per annum equal to 35% of the margin applicable to the Revolving Credit Facility on the undrawn and uncancelled revolving commitments from the Issue Date until the end of the availability period of the Revolving Credit Facility. This fee is payable on the last day of each successive period of three months which ends during the relevant availability period, on the last day of the relevant availability period and on the cancelled amount of the relevant lender's commitments at the time the cancellation is effective. We are also required to pay a utilisation fee when the Revolving Credit Facility is drawn. A utilisation fee of 0.10% per annum will be payable if the Revolving Facility Loan (as defined in the Existing Senior Facilities Agreement) is drawn up to the amount of 33% of the total £225 million Revolving Credit Facility Commitments (the "**RCF Commitments**"), increasing to a fee of 0.25% per annum if the Revolving Facility Loan is drawn by an amount which is greater than 33% and equal to or less than 66% of the RCF Commitments and increasing to a fee of 0.50% per annum if the Revolving Facility Loan is drawn in an amount more than 66% of the RCF Commitments. In addition, customary fees including fees, facility fees and issuance/administrative fees on letters of credit and bank guarantees, fees in connection with ancillary facilities, arrangement fees as well as agency and security agency fees. We may also be required to pay a fee in respect of any Incremental Facility which becomes committed in accordance with the terms of the Existing Senior Facilities Agreement.

***Guarantees and Security***

The obligations under the Existing Senior Facilities Agreement are guaranteed by the Guarantors and the Parent.

In addition, the Existing Senior Facilities Agreement requires that, subject to the Agreed Security Principles (as defined in "*Description of the Notes—Certain Definition*s"), each member of the Group (other than members of the Group organised in France (the "**Excluded Subsidiaries**")) that is or becomes a "Material Company" (which definition includes, among other things, any member of the Group that has earnings before interest, tax, depreciation and amortisation representing 5% or more of EBITDA (as defined in the Existing Senior Facilities Agreement) of the Group becomes a guarantor under the Existing Senior Facilities Agreement.

The Existing Senior Facilities Agreement further requires that, subject to the Agreed Security Principles, on the Issue Date and as at the date that annual financial statements for each financial year are delivered, the aggregate of earnings before interest, tax, depreciation and amortisation of the Guarantors (calculated on an unconsolidated basis and excluding intra-group items, investments in subsidiaries of any member of the Group) represents not less than 80% of EBITDA of the Group (the "**Guarantor Threshold Test**") (the Excluded Subsidiaries are excluded from the numerator and denominator of the Guarantor Threshold Test).

***Prepayment***

The liabilities under the Existing Senior Facilities Agreement must be prepaid upon the occurrence of certain events.

For example, the Existing Senior Facilities Agreement permits each lender to require the mandatory prepayment of all amounts due to that lender under the Existing Senior Facilities Agreement upon a change of control or the sale of all or substantially all of the business and/or assets of the Group.

Indebtedness under the Existing Senior Facilities Agreement may be voluntarily prepaid by the borrowers in whole or in part (if in part, in a minimum amount of £2.5 million), upon giving at least three business days (or, in the case of a Compounded Rate Loan, five RFR Banking Days (each as defined in the Existing Senior Facilities Agreement)) prior notice to the agent. Such payments may be subject to break funding costs if any such prepayment is not made on the last day of the relevant interest period.

***Covenants***

The Existing Senior Facilities Agreement contains customary restrictive covenants, subject to certain agreed exceptions, including covenants restricting the ability of certain members of the Group to (without limitation):

- create security;
- incur indebtedness;
- dispose of assets;
- make certain acquisitions;
- make a substantial change to the general nature of the business of the Group;
- merge with other companies;
- enter into certain transactions with affiliates;
- change centre of main interests;
- make certain loans and give certain guarantees; and
- undertake certain activities that would result in a breach of anti-corruption laws or sanctions.

The Existing Senior Facilities Agreement also requires compliance with certain affirmative covenants, including covenants relating to:

- maintenance of relevant authorisations;
- maintenance of insurance;
- environmental compliance;
- *pari passu* ranking;
- consents and approvals;
- conduct of business;
- payment of taxes;
- preservation of assets and security;
- compliance with “People with Significant Control” regime;
- provision of financial and other information to the lenders;
- accession of guarantors;

- compliance with pension scheme funding requirements; and

- compliance with laws.

The Existing Senior Facilities Agreement requires compliance with a financial covenant consisting of a maximum Leverage Ratio calculated as the ratio of Total Financial Indebtedness to EBITDA (each as defined in the Existing Senior Facilities Agreement) of 5.75:1 for each relevant period. The ratio is based on the definitions in the Existing Senior Facilities Agreement, which may differ from similar definitions in the Indenture and the equivalent definitions described in this Offering Circular.

The Parent is permitted to prevent or cure breaches of the Leverage Ratio covenant by adding such "cure" amounts (generally, amounts received by the Parent in cash pursuant to any new equity or permitted subordinated debt) to cash for the purposes of calculating Total Financial Indebtedness and recalculating the financial covenant on that basis. There is a requirement to apply at least 50% of any cure amount in voluntary prepayment of the Facilities and an amount not exceeding 50% of such cure amount may be retained by the Group. No more than four different cure amounts may be taken into account over the life of the Facilities and, unless the full amount of the equity cure is used in prepayment of the Facilities, no more than one cure amount in each two consecutive twelve months period are permitted. The cure amount may, at the Parent's option, exceed the minimum amount required to meet the financial covenant.

***Events of Default***

The Existing Senior Facilities Agreement also sets out certain events of default, including non-payment of principal, interest or fees; breach of financial covenant (subject to cure rights); breach of covenants; misrepresentations; cross-default to other indebtedness of the members of the Group in excess of £50 million; insolvency or insolvency proceedings; execution or distress in respect of assets in excess of £50 million; certain litigation, expropriation, ownership of obligors, repudiation of the financing documents; illegality with respect to performance of material obligations under the financing documents; any Material Company ceasing to carry on business or any obligor ceasing to be a subsidiary of the Parent, other than as permitted under the Existing Senior Facilities Agreement; material adverse change, audit qualification and performance of material obligations under the Intercreditor Agreement.

**Intercreditor Agreement**

On 13 July 2020, the Issuer and certain of the Guarantors entered into the Intercreditor Agreement to govern the relationships and relative priorities among (amongst others): (i) the lenders under the Existing Senior Facilities Agreement (the "**Senior Lenders**") and the other finance parties under the Existing Senior Facilities Agreement; (ii) any persons that are initially party or that accede to the Intercreditor Agreement as counterparties to certain hedging agreements that are permitted to share in the Transaction Security (as defined below) in accordance with the terms of the Intercreditor Agreement (collectively, the "**Hedging Agreements**" and any persons that are initially party or that accede to the Intercreditor Agreement as counterparties to the Hedging Agreements are referred to in such capacity as the "**Hedge Counterparties**"); (iii) Deutsche Trustee Company Limited, as trustee (on behalf of the Noteholders the "**Senior Secured Noteholders**" and, together with such trustee, "**the Senior Secured Notes Creditors**"); (iv) certain intra-group creditors and debtors; and (v) the Subordinated Creditors (as defined below). Heron Food Group Limited and Heron Foods Limited acceded to the Intercreditor Agreement on 21 March 2023. In connection with the Offering, the Trustee will enter into an accession deed to the Intercreditor Agreement which will be acknowledged and countersigned by the Security Agent.

Each member of the Group that incurs any liability or provides any guarantee under the Existing Senior Facilities Agreement, the Intercreditor Agreement, the Indenture on any other Debt Document (as defined below) are each referred to in this description as a "**Debtor**" and are referred to collectively as the "**Debtors**".

The Intercreditor Agreement sets out:

- the relative ranking of certain indebtedness of the Debtors;

- the relative ranking of certain security granted by the Debtors;
- when payments can be made in respect of certain indebtedness of the Debtors;
- when enforcement actions can be taken in respect of that indebtedness;
- provisions in respect of the enforcement process (if undertaken);
- the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events;
- turnover provisions; and
- when security and guarantees will be released to permit a sale of any assets subject to transaction security (the "**Transaction Security**" and the parties which receive the benefit of such security and guarantees being together the "**Secured Parties**").

The Intercreditor Agreement contains provisions relating to future indebtedness (the "**Additional Senior Secured Liabilities**") that may be incurred (either through a credit facility (an "**Additional Senior Facilities Agreement**" and the lenders thereunder being the "**Additional Senior Lenders**") or the issue of notes (including the Notes) ("**Additional Senior Secured Notes**" and the noteholders thereunder being the "**Additional Senior Secured Noteholders**") by any member of the Group that is not subordinated in right of payment to the liabilities of the Debtors with respect to the Existing Notes (the "**Senior Secured Notes Liabilities**"), the Senior Facilities Agreement (the "**Senior Lender Liabilities**"), the Hedging Agreements (the "**Hedging Liabilities**") and any then existing Additional Senior Secured Liabilities (the Additional Senior Secured Liabilities, the Senior Secured Notes Liabilities, the Senior Lender Liabilities and the Hedging Liabilities being together, the "**Senior Secured Liabilities**", the documents required to implement such Senior Secured Liabilities being the "**Senior Secured Finance Documents**" and the creditors of such Senior Secured Liabilities (together with their respective creditor representatives being the "**Senior Secured Creditors**") and that is permitted under the terms of the Senior Secured Finance Documents to be incurred and to share in the Transaction Security with the ranking applicable to it as provided for in the Intercreditor Agreement.

By accepting a Note, holders of the Notes shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement and to have authorised and directed the Trustee to accede to it on their behalf.

The following description is a summary of certain provisions of the Intercreditor Agreement. It does not restate the Intercreditor Agreement in its entirety, nor does is summarise all provisions in the Intercreditor Agreement. As such, it may not contain all of the information that is important to you. We urge you to read the Intercreditor Agreement because it, and not the discussion that follows, defines certain of the rights and obligations of the holders of the Notes and the Trustee. The Intercreditor Agreement also includes certain limitations on our ability to refinance or issue additional notes, refinance our senior indebtedness or amend the documents governing our indebtedness. It also prescribes the terms of certain of our intercompany indebtedness.

Any summary of a term in the discussion that follows does not restate the definition given to such term in the Intercreditor Agreement and, as such, does not (and is not intended to) summarise the full scope of the particular definition. The summary of a term may not contain all of the information that is important to you. We urge you to refer to the relevant definitions in the Intercreditor Agreement. Where a term is used that has not been summarised or otherwise defined in this Offering Circular, it has the meaning it is given in the Intercreditor Agreement.

***Ranking and Priority***

The Intercreditor Agreement provides, subject to the provisions in respect of permitted payments described below, that (i) the Senior Lender Liabilities, (ii) the Hedging Liabilities, (iii) the Senior Secured Notes Liabilities, (iv) the Additional Senior Secured Liabilities, (v) certain intercompany liabilities owed by members of the Group to certain other members of the Group (the "**Intra-Group Liabilities**") and (vi) the liabilities owed by certain members of the Group to any person acceding to the Intercreditor Agreement as an "Investor" (the "**Subordinated Liabilities**", together with the Intra-Group Liabilities and the Senior Secured Liabilities, the "**Liabilities**" and the documents required to implement such Liabilities being the "**Debt Documents**" and the creditors of such Liabilities being the "**Creditors**") will rank in right and priority of payment in the following order:

- *first*, the Senior Lender Liabilities, the Hedging Liabilities, the Senior Secured Notes Liabilities and the Additional Senior Secured Liabilities, *pari passu* and without any preference amongst them; and

- *second*, the Intra-Group Liabilities and Subordinated Liabilities, *pari passu* and without any preference amongst them.

The Intercreditor Agreement does not purport to rank the Intra-Group Liabilities and the Subordinated Liabilities as between themselves.

The Intercreditor Agreement provides that the Transaction Security shall rank and secure the Senior Lender Liabilities, the Hedging Liabilities, the Senior Secured Notes Liabilities and the Additional Senior Secured Liabilities (in each case, only to the extent that such Transaction Security is expressed to secure those Liabilities), *pari passu* and without any preference between them.

The Intercreditor Agreement provides that all proceeds from enforcement of the Transaction Security, proceeds from a distressed disposal and certain other proceeds recovered by the Security Agent will be applied as provided below under "*—Application of Proceeds*".

***Permitted Payments***

*Permitted Payments: Senior Secured Liabilities*

Prior to an acceleration event under the Senior Secured Finance Documents (other than Hedging Agreements) (an "**Acceleration Event**"), the Intercreditor Agreement will permit payments to be made by the Debtors under the Senior Secured Liabilities (other than the Hedging Liabilities) *provided* that such payments are permitted under the applicable document governing such Liability.

The Debtors may not make payments in respect of the Senior Secured Liabilities after an Acceleration Event unless such payments are made to the Security Agent for distribution in accordance with the enforcement proceeds waterfall described below under "*—Application of Proceeds*."

*Permitted Payments: Hedging Liabilities*

The Intercreditor Agreement restricts payments to Hedge Counterparties except certain specified permitted payments.

*Permitted Payments: Intra-Group Liabilities*

The Intercreditor Agreement prohibits payments of the Intra-Group Liabilities if at the time of payment an Acceleration Event has occurred unless: (i) the Majority Senior Lenders (as defined below) and the creditor representatives for the other Senior Secured Liabilities (other than the Hedging Liabilities) consent to those payments being made; (ii) the Instructing Group (as defined below) consents to those payments being made; or (iii) those payments are made to facilitate payment of Senior Secured Liabilities.

"**Majority Senior Lenders**" means those Senior Lenders and Additional Senior Lenders, if any, whose Senior Lender Credit Participations (as defined in the Intercreditor Agreement) at that time aggregate more than 66 2/3% of the total Senior Lender Credit Participations at that time (subject to certain disenfranchisement and other exceptions under the underlying Debt Document).

*Permitted Payments: Subordinated Liabilities*

Subject to certain exceptions, the Intercreditor Agreement permits payments in respect of the Subordinated Liabilities only if the payment is: (a) expressly permitted by the Existing Senior Facilities Agreement and any Additional Senior Facilities Agreement; and (b) not prohibited by the other Senior Secured Finance Documents.

***Enforcement of Transaction Security***

*Enforcement Instructions*

"**Majority Senior Secured Creditors**" means those Senior Secured Creditors whose Senior Secured Credit Participations (as defined in the Intercreditor Agreement) at that time aggregate more than 50% of the total Senior Secured Credit Participations at that time.

"**Instructing Group**" means the Relevant Creditor Representative (not including any Hedge Counterparty acting as creditor representative for itself), to the extent required under the terms of the Senior Secured Finance Documents acting upon instructions of the Senior Secured Creditors that it represents. For the purposes of the foregoing, the "**Relevant Creditor Representative**" means the creditor representative or creditor representatives which represent the Majority Senior Secured Creditors.

The Security Agent may refrain from enforcing the Transaction Security unless otherwise instructed by the Instructing Group.

Subject to the Transaction Security having become enforceable in accordance with its terms, the Instructing Group may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as it sees fit.

*Manner of Enforcement Instructions*

If the Transaction Security is being enforced pursuant to the provisions described in "*—Enforcement Instructions*" above, the Security Agent shall enforce the Transaction Security in such manner (including, without limitation, the selection of any administrator (or any analogous officer in any jurisdiction) of any Debtor to be appointed by the Security Agent) as the Instructing Group shall instruct or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate, in each case taking into account the requirements of the relevant Transaction Security Documents.

***Turnover***

Subject to certain exclusions, if any creditor under the Debt Documents receives or recovers any payment in relation to any of the Liabilities (except a payment permitted under the Intercreditor Agreement or in accordance with "*—Application of Proceeds*" below) or the proceeds of any enforcement of any Transaction Security except in accordance with "*—Application of Proceeds*" below, that person must:

- in relation to amounts not received or recovered by way of set-off, hold that amount on trust for the Security Agent and promptly pay an amount equal to that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and

- in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

***Application of Proceeds***

The Intercreditor Agreement provides that, subject to certain exceptions, all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Debt Document, under the parallel debt provisions in the Intercreditor Agreement and/or in connection with the realisation or enforcement of all or any part of the Transaction Security will be applied in the following order of priority:

1) in discharging any sums owing to the Security Agent, any receiver or any delegate (other than pursuant to the parallel debt provisions in the Intercreditor Agreement) on a *pro rata* and *pari passu* basis;

2) in discharging any sums owing to the creditor representatives (other than any Hedge Counterparty) (in respect of unpaid fees, costs, expenses owing to the creditor representatives for the Senior Secured Creditors pursuant to the relevant Debt Documents) on a *pro rata* and *pari passu* basis (in accordance with the relevant Debt Documents);

3) in discharging all costs and expenses incurred by any creditor representative or Senior Secured Creditor in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of the Intercreditor Agreement or any action taken at the request of the Security Agent after the occurrence of an insolvency event in accordance with the terms of the Intercreditor Agreement;

4) in payment or distribution to:

   a) the agent under the Existing Senior Facilities Agreement on its own behalf and on behalf of the other creditors under the Existing Senior Facilities Agreement (including any arranger thereunder and the Senior Lenders, together the "**Senior Facility Creditors**");

   b) each creditor representative of the Senior Secured Noteholders on its own behalf and on behalf of such Senior Secured Noteholders;

   c) each creditor representative of the Additional Senior Secured Creditors (as defined in the Intercreditor Agreement) on its own behalf and on behalf of such Additional Senior Secured Creditors (as defined in the Intercreditor Agreement); and

   d) the Hedge Counterparties,

   for application towards the discharge of:

      i) the Liabilities owed by the Debtors to the Senior Facility Creditors;

      ii) the Senior Secured Notes Liabilities;

      iii) the Additional Senior Secured Liabilities; and

      iv) the Hedging Liabilities (on a *pro rata* basis between the Hedging Liabilities of each Hedge Counterparty),

   on a *pro rata* basis and ranking *pari passu* between paragraphs (i), (ii), (iii) and (iv) above and in each case in accordance with the relevant Debt Documents;

5) if none of the Debtors is under any further actual or contingent liability under any Senior Secured Finance Document, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and

6) the balance, if any, in payment or distribution to the relevant Debtor.

***Release of the Guarantees and the Security***

*Non-distressed Disposal*

In circumstances where a disposal of an asset of a member of the Group or an asset which is subject to the Transaction Security to a person outside the Group is not a distressed disposal and is permitted under the Senior Secured Finance Documents, the Intercreditor Agreement provides that the Security Agent will and is authorised:

i. to release the Transaction Security or any other claim over that asset; and

ii. if the relevant asset consists of shares in the capital of a member of the Group, to release the Transaction Security or any other claim (relating to a Debt Document) over that member of the Group's assets and/or shares and/or assets of any of its subsidiaries.

*Distressed Disposal*

Subject to certain exceptions set out in the Intercreditor Agreement, where a distressed disposal of an asset of a member of the Group is being effected, the Intercreditor Agreement provides that the Security Agent is authorised:

i. to release the Transaction Security, or any other claim over that asset;

ii. if the asset which is disposed of consists of shares in the capital of a Debtor, to release (a) that Debtor and any subsidiary of that Debtor from all or any part of its liabilities as borrower of the Liabilities (the Borrowing Liabilities), its liabilities as a guarantor of the Liabilities (the Guarantee Liabilities) or other liabilities it may have to the Senior Secured Creditors, an arranger under the Existing Senior Facilities Agreement or any Additional Senior Facilities Agreement, a creditor under the Subordinated Liabilities (an Investor), a lender of Intra-Group Liabilities (an Intra-Group Lender) or a Debtor (together, the Other Liabilities); (b) any Transaction Security granted by that Debtor or any subsidiary of that Debtor over any of its assets; and (c) any other claim of an Investor, an Intra-Group Lender, or another Debtor over that Debtor's assets or over the assets of any subsidiary of that Debtor;

iii. if the asset which is disposed of consists of shares in the capital of any holding company of a Debtor, to release (a) that holding company and any subsidiary of that holding company from all or any part of its Borrowing Liabilities, its Guarantee Liabilities and Other Liabilities; (b) any Transaction Security granted by any subsidiary of that holding company over any of its assets; and (c) any other claim of an Investor, an Intra-Group Lender or another Debtor over the assets of any subsidiary of that holding company;

iv. if the asset which is disposed of consists of shares in the capital of a Debtor or a holding company of a Debtor, and the Security Agent decides to dispose of all or any part of the Liabilities (other than Liabilities to any agent or arranger under the Existing Senior Facilities Agreement or any Additional Senior Facilities Agreement) or intra-group receivables owed by that Debtor or the holding company of that Debtor or any subsidiary of that Debtor or holding company on the basis that the transferee of those Liabilities or intra-group receivables will not be treated as a Senior Secured Creditor or a secured party for the purposes of the Intercreditor Agreement, to enter into any agreement to dispose of all or part of those Liabilities or intra-group receivables on behalf of the relevant creditors and Debtors and the transferee shall not be treated as Senior Secured Creditor or secured party;

v. if the asset which is disposed of consists of shares in the capital of a Debtor or a holding company of a Debtor, and the Security Agent decides to dispose of all or any part of the Liabilities (other than Liabilities to any agent or arranger under the Existing Senior Facilities Agreement or any Additional Senior Facilities Agreement) or intra-group receivables owed by that Debtor or the holding company of that Debtor or any

subsidiary of that Debtor or holding company on the basis that the transferee of those Liabilities or intra-group receivables will be treated as a Senior Secured Creditor or a secured party for the purposes of the Intercreditor Agreement, to enter into any agreement to dispose of all and not part only of the Liabilities owed to the Senior Secured Creditors (other than to an agent or arranger) and all or part of any other Liabilities (other than liabilities owed to a creditor representative, Security Agent or arranger) or intra-group receivables of that Debtor on behalf of the relevant creditors and Debtors; and

vi. if the asset which is disposed of consists of shares in the capital of a Debtor or any holding company of a Debtor, to transfer Intra-Group Liabilities or intra-group receivables owed by that Debtor or holding company of a Debtor to another Debtor.

***Amendment***

Subject to certain exceptions, the Intercreditor Agreement may be amended with the written consent of only (i) each creditor representative (other than Hedge Counterparties) in accordance with, and to the extent such consent is required under, the relevant Debt Documents; (ii) the Security Agent and (iii) the Parent, unless it is an amendment or waiver that has the effect of changing or which relates to: (a) any amendment to the redistribution provisions, application of proceeds or amendment provisions set out in the Intercreditor Agreement; (b) any amendment to the definitions of "Instructing Group", "Majority Senior Lender" or "Majority Senior Secured Creditors"; (c) certain provisions relating to the giving of instructions to the Security Agent or the exercise of discretion by the Security Agent; or (d) any amendment to the order of priority or subordination under the Intercreditor Agreement, which shall not be made without the consent of:

i. the creditor representatives (other than the Hedge Counterparties);

ii. the Senior Lenders and the lenders under any Additional Senior Facilities Agreement;

iii. each Hedge Counterparty (to the extent that the amendment or waiver would adversely affect the Hedge Counterparty);

iv. each other Senior Secured Creditor (in relation to Senior Secured Noteholders and/or any Additional Senior Secured Noteholders, only to the extent such noteholder consent to such amendment or waiver is required by the applicable indenture and in the requisite percentage required under the applicable indenture) under a series of Senior Secured Liabilities (to the extent that the amendment or waiver could adversely affect those Senior Secured Creditors under such series of Senior Secured Liabilities);

v. the Security Agent; and

vi. the Parent,

provided that an amendment or waiver that has the effect of changing or which relates to: (a) the redistribution provisions or application of proceeds and, (b) certain provisions relating to the giving of instructions to the Security Agent or the exercise of discretion by the Security Agent and any amendment to the definitions of "Instructing Group", "Majority Senior Lender" or "Majority Senior Secured Creditors" shall only require the consent of the Parent and those Senior Secured Creditors (in relation to Senior Secured Noteholders and/or any Additional Senior Secured Noteholders, only to the extent such noteholder consent to such amendment or waiver is required by the applicable indenture and in the requisite percentage required under the applicable indenture) which will be prejudiced by the proposed amendment or waiver.

Subject to certain exceptions and unless the provisions of any Debt Document expressly provide otherwise, the Security Agent may, if authorised by the Instructing Group and if the Parent consents, amend the terms of, waive any of the requirements of or grant consents under, any of the Transaction Security which shall be binding on each party to the Intercreditor Agreement.

***Governing Law***

The Intercreditor Agreement is governed by and construed in accordance with English law.

**Existing Notes**

***2025 Notes***

On 13 July 2020, the Issuer issued £400 million of senior secured notes due 2025 which bear interest at 3.625% annually (referred to in this Offering Circular as the "**Existing 2025 Notes**"). Concurrently with the Offering, we intend to launch the Tender Offer to purchase for cash consideration up to £250 million in aggregate principal amount of the Existing 2025 Notes with the net proceeds of the Offering. In the event £250 million in aggregate principal amount of the Existing 2025 Notes is purchased, the amount of Existing 2025 Notes outstanding upon completion of the Tender Offer will be £150 million. See "*Summary—Transactions; Use of Proceeds*".

The Existing 2025 Notes rank *pari passu* with the Issuer's Term Loan A Facility and Revolving Credit Facility and the Existing 2028 Notes. The Issuer pays interest on the Existing 2025 Notes semi-annually in arrears on 15 January and 15 July, starting from 25 January 2021. The Existing 2025 Notes mature on 15 July 2025 and are listed on the Euro MTF market of the Luxembourg Stock Exchange (the "**LuxSE**") (the "**Euro MTF Market**").

On or after 15 July 2023, the Existing 2025 Notes are redeemable in whole or in part by paying the redemption price set forth below:

| Redemption period beginning on | Redemption price (as a % of principal amount) |
|---|---|
| 15 July 2023 | 100.906% |
| 15 July 2024 and after | 100.000% |

The Notes will rank *pari passu* in right of payment with any existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Notes, including the Issuer's obligations in respect of the Existing 2025 Notes. The Existing 2025 Notes contain customary covenants, terms and conditions that, among other things, limit the Group's ability to:

- incur additional indebtedness;
- create liens;
- pay dividends, redeem capital stock or make certain other restricted payments or investments;
- enter into agreements that restrict dividends from restricted subsidiaries;
- sell assets, including capital stock of restricted subsidiaries;
- impair the security interests for the benefit of the holders of the Existing 2025 Notes; and
- effect a consolidation or merger.

These covenants are subject to a number of important qualifications and exceptions and certain of them will be suspended if and when, and for so long as, the Existing 2025 Notes are rated investment grade.

Whether or not the purchase of any Existing 2025 Notes pursuant to the Tender Offer is completed, the Issuer reserves the right, to the extent permitted by applicable law, to acquire Existing 2025 Notes that remain outstanding after the relevant expiration time of the Tender Offer other than pursuant to the Tender Offer, including through open market purchases, privately negotiated transactions, other tender offers, exchange offers or otherwise. Such purchases may be on such terms and at such prices as the Issuer may determine.

***2028 Notes***

On 24 November 2021, the Issuer issued £250 million of senior secured notes due 2028 which bear interest at 4.000% annually (referred to in this Offering Circular as the "Existing 2028 Notes").

The Existing 2028 Notes rank *pari passu* with the Issuer's Term Loan A Facility and Revolving Credit Facility and the Existing 2025 Notes. The Issuer pays interest on the Existing 2028 Notes semi-annually in arrears on 15 May and 15 November starting from 15 May 2022. The Existing 2028 Notes mature on 15 November 2028 and are listed on the Euro MTF Market.

The Existing 2028 Notes are redeemable in whole or in part at any time prior to 15 November 2024 at a redemption price equal to 100% of their principal amount, plus a "make whole" premium and accrued and unpaid interest. On or after 15 November 2024, the Existing 2028 Notes are redeemable in whole or in part by paying the redemption price set forth below:

| Redemption period beginning on | Redemption price (as a % of principal amount) |
|---|---|
| 15 November 2024 | 102.000% |
| 15 November 2025 | 101.000% |
| 15 November 2026 and after | 100.000% |

The Notes will rank *pari passu* in right of payment with any existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Notes, including the Issuer's obligations in respect of the Existing 2028 Notes. The Existing 2028 Notes contain customary covenants, terms and conditions that, among other things, limit the Group's ability to:

- incur additional indebtedness;
- create liens;
- pay dividends, redeem capital stock or make certain other restricted payments or investments;
- enter into agreements that restrict dividends from restricted subsidiaries;
- sell assets, including capital stock of restricted subsidiaries;
- impair the security interests for the benefit of the holders of the Existing 2028 Notes; and
- effect a consolidation or merger.

These covenants are subject to a number of important qualifications and exceptions and certain of them will be suspended if and when, and for so long as, the Existing 2028 Notes are rated investment grade.

## DESCRIPTION OF THE NOTES

### General

B&M European Value Retail S.A., a Luxembourg public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg with registered address as at the date hereof at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 187275 (the "Issuer"), will issue £250 million aggregate principal amount of % Senior Secured Notes due 2030 (the "Notes") under an indenture (the "Indenture"), to be dated as of the Issue Date, between, among others, the Issuer, the Initial Guarantors (as defined below), GLAS Trustees Limited, as Trustee, and Deutsche Bank AG, London Branch, as Security Agent, in a private transaction that is not subject to the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"). Unless the context requires otherwise, references in this "*Description of Notes*'' to the Notes include the Notes and any "*Additional Notes*" (as defined below) that are issued under the Indenture. The terms of the Notes include those set forth in the Indenture. The Indenture will not be qualified under the U.S. Trust Indenture Act of 1939, as amended.

The Indenture contains provisions that define your rights and govern the obligations of the Issuer and the Guarantors under the Notes. The Notes will be initially guaranteed on a senior secured basis by B&M European Value Retail 1 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, B&M European Value Retail 2 S.à r.l., EV Retail Limited, B & M Retail Limited, Heron Foods Limited and Heron Food Group Limited. The terms of the Notes include those set out in the Indenture. Certain terms used in this description are defined below under the caption "—*Certain Definitions*".

For the purposes of this description, references to "Issuer," "we," "our," and "us" refer only to B&M European Value Retail S.A. and any successor in interest thereto, and not to any of its subsidiaries.

The following is a description of the material terms of the Indenture and the Notes and refers to the Security Documents and the Intercreditor Agreement. It does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Indenture, the Notes, the Security Documents and the Intercreditor Agreement, including the definitions of certain terms therein. The Issuer urges you to read the Indenture, the Notes, the Security Documents and the Intercreditor Agreement as they, and not this description, govern your rights as holders of the Notes. Copies of the Indenture, the forms of Note, the Security Documents and the Intercreditor Agreement will be made available as set forth under the section entitled "*Listing and General Information*."

### Overview of the Notes and the Note Guarantees

#### *The Notes*

The Notes:

- will be senior secured obligations of the Issuer;
- will be secured by the Collateral as set forth below under the caption "—*Security*" on a first-priority basis along with obligations under the Senior Facilities Agreement, the Existing Notes, certain Hedging Obligations and certain other future indebtedness;
- will rank *pari passu* in right of payment with any existing and future Indebtedness of the Issuer that is not subordinated in right of payment to the Notes;
- will rank senior in right of payment to any existing and any future Indebtedness of the Issuer that is subordinated in right of payment to the Notes;
- will be effectively senior in right of payment to any existing or future unsecured obligations of the Issuer, to the extent of the value of the Collateral that is available to satisfy the obligations under the Notes;

- will be guaranteed on a senior basis by the Guarantors, which guarantees may be subject to the guarantee limitations described herein; and
- will be structurally subordinated to any existing and future Indebtedness of the Issuer's Subsidiaries that are not Guarantors.

***The Note Guarantees***

The Notes will initially be guaranteed by the Guarantors. The Note Guarantee of each Guarantor:

- will be a senior secured obligation of such Guarantor, secured by the Collateral as set forth below under the caption "*—Security*" on a first-priority basis along with obligations under the Senior Facilities Agreement, the Existing Notes, certain Hedging Obligations and certain other future indebtedness;
- will rank *pari passu* in right of payment with any existing and future Indebtedness of that Guarantor that is not subordinated in right of payment to the Note Guarantee of that Guarantor;
- will rank senior in right of payment with any existing and any future Indebtedness of such Guarantor that is subordinated in right of payment to such Note Guarantee;
- will be effectively senior in right of payment to any existing or future unsecured obligations of such Guarantor, to the extent of the value of the Collateral that is available to satisfy the obligations under such Note Guarantee; and
- will be structurally subordinated to any existing and future Indebtedness of such Guarantor's Subsidiaries that are not Guarantors.

The obligations of a Guarantor under its Note Guarantee will be limited as necessary to prevent the relevant Note Guarantee from constituting a fraudulent conveyance under applicable law, or otherwise to reflect limitations under applicable law. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes—Each Guarantee and security interest will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defences that may limit its validity and enforceability*".

The Issuer is a holding company and conducts all of its operations through its Subsidiaries. Claims of creditors of the non-guarantor Subsidiaries, including trade creditors and creditors holding indebtedness or guarantees issued by such non-guarantor Subsidiaries, and claims of preferred stockholders of such non-guarantor Subsidiaries, generally will have priority with respect to the assets and earnings of such non-guarantor Subsidiaries over the claims of the Issuer's creditors, including holders of the Notes. Accordingly, the Notes and the Note Guarantees will be effectively subordinated to creditors (including trade creditors) and preferred stockholders, if any, of such non-guarantor Subsidiaries. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes—The Notes will be structurally subordinated to the liabilities of Non-Guarantor Subsidiaries*".

As of the Issue Date, all of the Issuer's Subsidiaries will be "Restricted Subsidiaries" for purposes of the Indenture. However, subject to compliance with the terms of the Indenture, the Issuer will be permitted to designate certain of its Subsidiaries as "Unrestricted Subsidiaries." The restrictive covenants in the Indenture do not apply to Unrestricted Subsidiaries. The Issuer's Unrestricted Subsidiaries, if any, will not guarantee the Notes.

**Listing of the Notes**

Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Euro MTF Market. There can be no assurance that the application to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Euro MTF Market will be approved and settlement of the Notes is not conditioned on obtaining this listing.

**Principal, Maturity and Interest**

On the Issue Date, the Issuer will issue the Notes in an aggregate principal amount of £250 million. The Notes will mature on 2030. The Notes will be issued in fully registered form, without coupons, in minimum denominations of £100,000 and any integral multiple of £1,000 in excess thereof.

Interest on the Notes will accrue at the rate of % per annum. Interest on the Notes will accrue from the date of original issue, or, if interest has already been paid or provided for, from the most recent date to which interest has been paid or provided for. Interest will be payable semi-annually in arrears on and of each year, commencing 2024, to holders of record on the Business Day immediately preceding the interest payment date. Interest will be paid on the basis of a 360-day year consisting of twelve 30-day months.

The Issuer may issue an unlimited aggregate principal amount of additional Notes in one or more series from time to time (the "Additional Notes"), subject to limitations set forth under the caption "*—Certain Covenants—Limitation on Indebtedness*". Such Additional Notes will have identical terms and conditions to the Notes offered hereby, except with respect to the issue date, issue price, the first interest payment date and the first date from which interest will accrue. Any Additional Notes will be part of the same class as the Notes currently being offered and will be treated as Notes for all purposes of the Indenture. Holders of Additional Notes will vote on all matters as a single class with holders of Notes issued on the Issue Date, including, without limitation, waivers, amendments, redemptions and offers to purchase.

**Methods of Receiving Payments on the Notes**

Principal of, and premium, if any, and interest on, the Notes will be payable, and the Notes may be exchanged or transferred at the office or agency of the Paying Agent except that, at the option of the Issuer, payment of interest may be made by check mailed to the address of the registered holders of the Notes as such address appears in the Note Register. The Notes may be presented for registration of transfer and exchange at the offices of the Registrar.

The Issuer will maintain one or more paying agents (each, a "Paying Agent") for the Notes. The initial Paying Agent will be GLAS Trust Company LLC.

The Issuer will maintain one or more registrars (each, a "Registrar") for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market. The Registrars will maintain a register reflecting ownership of Notes (as defined herein) outstanding from time to time (the "Register"). The initial Registrar will be GLAS USA LLC. The Issuer will also maintain one or more transfer agents (each, a "Transfer Agent"). The Transfer Agents will facilitate transfer of Notes on behalf of the Issuer. The initial Transfer Agent will be GLAS USA LLC.

The Issuer or any of its Subsidiaries may act as Paying Agent (other than with respect to Global Notes) or Registrar in respect of the Notes. The Issuer may change the Paying Agent, the Registrars or the Transfer Agents without prior notice to the holders of Notes. For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market, the Issuer will publish a notice of any change of Paying Agent, Registrar or Transfer Agent on the official website of the Luxembourg Stock Exchange (www.luxse.com) (the information contained on that website is not part of this Offering Circular).

**Optional Redemption**

The Notes will be redeemable, at the Issuer's option, at any time prior to maturity at varying redemption prices in accordance with the applicable provisions set forth below (the date of such redemption being the "Redemption Date").

At any time on and after 2026, the Notes will be redeemable at the Issuer's option, in whole or in part and from time to time, at the applicable redemption price set forth below. The Notes will be so redeemable at the following redemption prices (expressed as a percentage of principal amount on the

Redemption Date), plus accrued and unpaid interest, if any, to but excluding the relevant Redemption Date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on of the years set forth below:

| Redemption period | Price |
|---|---|
| 2026 | % |
| 2027 | % |
| 2028 and thereafter | % |

At any time prior to 2026, the Notes will be redeemable at the Issuer's option, in whole or in part and from time to time, at a redemption price equal to 100% of the principal amount thereof plus the Applicable Premium as of, and accrued and unpaid interest, if any, to but excluding, the applicable Redemption Date (subject to the rights of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

At any time prior to 2026, the Issuer will be entitled at its option on one or more occasions to redeem Notes in an aggregate principal amount not to exceed 40% of the original aggregate principal amount of the Notes (including the principal amount of any Additional Notes) with funds in an equal aggregate amount (the "Redemption Amount") not exceeding the aggregate net cash proceeds of one or more Equity Offerings, at a redemption price (expressed as a percentage of principal amount thereof) of %, plus accrued and unpaid interest, if any, to but excluding the Redemption Date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that if Notes are redeemed pursuant to this paragraph, an aggregate principal amount of Notes equal to at least 60% of the original aggregate principal amount of Notes (calculated giving effect to any issuance of Additional Notes) remains outstanding immediately after the occurrence of each such redemption of Notes. Any amount payable in any such redemption may be funded from any source. Any notice of any such redemption may be given prior to completion of the related Equity Offering but in no event may be given more than 180 days after the date of the completion of the related Equity Offering.

Notwithstanding the foregoing, in connection with any tender for the Notes, if Holders of not less than 90% in the aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in such tender offer and the Issuer, or any other Person making such tender offer in lieu of the Issuer, purchases all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuer will have the right, upon notice given not more than 30 days following such purchase pursuant to such tender offer, to redeem all of the Notes that remain outstanding following such purchase at a price in cash equal to the price offered to each Holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, to but excluding the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Any redemption of Notes may be made upon notice in accordance with the provisions set forth under the caption "Notices", not less than 10 nor more than 60 days prior to the Redemption Date, except that a redemption notice may be delivered more than 60 days prior to the Redemption Date if such notice is issued in connection with legal or covenant defeasance of the Issuer's obligations or a satisfaction and discharge of the Indenture, or if the Redemption Date is delayed as provided for in the following paragraph.

Any redemption of Notes (including in connection with an Equity Offering) or notice thereof may, at the Issuer's discretion, be subject to the satisfaction (or waiver by the Issuer in its sole discretion) of one or more conditions precedent, which may include consummation of any related Equity Offering or the occurrence of a Change of Control. If such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Issuer's discretion, the Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have

been (or, in the Issuer's sole determination, may not be) satisfied (or waived by the Issuer in its sole discretion) by the Redemption Date, or by the Redemption Date so delayed.

If the Issuer effects an optional redemption of Notes, it will, if and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent required by the Luxembourg Stock Exchange, inform the Luxembourg Stock Exchange of such optional redemption and confirm the aggregate principal amount of the Notes that will remain outstanding immediately after such redemption.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to holders whose Notes will be subject to redemption by the Issuer.

The Issuer may provide in any notice of redemption that payment of the redemption price and performance of the Issuer's obligations with respect to such redemption may be performed by another Person.

**Selection and Notice**

For so long as any Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent required by the rules and regulations of the Luxembourg Stock Exchange, the Issuer shall publish notice of any redemption on the official website of the Luxembourg Stock Exchange (www.luxse.com) (the information contained on that website is not part of this Offering Circular).

In the case of any partial redemption, selection of the Notes for redemption will be made by the Paying Agent or the Registrar in accordance with the applicable procedures of Euroclear or Clearstream, as applicable, or, in the case of Notes in definitive form, on a *pro rata* basis unless otherwise required by law or applicable stock exchange or depositary requirements.

No Note of £100,000 in aggregate principal amount or less shall be redeemed in part.

If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. None of the Trustee, Registrar, Transfer Agent nor the Paying Agent will be liable for any reason for selections made by the Paying Agent or Registrar pursuant to this Section. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption so long as the Issuer has deposited with, or procured deposit with, the Paying Agent funds sufficient to pay the principal of, plus accrued and unpaid interest, if any on the Notes to be redeemed.

**Mandatory Redemption; Offers to Purchase; Open Market Purchases**

The Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase Notes as described under the captions "*—Change of Control*" and "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*". The Issuer may at any time and from time to time purchase Notes in the open market or otherwise.

**Additional Amounts**

All payments required to be made by, or on behalf of, the Issuer or any Guarantor (including any successor entity) (each a "Payor"), will be made without withholding or deduction for or on account of any Taxes imposed or levied by or on behalf of the government of Luxembourg or the United Kingdom or any political subdivision thereof or any authority or agency therein or thereof having power to tax, by or on behalf of any authority or agency having power to tax within any other jurisdiction in which the Issuer or the applicable Guarantor is organised or otherwise resident for tax purposes or any jurisdiction from or through which payment

is made by such Payor (each a "Relevant Taxing Jurisdiction"), unless such withholding or deduction is required by law or regulation.

If a Payor is so required to withhold or deduct any amount for or on account of Taxes imposed or levied by or on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes or a Note Guarantee, as applicable, the Issuer or the applicable Guarantor will be required to pay such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by any Holder (including Additional Amounts) after such withholding or deduction will not be less than the amount the Holder would have received if such Taxes had not been withheld or deducted; *provided, however*, that the foregoing obligation to pay Additional Amounts does not apply to:

(1) any Taxes that would not have been so imposed or levied but for the existence of any present or former connection between the relevant Holder (or between a fiduciary, beneficial owner, settlor, beneficiary, member or shareholder of, or possessor of power over the relevant Holder, if the relevant Holder is an estate, nominee, trust, partnership, company or corporation) and the Relevant Taxing Jurisdiction, including, without limitation, such Holder or person being or having been a domiciliary, national or resident thereof, or being or having been present or engaged in a trade or business therein or having had a permanent establishment therein (other than the holding by such Holder of any Note or such Holder's receipt of payments under, or exercise or enforcement of its rights in respect of, such Note or Note Guarantee);

(2) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;

(3) any Taxes which are payable other than by withholding or deduction from payments under (or with respect to) the Notes or any Note Guarantee;

(4) any Taxes that are imposed or levied by reason of the failure of the Holder or the beneficial owner of any Note to comply with any written request by the Payor made to such Holder at least 60 days before any such withholding or deduction would be payable (A) to provide information or documentation concerning the nationality, residence or identity of such Holder or beneficial owner or (B) to make any declaration or similar claim or satisfy any certification, information or reporting requirement, which in the case of (A) or (B), is required or imposed by a statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of withholding or deduction of, all or part of any Taxes, but, in each case, only if and to the extent that such Holder or beneficial owner is legally entitled to provide such information or documentation or to make such declaration or claim or to satisfy such requirement (without giving effect, for the avoidance of doubt, to any separate contractual limitation on any such disclosure, declaration, claim or satisfaction of requirement);

(5) any Taxes imposed on a Note presented for payment more than 30 days after the date on which such payment on such Note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that the Holder would have been entitled to Additional Amounts had the Note been presented on the last day of the 30-day period);

(6) any Taxes imposed on any payment of principal of (or premium, if any, on) or interest on a Note to any Holder who is a fiduciary or partnership or any Person (other than a Payor) other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the sole beneficial owner of such Note;

(7) any Taxes imposed on a Note presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to, or otherwise selecting, another Paying Agent in a member state of the European Union;

(8) any withholding or deduction pursuant to or in connection with Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreements (including any intergovernmental agreements) thereunder or any law, regulation, or official interpretation implementing any of the foregoing;

(9) any withholding or deduction that is required to be made pursuant to the Luxembourg law of 23 December 2005, as amended; or

(10) any Taxes imposed or levied by reason of any combination of clauses (1) through (9) above.

The Payor will make any withholding or deduction required by law in respect of Taxes, and remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor or any Guarantor will use reasonable efforts to provide the Paying Agent and Trustee with official receipts or other documentation evidencing the payment of the Taxes with respect to which Additional Amounts are paid.

If the Issuer or any Guarantor will be obligated to pay Additional Amounts under or with respect to any payment made on the Notes or any Note Guarantee, prior to the date of such payment, such Payor will deliver to the Paying Agent and Trustee an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount so payable and such other information reasonably necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date. The Trustee and the Paying Agent shall be entitled to rely solely on such Officer's Certificate without further inquiry, as conclusive proof that such payments are necessary. Whenever in the Indenture, the Notes or in this "Description of Notes" there is mentioned, in any context:

(1) the payment of principal;

(2) redemption prices or purchase prices in connection with a redemption or a purchase of Notes, as applicable;

(3) the payment of interest; or

(4) any other amount payable on or with respect to any of the Notes or any Note Guarantee,

such reference will be deemed to include payment of Additional Amounts as described under this caption "—*Additional Amounts*", to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Issuer will pay any present or future stamp, excise, issue, registration, or similar court or documentary Taxes (referred to in this paragraph as "stamp taxes") that arise in any Relevant Taxing Jurisdiction from the execution, delivery, enforcement or registration of the Notes, the Indenture, the Note Guarantees, the Security Documents or any other document or instrument in relation thereto, and the Issuer and each Guarantor will indemnify the Holders for any such stamp taxes paid by such Holders. For the avoidance of doubt, this section shall not apply to (i) any stamp duty, registration or other similar Taxes payable in respect of any document pursuant to which any rights and/or obligations under the Notes, the Indenture, the Note Guarantees, the Security Documents or any other document or instrument are assigned, novated, sub-participated or transferred by a Holders or (ii) any stamp duty, registration or other similar Taxes payable in respect of any registration or filing of Notes, the Indenture, the Note Guarantees, the Security Documents or any other document or instrument where such registration or filing is not required to maintain, preserve or enforce the rights of a Holder under this Agreement.

The obligations described under this caption "—*Additional Amounts*" will survive any termination, defeasance or discharge of the Indenture or any Note Guarantee, and will apply *mutatis mutandis* to any jurisdiction in which any successor Person to the Payor is incorporated, organised or resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

**Optional Redemption for Changes in Withholding Taxes**

The Issuer is entitled to redeem Notes, at its option, at any time in whole but not in part, upon not less than 10 nor more than 60 days' notice to the Holders (which notice will be given in accordance with the procedures described under "—*Notices*"), at a redemption price equal to 100% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any, to but excluding the date of redemption (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), in the event the Issuer or any Guarantor has become or would become obligated to pay, on

the next date on which any amount would be payable with respect to the Notes, any Additional Amounts, in each case, as a result of:

(1) a change in or an amendment to the laws (including any regulations, protocols or rulings promulgated thereunder) of any Relevant Taxing Jurisdiction affecting taxation; or

(2) any change in or amendment to any official position regarding the application, administration or interpretation of such laws (including any regulations, protocols or rulings promulgated thereunder and including the decision of any court, governmental agency or tribunal),

which change or amendment is announced, enacted or becomes effective, on or after the date of this Offering Circular (or, if the Relevant Taxing Jurisdiction has changed since the date of this Offering Circular either (i) as a result of an addition of a Guarantor, or (ii) an existing Guarantor redomiciling or becoming tax-resident (other than as a result of a change in law after the date of this Offering Circular), the date on which the then current Relevant Taxing Jurisdiction became the applicable Relevant Taxing Jurisdiction under the Indenture) and the Issuer and the Payor cannot avoid such obligation by taking reasonable measures available to them.

The Issuer will not give any such notice of redemption earlier than 90 days prior to the earliest date on which the Issuer or a Guarantor would be obligated to make such payment or withholding if a payment in respect of the Notes were then due, and at the time such notice is given, the obligation to pay Additional Amounts must remain in, or remain likely to come into, effect. Before publishing or mailing notice of the redemption of Notes, the Issuer will deliver to the Trustee an Officer's Certificate to the effect that the Issuer cannot avoid its obligation to pay Additional Amounts by taking reasonable measures available to it and that it is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right so to redeem have been satisfied. The Issuer or such Guarantor will also deliver to the Trustee an opinion of independent legal counsel of recognised standing to the effect that the Issuer or such Guarantor would be obliged to pay Additional Amounts as a result of a change or amendment described above. The Trustee will accept such Officer's Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent describe above, without further inquiry, in which event it will be conclusive and binding on the Holders. The foregoing provisions will apply *mutatis mutandis* to the laws and official positions of any jurisdiction in which any successor to the Issuer or such Guarantor permitted under the caption "*—Certain Covenants—Merger and Consolidation*" is incorporated, organised or otherwise resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

**The Note Guarantees**

***General***

The obligations of the Issuer pursuant to the Notes, including any payment obligation resulting from a Change of Control (as defined below), will be guaranteed, fully and unconditionally, jointly and severally, on the Issue Date, on a senior secured basis, by B&M European Value Retail 1 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, B&M European Value Retail 2 S.à r.l., EV Retail Limited, B & M Retail Limited, Heron Foods Limited and Heron Food Group Limited (each a "Guarantor").

Not all of the Subsidiaries of the Issuer will guarantee the Notes. In the event of a bankruptcy, liquidation or reorganisation of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Issuer.

As of 23 September 2023, the Guarantors and the Issuer represented 86.5% (88.6% on a pre-IFRS 16 basis) of the total assets and accounted for 89.3% of the total liabilities of the Group on a consolidated basis. For the 26 weeks ended 23 September 2023, the Guarantors and the Issuer were responsible for 90.0% (93.3% on a pre-IFRS 16 basis) of the Group's total Adjusted EBITDA on the same consolidated basis. As of 23 September 2023, the Non-Guarantor Subsidiaries represented 13.5% (11.4% on a pre-IFRS 16 basis) of the total assets and accounted for 10.7% of the total liabilities of the Group on a consolidated basis. For the 26 weeks ended 23 September 2023, the Non-Guarantor Subsidiaries were responsible for 10.0% (6.7% on a pre-IFRS 16 basis) of the Group's total Adjusted EBITDA on the same consolidated basis.

The Indenture will provide that the Issuer, each Guarantor, the Security Agent and the Trustee will be authorised (without any further consent of the holders of the Notes) to enter into the Intercreditor Agreement to give effect to the provisions described under the section entitled "Description of Certain Financing Arrangements—Intercreditor Agreement."

The Indenture will also provide that each holder of the Notes, by accepting its Note, will be deemed to have:

(a) appointed and authorised the Trustee and the Security Agent to give effect to the provisions in the Intercreditor Agreement;

(b) agreed to be bound by the provisions of the Intercreditor Agreement; and

(c) irrevocably appointed the Trustee and the Security Agent to act on its behalf to enter into and comply with the provisions of the Intercreditor Agreement.

The Agreed Security Principles apply to the granting of guarantees and security in favour of obligations under the Senior Facilities Agreement, the Existing Notes and the Notes. The Agreed Security Principles include restrictions on the granting of guarantees where, among other things, such grant would be restricted by general statutory or other legal limitations or requirements, financial assistance, corporate benefit, fraudulent preference, "thin capitalisation" rules, retention of title claims and similar matters.

Each Note Guarantee will be limited to the maximum amount that would not render the Guarantor's obligations subject to the Agreed Security Principles to cease to comply with corporate benefit, financial assistance and other laws. By virtue of this limitation, a Guarantor's obligation under its Note Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Note Guarantee. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes—Each Guarantee and security interest will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defences that may limit its validity and enforceability*" and "*Risk Factors—Risks Related to our Financial Profile and the Notes—Enforcing your rights as a holder of the Notes or under the Guarantees or the Collateral across multiple jurisdictions may prove difficult*".

***Releases of the Note Guarantees***

The Note Guarantee of a Guarantor will automatically terminate and be discharged and of no further force and effect:

- upon a sale or other disposition (including by way of consolidation or merger) of ownership interests in such Guarantor (whether by direct sale or sale of a holding company) such that such Guarantor does not remain a Restricted Subsidiary or the sale or disposition of all or substantially all the assets of such Guarantor (in each case, other than to the Issuer or a Restricted Subsidiary) in accordance with the terms of the Indenture (including, but not limited to, the covenants described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*");
- upon the designation in accordance with the Indenture of such Guarantor as an Unrestricted Subsidiary;
- upon legal defeasance, covenant defeasance or (subject to customary contingent reinstatement provisions) satisfaction and discharge of the Notes, as provided below under the captions "*—Defeasance*" and "*—Satisfaction and Discharge*";
- in accordance with certain enforcement actions taken by the creditors under certain of our secured Indebtedness in accordance with the Intercreditor Agreement or any Additional Intercreditor Agreement;
- as described under the caption "*—Amendments and Waivers*";
- as a result of a transaction permitted by the caption "*—Merger and Consolidation*"; or
- at any time such Guarantor is released from such other guarantee that gave rise to the requirement to guarantee the Notes, so long as no other Indebtedness is at that time guaranteed

by the relevant Guarantor that would give rise to a requirement to guarantee payment of the Notes as described under the caption "*—Certain Covenants—Future Guarantors*" below (it being understood that a release subject to contingent reinstatement is still a release).

Upon written request from the Issuer or the applicable Guarantor, the Trustee and the Security Agent shall each take all necessary actions, including the granting of releases or waivers under the Intercreditor Agreement or any Additional Intercreditor Agreement, to effectuate any release of a Note Guarantee in accordance with these provisions, subject to customary protections and indemnifications. Each of the releases set forth above shall be effected by the Trustee and the Security Agent without the consent of the holders of the Notes.

**Security**

***General***

On the Issue Date the Notes will (subject to the Agreed Security Principles) be secured by the Collateral which will consist of:

- pledges over all of the issued share capital of the Initial Guarantors incorporated in Luxembourg pursuant to two Luxembourg law governed share pledge agreements (the "*Luxembourg Share Pledges*");
- fixed and floating charges over substantially all of the Initial Guarantors' and the Issuer's property and assets in England pursuant to an English law debenture and an English law supplemental debenture (together, the "*English Law Debentures*");
- pledges over certain bank accounts of the Issuer and the Initial Guarantors incorporated in Luxembourg pursuant to three Luxembourg law governed account pledge agreements (the "*Luxembourg Bank Account Pledges*"); and
- a Luxembourg law governed security confirmation agreement in respect of the Luxembourg Share Pledges and the Luxembourg Bank Account Pledges (the "*Luxembourg Security Confirmation*").

Any other additional security interests that may in the future be created to secure obligations under the Notes and the Indenture would also constitute Collateral.

The Collateral will also secure the liabilities under the Senior Facilities Agreement, the Existing Notes and may secure certain Hedging Obligations, and certain other future indebtedness (including any Additional Notes). Pursuant to the terms of the Intercreditor Agreement, any proceeds received upon any enforcement over any Collateral, will be applied *pro rata* in payment of all liabilities in respect of obligations under the Senior Facilities Agreement and the Existing Notes, such Hedging Obligations (if any), the Indenture and the Notes and any other Indebtedness of the Issuer or its Restricted Subsidiaries permitted to be incurred and secured by the Collateral on a *pari passu* basis pursuant to the Indenture and the Intercreditor Agreement. No appraisals of the Collateral have been made in connection with this offering of the Notes. By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, the Collateral may not be able to be sold in a short period of time, or at all. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes*".

***Security Documents***

The English Law Debenture, Luxembourg Bank Account Pledges, the Luxembourg Share Pledges and the Luxembourg Security Confirmation will (subject to the Agreed Security Principles) secure the payment and performance when due of the obligations of the Issuer and the Guarantors under the Indenture and the Notes, the Senior Facilities Agreement, the Existing Notes and certain other future indebtedness as provided for in the Security Documents.

So long as no enforcement has occurred and is continuing, and subject to certain terms and conditions, each pledgor will be entitled to receive all cash dividends, interest and other payments made upon or with respect to the shares pledged by it and, so long as no enforcement has occurred, each pledgor will be entitled

to exercise any voting and other consensual rights pertaining to the shares pledged by it in a manner which does not adversely affect the validity or enforceability of the security or cause an Event of Default to occur. Subject to the Intercreditor Agreement, *however*:

- upon the occurrence of an enforcement event, all rights of the relevant pledgor to receive dividends and other payments made upon or with respect to the pledged shares will cease and such dividends and other payments will be paid to an account for the benefit of the Security Agent; and
- upon the occurrence of an enforcement event, the Security Agent will also be entitled to exercise all rights, actions and privileges granted by law to a secured creditor.

The Indenture will provide that the Security Documents may be enforced upon an acceleration of amounts due under the Notes following an Event of Default.

The Security Agent will enter into the Security Documents in its own name for the benefit of the Trustee and the holders of the Notes. Neither the Trustee nor the holders of the Notes may, individually or collectively, take any direct action to enforce any rights in their favour under the Security Documents. The holders of the Notes may only take action through the Security Agent.

In the event that the Issuer or its Subsidiaries enter into insolvency, bankruptcy or similar proceedings, the Security Interests (as defined below) created under the Security Documents or the rights and obligations set out in the Intercreditor Agreement could be subject to potential challenges. If any challenge to the validity of the Security Interests created under the Security Documents or the terms of the Intercreditor Agreement were to be successful, the Trustee and the holders of the Notes may not be able to recover any amounts under the Security Documents. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes*."

Subject to certain conditions, including compliance with the covenant described under the caption "*—Certain Covenants—Impairment of Security Interest*", the Issuer and the Guarantors are permitted to pledge the Collateral in connection with future incurrences of Indebtedness, including any Additional Notes, or Indebtedness of its Restricted Subsidiaries, in each case permitted under the Indenture and on terms consistent with the relative priority of such Indebtedness.

***Priority***

The relative priority with regard to the security interests in the Collateral that are created by the Security Documents (the "Security Interests" and each, a "Security Interest") as between (a) the lenders under the Senior Facilities Agreement, (b) the Security Agent, the Trustee and the Holders of the Notes under the Indenture, (c) the counterparties under certain Hedging Obligations and (d) the creditors of certain other Indebtedness permitted to be secured by the Collateral, respectively, will be established by the terms of the Intercreditor Agreement, which will provide, among other things, that the obligations under the Senior Facilities Agreement, the Existing Notes and the Notes are secured equally and rateably by first-ranking Security Interests. See "*Description of Certain Financing Arrangements—Intercreditor Agreement*". See "*—Security—Release of Security*", "*—Certain Covenants—Impairment of Security Interest*" and "*—Certain Definitions—Permitted Collateral Liens*".

***Release of Security***

The Collateral will be released:

- upon legal defeasance, covenant defeasance or (subject to customary contingent reinstatement provisions) satisfaction and discharge of the Notes, as provided below under the captions "*—Defeasance*" and "*—Satisfaction and Discharge*";
- as described under "*—Amendment and Waivers*" and "*—Certain Covenants—Limitation on Liens*";
- automatically without any action by the Trustee or Security Agent, if the Lien granted in favour of the Senior Facilities Agreement or such other Indebtedness that gave rise to the obligation to grant

the Lien over such Collateral is released (other than pursuant to the repayment and discharge thereof);

- as provided for under the Intercreditor Agreement, including in accordance with certain enforcement actions taken by the creditors under certain of our secured Indebtedness in accordance with the Intercreditor Agreement or any Additional Intercreditor Agreement;
- in the case of property and assets and Capital Stock of a Guarantor, to the extent such Guarantor is released from its Note Guarantee pursuant to the terms of the Indenture;
- to the extent permitted in accordance with the covenant described under the caption "*—Certain Covenants—Impairment of Security Interest*" below;
- in connection with any asset sale or disposition or transfer of assets to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary, if the sale or other disposition does not violate the covenant described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*"; or
- as otherwise permitted in accordance with the Indenture.

Each of the releases set forth above shall be effected by the Security Agent without the consent of the holders of the Notes. The Indenture will provide that any release of a Lien on Collateral shall be evidenced by the delivery by the Issuer to the Trustee and Security Agent of an Officer's Certificate of the Issuer, and that the Security Agent shall acknowledge and confirm such release upon delivery of such Officer's Certificate. The Trustee and the Security Agent shall take all necessary actions to effectuate the releases described above, subject to customary protections and indemnifications.

**Change of Control**

Upon the occurrence of a Change of Control (as defined below), each holder of the Notes will have the right to require the Issuer to repurchase all or any part (equal to £100,000 or in integral multiples of £1,000 in excess thereof) of such holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of repurchase, plus accrued and unpaid interest, if any, to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date falling prior to or on the purchase date); *provided, however*, that the Issuer will not be obligated to repurchase Notes pursuant to this covenant in the event that it has exercised its right to redeem all of the Notes as described under the caption "*—Optional Redemption*".

Unless the Issuer has exercised its right to redeem all the Notes as described under the caption "*—Optional Redemption*", the Issuer will, not later than 30 days following the date the Issuer obtains actual knowledge of any Change of Control having occurred, mail a notice (a "Change of Control Offer") to each Holder with a copy to the Trustee and the Paying Agent stating:

(1) that a Change of Control has occurred or may occur and that such Holder has, or upon such occurrence will have, the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant interest payment date falling prior to or on the purchase date);

(2) the purchase date (which will be no earlier than 10 days nor later than 60 days from the date such notice is mailed except that such notice may be delivered more than 60 days prior to the purchase date if such purchase date is delayed as provided in clause (4) of this paragraph);

(3) the instructions determined by the Issuer, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased; and

(4) if such notice is mailed prior to the occurrence of a Change of Control, that such offer is conditioned on the occurrence of such Change of Control and that the purchase date may, in the Issuer's discretion be delayed until such time as the Change of Control has occurred.

No Note will be repurchased in part if less than £100,000 in original principal amount of such Note would be left outstanding.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not validly withdrawn under such Change of Control Offer.

To the extent that the provisions of any applicable laws or regulations, including securities laws, conflict with the provisions of the Indenture, the Issuer will comply with the applicable laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue thereof.

The Issuer has no present plans to engage in a transaction involving a Change of Control, although it is possible that the Issuer could decide to do so in the future. Subject to the limitations discussed below, the Issuer could, in the future, enter into certain transactions, including acquisitions, refinancings or recapitalisations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Issuer's capital structure or credit ratings. Except as described above with respect to a Change of Control, the Indenture will not contain any covenants or provisions that permit the Holders to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalisation or similar transaction. The existence of a Holder's right to require the Issuer to repurchase such Holder's Notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Issuer in a transaction that would constitute a Change of Control.

The occurrence of certain of the events that would constitute a Change of Control would require prepayment of Indebtedness under the Senior Facilities Agreement. Agreements governing Indebtedness of the Issuer and the Restricted Subsidiaries may contain prohibitions of certain events that would constitute a Change of Control or require such Indebtedness to be repurchased or repaid upon a Change of Control. Agreements governing future Indebtedness of the Issuer or any of its Subsidiaries may prohibit the Issuer from repurchasing the Notes upon a Change of Control or restrict the ability of the Issuer's Subsidiaries to provide funds to the Issuer necessary to enable it to repurchase the Notes. Moreover, the exercise by the Holders of their right to require the Issuer to repurchase the Notes could cause a default under, or require repayment of Indebtedness under, such agreements, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer and its Subsidiaries. Finally, the Issuer's ability to pay cash to the Holders upon a repurchase may be limited by the Issuer's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. As described above under the caption "—*Optional Redemption*", the Issuer also has the right to redeem the Notes at specified prices, in whole or in part, upon a Change of Control or otherwise.

The provisions under the Indenture relating to the Issuer's obligation to make an offer to purchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in outstanding principal amount of the Notes.

The definition of Change of Control includes a phrase relating to the sale or other transfer of "all or substantially all" of the assets of the Issuer and its Restricted Subsidiaries. Although there is a developing body of case law interpreting the phrase "substantially all," there is no precise definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Issuer and its Restricted Subsidiaries, and therefore it may be unclear as to whether a Change of Control has occurred and whether the holders of the Notes have the right to require the Issuer to repurchase such Notes.

If and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and the rules and regulations of the Luxembourg Stock Exchange so require, the Issuer will publish a notice of any Change of Control Offer on the official website of the Luxembourg Stock Exchange (www.luxse.com) (the information contained on that website is not part of this Offering Circular).

**Certain Covenants**

The Indenture will contain, among others, the covenants as described below, that will apply from and after the Issue Date.

***Suspension of Covenants on Achievement of Investment Grade Status***

If on any day following the Issue Date (a) the Notes have Investment Grade Ratings from both Rating Agencies and, (b) no Default has occurred and is continuing under the Indenture, then, beginning on that day subject to the provisions of the following paragraph, the covenants specifically listed under the following captions under the caption "*—Certain Covenants*" in this "*Description of Notes*" section of this Offering Circular (collectively, the "Suspended Covenants") will be suspended:

(i) "*—Limitation on Indebtedness*";

(ii) "*—Limitation on Restricted Payments*";

(iii) "*—Limitation on Restrictions on Distributions from Restricted Subsidiaries*";

(iv) "*—Limitation on Sales of Assets and Subsidiary Stock*";

(v) "*—Future Guarantors*"; and

(vi) clauses (a)(iii) and (a)(iv) of "*—Merger and Consolidation*".

During any period that the foregoing covenants have been suspended, the Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries unless such designation would have complied with the covenant described under the caption "*—Limitation on Restricted Payments*" as if such covenant would have been in effect during such period.

If on any subsequent date, in case of a suspension of the foregoing covenants pursuant to (a) of the first paragraph above, one or both of the Rating Agencies downgrade the ratings assigned to the Notes below an Investment Grade Rating, the foregoing covenants will be reinstated as of and from the time at which the Issuer obtains actual knowledge of such rating decline (any such date, a "Reversion Date"). The period of time between the suspension of covenants as set forth above and the Reversion Date is referred to as the "Suspension Period." On the Reversion Date, all Indebtedness Incurred during the Suspension Period will be classified, at the Issuer's option, as having been Incurred pursuant to the first paragraph of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" or one or more of the clauses set for in the second paragraph of such covenant (to the extent such Indebtedness would be permitted to be Incurred thereunder as of the Reversion Date and after giving effect to the Indebtedness Incurred prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be incurred under the first two paragraphs of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*", such Indebtedness will be deemed to have been Incurred under the exception provided by clause (b)(iii) of "*—Certain Covenants—Limitation on Indebtedness*". With respect to Restricted Payments made after any such reinstatement, the amount of Restricted Payments will be calculated as if the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*" had been in effect prior to, but not during, the Suspension Period. For purposes of the covenant described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*", upon the occurrence of a Reversion Date the amount of Excess Proceeds not applied in accordance with such covenant will be deemed to be reset to zero. In addition, for purposes of the covenant described under the caption "*—Limitation on Restrictions on Distributions from Restricted Subsidiaries*", all contracts entered into during the Suspension Period prior to such Reversion Time that contain any of the encumbrances or restrictions subject to such covenant will be deemed to have been existing on the Issue Date.

During the Suspension Period, any reference in the definitions of "Permitted Liens" and "Unrestricted Subsidiary" to the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" or any provision thereof shall be construed as if such covenant were in effect during the Suspension Period.

Notwithstanding that the Suspended Covenants may be reinstated, no Default or Event of Default will be deemed to have occurred for any failure to comply with the Suspended Covenants during any Suspension

Period. The Issuer and any Subsidiary will be permitted, without causing a Default or Event of Default or breach of any kind under the Indenture, to honour, comply with or otherwise perform any contractual commitments or obligations entered into during a Suspension Period following a Reversion Date and to consummate the transactions contemplated thereby.

There can be no assurance that the Notes will ever achieve or maintain Investment Grade Ratings.

***Limitation on Indebtedness***

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness (including Acquired Indebtedness); *provided, however*, that the Issuer or any Restricted Subsidiary may Incur Indebtedness (including Acquired Indebtedness) if, on the date of the Incurrence of such Indebtedness, after giving *pro forma* effect to the Incurrence thereof, the Consolidated Coverage Ratio would be equal to or greater than 2.0:1.0.

(b) Notwithstanding the foregoing paragraph (a), the Issuer and its Restricted Subsidiaries may Incur the following Indebtedness:

(i) Indebtedness Incurred pursuant to any Credit Facility (including but not limited to in respect of letters of credit or bankers' acceptances issued or created thereunder) and any Refinancing Indebtedness in respect thereof in a maximum aggregate principal amount at any time outstanding not exceeding the Bank Basket Sterling Amount *less* all principal repayments of Indebtedness Incurred pursuant to this clause (i) with the proceeds from Asset Dispositions utilised in accordance with clause (a)(iii) of the covenant "*—Limitation on Sales of Assets and Subsidiary Stock*" described below that permanently reduce the commitments thereunder;

(ii) Indebtedness (A) of any Restricted Subsidiary to the Issuer or (B) of the Issuer or any Restricted Subsidiary to any Restricted Subsidiary; *provided*, that (a) except (1) in the case of intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Issuer and its Restricted Subsidiaries or (2) if it would contravene any provisions of any joint venture agreement or similar arrangement in effect on the Issue Date governing or binding upon the Issuer or any Restricted Subsidiary, any such Indebtedness with an outstanding principal amount greater than £15 million owed by the Issuer or a Guarantor to a Restricted Subsidiary that is not the Issuer or a Guarantor shall, to the extent legally permitted, be subordinated in right of payment to, in the case of Indebtedness of the Issuer, the Notes or, in the case of Indebtedness of a Guarantor, its Note Guarantee and (b) any subsequent issuance or transfer of any Capital Stock of such Restricted Subsidiary to which such Indebtedness is owed, or other event, that results in such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of such Indebtedness (except to the Issuer or a Restricted Subsidiary) will be deemed, in each case, an Incurrence of such Indebtedness by the issuer thereof not permitted by this clause (ii);

(iii) Indebtedness represented by the Notes (other than any Additional Notes), the Note Guarantees, the Existing Notes outstanding on the Issue Date and the guarantees of the Existing Notes, the Security Documents (including "parallel debt" obligations created under the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents), and any Indebtedness (other than the Indebtedness described in clauses (i) or (ii) of this paragraph (b)) outstanding on the Issue Date and any Refinancing Indebtedness Incurred in respect of any Indebtedness described in this clause (iii) or paragraph (a) above;

(iv) (A) Purchase Money Obligations and any Refinancing Indebtedness in respect thereof in an aggregate principal amount not to exceed the greater of £62.5 million and 9% of LTM EBITDA at any time outstanding and (B) Capitalised Lease Obligations and any Refinancing Indebtedness in respect thereof provided that Capitalised Lease Obligations incurred under this paragraph (b)(iv)(B) and outstanding immediately after giving effect to such incurrence which would have been treated as indebtedness on the balance sheet of the Group prior to the implementation of IFRS 16 shall not, when aggregated with the amount outstanding

under paragraph (b)(iv)(A) above, exceed an aggregate principal amount of the greater of £62.5 million and 9% of LTM EBITDA;

(v) Indebtedness consisting of accommodation guarantees incurred in the ordinary course of business for the benefit of trade creditors of the Issuer or any of its Restricted Subsidiaries;

(vi) (A) guarantees by the Issuer or any Restricted Subsidiary of Indebtedness or any other obligation or liability of the Issuer or any Restricted Subsidiary (other than any Indebtedness Incurred by the Issuer or such Restricted Subsidiary, as the case may be, in violation of this covenant); *provided* that if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Notes or a Note Guarantee, then the guarantee must be subordinated to or *pari passu* with the Notes or such Note Guarantee to the same extent as the Indebtedness being guaranteed, or (B) without limiting the covenant described under the caption "— *Limitation on Liens,*" Indebtedness of the Issuer or any Restricted Subsidiary arising by reason of any Lien granted by or applicable to such Person securing Indebtedness of the Issuer or any Restricted Subsidiary (other than any Indebtedness Incurred by the Issuer or such Restricted Subsidiary, as the case may be, in violation of this covenant);

(vii) Indebtedness of the Issuer or any Restricted Subsidiary (A) arising from the honouring of a check, draft or similar instrument of such Person drawn against insufficient funds, *provided* that such Indebtedness is extinguished within 30 Business Days of its Incurrence, or (B) consisting of guarantees, indemnities, obligations in respect of earnouts or other purchase price adjustments, or similar obligations, Incurred in connection with the acquisition or disposition of any business, assets or Person;

(viii) Indebtedness of the Issuer or any Restricted Subsidiary, in respect of (A) letters of credit, bankers' acceptances, bank guarantees or other similar instruments or obligations issued, or relating to liabilities or obligations incurred, in the ordinary course of business (including those issued to governmental entities in connection with self-insurance under applicable workers' compensation statutes), or (B) completion guarantees, surety, judgment, appeal or performance bonds, or other similar bonds, instruments or obligations, provided, or relating to liabilities or obligations incurred, in the ordinary course of business, including in respect of liabilities or obligations of franchises, or (C) Hedging Obligations, entered into not for speculative purposes, or (D) the financing of insurance premiums, in the ordinary course of business, or (E) take or pay obligations under supply arrangements, incurred in the ordinary course of business, or (F) netting, overdraft protection and other similar arrangements arising under standard business terms of any bank at which the Issuer or any Restricted Subsidiary maintains an overdraft, cash pooling or other similar facility arrangement, or (G) Bank Products Obligations, or (H) Management Guarantees or Management Indebtedness, or (I) Junior Capital, or (J) Ancillary Outstandings (as defined in the Senior Facilities Agreement), or (K) the Group's pension schemes and arrangements;

(ix) Indebtedness (A) of a Special Purpose Subsidiary secured by a Lien on all or part of the assets disposed of in, or otherwise Incurred in connection with, a Financing Disposition or (B) otherwise Incurred in connection with a Special Purpose Financing; *provided* that (1) such Indebtedness is not recourse to the Issuer or any Restricted Subsidiary that is not a Special Purpose Entity (other than with respect to Special Purpose Financing Undertakings); (2) in the event such Indebtedness shall become recourse to the Issuer or any Restricted Subsidiary that is not a Special Purpose Entity (other than with respect to Special Purpose Financing Undertakings), such Indebtedness will be deemed to be, and must be classified by the Issuer as, Incurred at such time (or at the time initially Incurred) under one or more of the other provisions of this covenant for so long as such Indebtedness shall have such recourse; and (3) in the event that at any time thereafter such Indebtedness shall comply with the provisions of the preceding subclause (1), the Issuer may classify such Indebtedness in whole or in part as Incurred under this clause (b)(ix) of this covenant;

(x) Indebtedness of (A) the Issuer or any Restricted Subsidiary Incurred to finance or refinance, or otherwise Incurred in connection with, any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Issuer or any Restricted Subsidiary, or (B) any Person that is acquired by or merged or consolidated

with or into the Issuer or any Restricted Subsidiary (including Indebtedness thereof Incurred in connection with any such acquisition, merger or consolidation), *provided* that, in each case, on the date of such acquisition, merger or consolidation, after giving effect thereto, either (1) the Issuer could Incur at least £1.00 of additional Indebtedness pursuant to paragraph (a) above or (2) the Consolidated Coverage Ratio would not be less than it was immediately prior to giving effect thereto; and any Refinancing Indebtedness with respect to any such Indebtedness;

(xi) Contribution Indebtedness and any Refinancing Indebtedness with respect thereto;

(xii) Indebtedness arising upon the conversion or exchange of shares of Disqualified Stock issued in accordance with paragraph (a) above, and any Refinancing Indebtedness with respect thereto;

(xiii) Indebtedness of any Restricted Subsidiary consisting of local lines of credit, bilateral facilities and/or working capital facilities in an aggregate principal amount at any time outstanding not exceeding an amount equal to the greater of £225 million and 33% of LTM EBITDA;

(xiv) Indebtedness of the Issuer or any Restricted Subsidiary in an aggregate principal amount at any time outstanding not exceeding an amount equal to the greater of £225 million and 33% of LTM EBITDA;

(xv) Indebtedness of the Issuer or any Restricted Subsidiary Incurred as consideration in connection with or otherwise to finance any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Issuer or any Restricted Subsidiary, and any Refinancing Indebtedness with respect thereto, in an aggregate principal amount at any time outstanding not exceeding an amount equal to the greater of £100 million and 15% of LTM EBITDA; and

(xvi) Indebtedness secured by Liens on the Collateral in an unlimited amount if, after giving effect to the Incurrence (or, at the Issuer's election in respect of a Limited Condition Acquisition, on the date of the initial commitment to lend such additional amount after giving pro forma effect to the Incurrence of the entire committed amount), the Consolidated Secured Net Leverage Ratio does not exceed 3.25:1.00.

(c) Notwithstanding the foregoing, the aggregate principal amount of Indebtedness Incurred pursuant to clauses (a) and (b) of this covenant (other than Indebtedness Incurred pursuant to clause (b)(ii) of this covenant) by Restricted Subsidiaries that are not the Issuer or Guarantors shall not exceed (i) at any time outstanding the greater of £225 million and 33% of LTM EBITDA, after giving *pro forma* effect to the Incurrence thereof (including the use of proceeds therefrom) plus (ii) without double counting of incremental amounts included in the definition of "Refinancing Indebtedness" in the event of any refinancing of any such Indebtedness, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing.

(d) For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with this covenant, (i) any other obligation of the obligor on such Indebtedness (or of any other Person who could have Incurred such Indebtedness under this covenant) arising under any guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation supporting such Indebtedness shall be disregarded to the extent that such guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation secures the principal amount of such Indebtedness; (ii) in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in paragraph (b) above, the Issuer, in its sole discretion, shall classify such item of Indebtedness and may include the amount and type of such Indebtedness in one or more of such clauses or subclauses of paragraph (b) above (including in part under one such clause or subclause and in part under another such clause or subclause); *provided* that, except with respect to Indebtedness incurred under the Senior Facilities Agreement on 3 April 2023 pursuant to clause (i) of paragraph (b) and any Refinancing Indebtedness in respect thereof, which may not be reclassified, any Indebtedness Incurred pursuant to clause (b) of this covenant shall cease to be deemed Incurred or outstanding for purposes of such clause but shall be deemed Incurred for the

purposes of paragraph (a) of this covenant from and after the first date on which the Issuer or any Restricted Subsidiary could have Incurred such Indebtedness under paragraph (a) of this covenant without reliance on such clause; (iii) in the event that Indebtedness could be Incurred in part under paragraph (a) above, the Issuer, in its sole discretion, may classify a portion of such Indebtedness as having been Incurred under paragraph (a) above and the remainder of such Indebtedness as having been Incurred under paragraph (b) above; (iv) the amount of Indebtedness issued at a price that is less than the principal amount thereof shall be equal to the amount of the liability in respect thereof determined in accordance with IFRS; (v) the principal amount of Indebtedness outstanding under any clause of paragraph (b) above shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness; (vi) if any Indebtedness is Incurred to refinance Indebtedness initially Incurred (or, Indebtedness Incurred to refinance Indebtedness initially Incurred) in reliance on any provision of paragraph (b) above measured by reference to a percentage of LTM EBITDA at the time of Incurrence, and such refinancing would cause such percentage of LTM EBITDA to be exceeded if calculated based on the LTM EBITDA on the date of such refinancing, such percentage of LTM EBITDA shall not be deemed to be exceeded (and such refinancing Indebtedness shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness does not exceed an amount equal to the principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing; and (vii) if any Indebtedness is Incurred to refinance Indebtedness initially Incurred (or, Indebtedness Incurred to refinance Indebtedness initially Incurred) in reliance on any provision of paragraph (b) above measured by an amount in sterling, such sterling amount shall not be deemed to be exceeded (and such refinancing Indebtedness shall be deemed permitted) to the extent the principal amount of such newly Incurred Indebtedness does not exceed the principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing.

(e) For purposes of determining compliance with any provision of paragraph (b) above (or any category of Permitted Liens described in the definition thereof) measured by an amount in sterling or by reference to a percentage of LTM EBITDA, in each case, for the Incurrence of Indebtedness or Liens securing Indebtedness denominated in a currency other than sterling, the Sterling Equivalent principal amount of such Indebtedness Incurred pursuant thereto shall be calculated based on the relevant currency exchange rate in effect on the date that such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving or deferred draw Indebtedness; *provided* that (i) if such Indebtedness or Lien denominated in currency other than sterling is subject to a Currency Agreement with respect to sterling the amount of such Indebtedness or Lien expressed in sterling will be calculated so as to take account of the effects of such Currency Agreement, (ii) the Sterling Equivalent principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date, (iii) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency (or in a different currency from such Indebtedness so being Incurred), and such refinancing would cause the applicable provision of paragraph (b) above (or category of Permitted Liens) measured by an amount in Sterling or by reference to a percentage of LTM EBITDA, as applicable, to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such provision of paragraph (b) above (or category of Permitted Liens) measured by an amount in sterling or by reference to a percentage of LTM EBITDA, as applicable, shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (A) the outstanding or committed principal amount (whichever is higher) of such Indebtedness being refinanced plus (B) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing and (iv) the Sterling Equivalent principal amount of Indebtedness denominated in a currency other than sterling and Incurred pursuant to a Senior Facilities Agreement shall be calculated based on the relevant currency exchange rate in effect on, at the Issuer's option, (A) the Issue Date, (B) any date on which any of the respective commitments under such Senior Facilities Agreement shall be reallocated between or among facilities or

subfacilities thereunder, or on which such rate is otherwise calculated for any purpose thereunder, or (C) the date of such Incurrence. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

***Limitation on Restricted Payments***

(a) The Issuer will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(i) declare or pay any dividend or make any distribution on or in respect of its Capital Stock (including any such payment in connection with any merger or consolidation involving the Issuer) except (x) dividends or distributions payable solely in its Capital Stock (other than Disqualified Stock) and (y) dividends or distributions payable to the Issuer or any Restricted Subsidiary (and, in the case of any such Restricted Subsidiary making such dividend or distribution, to other holders of its Capital Stock on no more than a *pro rata* basis measured by value);

(ii) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Issuer held by Persons other than the Issuer or a Restricted Subsidiary (other than any acquisition of Capital Stock deemed to occur upon the exercise of options if such Capital Stock represents a portion of the exercise price thereof);

(iii) purchase, repurchase, redeem, defease or otherwise acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Obligations of the Issuer or any Guarantor Subordinated Obligations of any Guarantor (other than a purchase, repurchase, redemption, defeasance or other acquisition or retirement for value in anticipation of satisfying a sinking fund obligation, principal instalment or final maturity, in each case due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition or retirement); or

(iv) make any Investment (other than a Permitted Investment) in any Person,

(any such dividend, distribution, purchase, repurchase, redemption, repurchase, defeasance, other acquisition or retirement or Investment being herein referred to as a "Restricted Payment"), if at the time the Issuer or such Restricted Subsidiary makes such Restricted Payment and after giving effect thereto:

(1) an Event of Default shall have occurred and be continuing (or would result therefrom);

(2) the Issuer could not Incur at least an additional £1.00 of Indebtedness pursuant to paragraph (a) of the covenant described under the caption "—*Certain Covenants—Limitation on Indebtedness*"; or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments (the amount so expended, if other than in cash, to be as determined in good faith by the Board of Directors, whose determination will be conclusive and evidenced by a resolution of the Board of Directors) declared or made subsequent to the Issue Date and then outstanding would exceed, without duplication, the sum of:

(A) 50% of the Consolidated Net Income accrued during the period (treated as one accounting period) beginning on 1 January 2017 to the end of the most recent fiscal quarter of the Issuer ending prior to the date of such Restricted Payment for which consolidated financial statements of the Issuer are available (or, in case such Consolidated Net Income will be a negative number, 100% of such negative number);

(B) the aggregate Net Cash Proceeds and the Fair Market Value of property or assets received without duplication (x) by the Issuer as capital contributions to the Issuer after the Issue Date or from the issuance or sale (other than to a Restricted Subsidiary) of its Capital Stock (other than Disqualified Stock) after the Issue Date (in each case, other than Excluded Contributions or Contribution Amounts) or (y) by the Issuer or any Restricted Subsidiary from the Incurrence by the Issuer or any Restricted Subsidiary after the Issue Date of Indebtedness that is converted into or exchanged for Capital Stock of the Issuer (other than

Disqualified Stock), plus the amount of any cash and the Fair Market Value of any property or assets received by the Issuer or any Restricted Subsidiary upon such conversion or exchange;

(C) (i) the aggregate amount of cash and the Fair Market Value of any property or assets received after the Issue Date from dividends, distributions, interest payments, return of capital, repayments of Investments or other transfers of assets to the Issuer or any Restricted Subsidiary from any Unrestricted Subsidiary, plus (ii) the aggregate amount resulting from the redesignation after the Issue Date of any Unrestricted Subsidiary as a Restricted Subsidiary (valued in each case as provided in the definition of "Investment");

(D) in the case of any disposition or repayment of any Investment constituting a Restricted Payment after the Issue Date (without duplication of any amount deducted in calculating the amount of Investments at any time outstanding included in the amount of Restricted Payments), the aggregate amount of cash and the Fair Market Value of any property or assets received by the Issuer or a Restricted Subsidiary after the Issue Date with respect to all such dispositions and repayments; and

(E) £150 million.

(b) The provisions of paragraph (a) of this covenant do not prohibit any of the following (each, a "Permitted Payment"):

(i) any purchase, redemption, repurchase, defeasance or other acquisition or retirement of Capital Stock of the Issuer ("Treasury Capital Stock") or Subordinated Obligations made by exchange (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares) for, or out of the net cash proceeds of the substantially concurrent issuance or sale of, Capital Stock of the Issuer (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary) ("Refunding Capital Stock") or a substantially concurrent capital contribution to the Issuer, in each case other than Excluded Contributions and Contribution Amounts; *provided* that the Net Cash Proceeds from such issuance, sale or capital contribution shall be excluded in subsequent calculations under clause (3)(B) of the preceding paragraph (a);

(ii) any purchase, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Obligations of the Issuer or Guarantor Subordinated Obligations of any Guarantor (w) made by exchange for, or out of the net cash proceeds of the substantially concurrent Incurrence of, Indebtedness of the Issuer or of such Guarantor of Refinancing Indebtedness (other than to the Issuer or a Restricted Subsidiary) Incurred in compliance with the covenant described under "*—Certain Covenants—Limitation on Indebtedness*", (x) from Net Available Cash to the extent permitted by the covenant described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*", but only if the Issuer will have complied with the provisions described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*" and, if required, caused the repurchase of all Notes tendered pursuant to the offer to repurchase required thereby, prior to purchasing or repaying such Subordinated Obligations of the Issuer or Guarantor Subordinated Obligations of any Guarantor (y) following the occurrence of a Change of Control (or other similar event described therein as a "change of control"), but only if the Issuer will have complied with the provisions described under the caption "*—Change of Control*" and, if required, caused the repurchase of all Notes tendered pursuant to the offer to repurchase required thereby, prior to purchasing or repaying such Subordinated Obligations of the Issuer or Guarantor Subordinated Obligations of any Guarantor or (z) constituting Acquired Indebtedness;

(iii) any dividend paid or redemption made within 60 days after the date of declaration thereof or the giving notice thereof, as applicable, if at such date of declaration or notice such dividend or redemption would have complied with this covenant;

(iv) Investments or other Restricted Payments in an aggregate amount outstanding at any time not to exceed the amount of Excluded Contributions;

(v) payments, repayments, loans, advances, dividends or distributions by the Issuer or any Restricted Subsidiary to any entity formed for the purpose of investing in Capital Stock of the Issuer or any Restricted Subsidiary to permit the Issuer or any Restricted Subsidiary or any such entity to repurchase or otherwise acquire Capital Stock or other debt or equity securities of the Issuer or any Restricted Subsidiary or Capital Stock or other debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any Restricted Subsidiary (including in each case any options, warrants or other rights in respect thereof), or payments by the Issuer or any Restricted Subsidiary to repurchase or otherwise acquire Capital Stock or other debt or equity securities of the Issuer or any Restricted Subsidiary or Capital Stock or other debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any Restricted Subsidiary (including in each case any options, warrants or other rights in respect thereof), in each case from current or former Management Investors (including any repurchase or acquisition by reason of the Issuer or any Restricted Subsidiary retaining any Capital Stock, option, warrant or other right in respect of tax withholding obligations, and any related payment in respect of any such obligation), such payments, repayments, loans, advances, dividends or distributions not to exceed an amount (net of repayments of any such loans or advances) equal to (w) the greater of £12 million and 1.5% of LTM EBITDA, plus (x) £10 million multiplied by the number of calendar years that have commenced since the Issue Date, plus (y) the Net Cash Proceeds received by the Issuer or any Restricted Subsidiary since the Issue Date (including through receipt of proceeds from the issuance or sale of its Capital Stock to a Management Investor) from, or as a capital contribution from, the issuance or sale to Management Investors of Capital Stock of the Issuer or any Restricted Subsidiary or Capital Stock or other debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any Restricted Subsidiary (including any options, warrants or other rights in respect thereof), to the extent such Net Cash Proceeds are not included in any calculation under clause (3)(B)(x) of the preceding paragraph (a), plus (z) the cash proceeds of key man life insurance policies received by the Issuer or any Restricted Subsidiary since the Issue Date to the extent such cash proceeds are not included in any calculation under clause (3)(A) of the preceding paragraph (a), *provided* that the cancellation of Indebtedness owing to the Issuer or any Restricted Subsidiary by any current or former Management Investor in connection with any repurchase or other acquisition of Capital Stock (including any options, warrants or other rights in respect thereof) from any Management Investor shall not constitute a Restricted Payment for purposes of this covenant or any other provision of the Indenture;

(vi) Restricted Payments (including loans or advances) made in any fiscal year in an aggregate amount not to exceed an amount (net of repayments of any such loans or advances) equal to the greater of £150 million and 22% of LTM EBITDA, *provided* that the Issuer shall be permitted to carry forward unused amounts to subsequent fiscal years (beginning with unused amounts in the fiscal year ending in March 2024) and the aggregate annual basket referred to above in any fiscal year shall be increased by an amount equal to the amount that is carried forward to such fiscal year;

(vii) payments by the Issuer to holders of Capital Stock of the Issuer in lieu of issuance of fractional shares of such Capital Stock;

(viii) dividends or other distributions of or Investments paid for or made with Capital Stock, Indebtedness or other securities of Unrestricted Subsidiaries;

(ix) (A) dividends on any Designated Preferred Stock of the Issuer issued after the Issue Date; *provided* that at the time of such issuance and after giving effect thereto on a *pro forma* basis, the Consolidated Coverage Ratio would be equal to or greater than 2.0:1.0 or (B) any dividend on Refunding Capital Stock that is Preferred Stock; *provided* that at the time of the declaration of such dividend and after giving effect thereto on a *pro forma* basis, the Consolidated Coverage Ratio would be at least 2.0:1.0;

(x) distributions or payments of Special Purpose Financing Fees;

(xi) the declaration and payment of dividends to holders of any class or series of Disqualified Stock, or of any Preferred Stock of a Restricted Subsidiary, Incurred in accordance with the terms of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*";

(xii) payments by the Issuer or a Restricted Subsidiary (A) pursuant to a Tax Sharing Agreement, provided that payments made pursuant to a Tax Sharing Agreement shall not duplicate payments made pursuant to Clause (B) below, or (B) to permit the payment of any Taxes payable by the Issuer or any of its Restricted Subsidiaries to any taxing authority;

(xiii) without duplication of amounts provided for making Restricted Payments from the Net Available Cash in sub-clause (x) of clause (ii) in this paragraph (b), Investments or other Restricted Payments in an aggregate amount outstanding at any time not to exceed an amount equal to Declined Excess Proceeds; and

(xiv) any Restricted Payment (including, without limitation, any Investment), *provided* that on a *pro forma* basis after giving effect to such Restricted Payment the Consolidated Net Leverage Ratio would be equal to or less than 4.50:1.0,

*provided* that (A) in the case of clauses (iii), (vi) and (xiii), the net amount of any such Permitted Payment will be included in subsequent calculations of the amount of Restricted Payments, (B) in all cases other than pursuant to clauses (A) immediately above, the net amount of any such Permitted Payment will be excluded in subsequent calculations of the amount of Restricted Payments and (C) solely with respect to clause (vi), no Event of Default will have occurred or be continuing at the time of any such Permitted Payment after giving effect thereto. The Issuer, in its sole discretion, may classify any Investment or other Restricted Payment as being made in part under one of the clauses or sub-clauses of this covenant (or, in the case of any Investment, the clauses or sub-clauses of Permitted Investments) and in part under one or more other such clauses or sub-clauses. The amount of any Investment or other Restricted Payment, if other than in cash, shall be determined in good faith by the Issuer, which determination shall be conclusive.

***Limitation on Restrictions on Distributions from Restricted Subsidiaries***

The Issuer will not, and will not permit any Restricted Subsidiary to, create or otherwise cause to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (i) pay dividends or make any other distributions on its Capital Stock or pay any Indebtedness or other obligations owed to the Issuer or any Restricted Subsidiary, (ii) make any loans or advances to the Issuer or any Restricted Subsidiary or (iii) transfer any of its property or assets to the Issuer or any Restricted Subsidiary (provided that dividend or liquidation priority between classes of Capital Stock, or subordination of any obligation (including the application of any remedy bars thereto) to any other obligation, will not be deemed to constitute such an encumbrance or restriction), except for any encumbrance or restriction:

(1) pursuant to an agreement or instrument in effect at or entered into on the Issue Date (including the Senior Facilities Agreement, the Intercreditor Agreement, any Additional Intercreditor Agreement, the Existing Notes, the Existing Indentures, the Notes, the Indenture and the Security Documents);

(2) pursuant to any agreement or instrument of a Person, or relating to Indebtedness or Capital Stock of a Person, which Person is acquired by or merged or consolidated with or into the Issuer or any Restricted Subsidiary, or which agreement or instrument is assumed by the Issuer or any Restricted Subsidiary in connection with an acquisition of assets from such Person or any other transaction entered into in connection with any such acquisition, merger or consolidation, as in effect at the time of such acquisition, merger or consolidation (except to the extent that such Indebtedness was incurred to finance, or otherwise in connection with, such acquisition, merger or consolidation); *provided* that for purposes of this clause (2), if a Person other than the Issuer is the Successor Issuer with respect thereto, any Subsidiary thereof or agreement or instrument of such Person or any such Subsidiary will be deemed acquired or assumed, as the case may be, by the Issuer or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Issuer;

(3) pursuant to an agreement or instrument (a "Refinancing Agreement") effecting a refinancing of Indebtedness Incurred or outstanding pursuant or relating to, or that otherwise extends, renews, refunds, refinances or replaces, any agreement or instrument referred to in clause (1) or (2) of this covenant or this clause (3) (an "Initial Agreement") or contained in any amendment, supplement or other modification to an Initial Agreement (an "Amendment"); *provided, however*, that the encumbrances and restrictions contained in any such Refinancing Agreement or Amendment taken as a whole are not materially less favourable to the Holders than encumbrances and restrictions contained in the Initial Agreement or Initial Agreements to which such Refinancing Agreement or Amendment relates (as determined in good faith by the Issuer);

(4) (A) that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any lease, license or other contract, (B) by virtue of any transfer of, agreement to transfer, option or right with respect to, or Lien on, any property or assets of the Issuer or any Restricted Subsidiary not otherwise prohibited by the Notes or the Indenture, (C) contained in mortgages, pledges or other security agreements securing Indebtedness of a Restricted Subsidiary to the extent restricting the transfer of the property or assets subject thereto, (D) pursuant to customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Issuer or any Restricted Subsidiary, (E) pursuant to Purchase Money Obligations that impose encumbrances or restrictions on the property or assets so acquired, (F) on cash or other deposits or net worth imposed by customers under agreements entered into in the ordinary course of business, (G) pursuant to customary provisions contained in agreements and instruments entered into in the ordinary course of business (including but not limited to leases and joint venture and other similar agreements entered into in the ordinary course of business), (H) that arises or is agreed to in the ordinary course of business and does not detract from the value of property or assets of the Issuer or any Restricted Subsidiary in any manner material to the Issuer or such Restricted Subsidiary, or (I) pursuant to Hedging Obligations or Bank Products Obligations;

(5) with respect to any agreement for the direct or indirect disposition of Capital Stock, property or assets of any Person, property or assets, imposing restrictions with respect to such Person, Capital Stock, property or assets pending the closing of such sale or disposition;

(6) by reason of any applicable law, rule, regulation or order, or required by any regulatory authority having jurisdiction over the Issuer or any Restricted Subsidiary or any of their businesses; or

(7) pursuant to an agreement or instrument (A) relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the covenant described under the caption "—Certain Covenants—Limitation on Indebtedness" (i) if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favourable to the Holders than the encumbrances and restrictions contained in the Initial Agreements (as determined in good faith by the Issuer), or (ii) if such encumbrance or restriction is not materially more disadvantageous to the Holders than is customary in comparable financings (as determined in good faith by the Issuer) and either (x) the Issuer determines that such encumbrance or restriction will not materially affect the Issuer's ability to make principal or interest payments on the Notes or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Indebtedness, (B) relating to Indebtedness of or a Financing Disposition by or to or in favour of any Special Purpose Entity or (C) relating to any loan or advance by the Issuer to a Restricted Subsidiary subsequent to the Issue Date, including of proceeds of any Capital Stock or Indebtedness issued or Incurred by the Issuer; provided that, in the case of this clause (C), the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favourable to the Holders than the encumbrances and restrictions contained in the Intercreditor Agreement (as determined in good faith by the Issuer).

***Limitation on Sales of Assets and Subsidiary Stock***

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, make any Asset Disposition unless:

(i) except in the case of a Specified Asset Sale, the Issuer or such Restricted Subsidiary receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) at the time of such Asset Disposition at least equal to the Fair Market Value of the shares and assets subject to such Asset Disposition, as such Fair Market Value (on the date a legally binding commitment for such Asset Disposition was entered into) may be determined by the Issuer (and will be determined, to the extent such Asset Disposition or any series of related Asset Dispositions involves aggregate consideration in excess of £25 million, in good faith by the Board of Directors, whose determination will be conclusive (including as to the value of all non-cash consideration));

(ii) except in the case of a Specified Asset Sale, at least 75% of the consideration therefor (excluding, in the case of an Asset Disposition (or series of related Asset Dispositions), any consideration by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise, that are not Indebtedness) received by the Issuer or such Restricted Subsidiary is in the form of cash; and

(iii) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Issuer (or any Restricted Subsidiary, as the case may be) as follows:

(A) first, either (x) to the extent the Issuer or such Restricted Subsidiary elects (or is required by the terms of any Senior Indebtedness of the Issuer or any Guarantor Incurred under clause (b)(i) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" which is secured by a Lien on the Collateral and that is not subordinated in right of payment to the Notes or any Note Guarantee or any Indebtedness of a Restricted Subsidiary that is not a Guarantor), to prepay, repay or purchase any such Indebtedness or (in the case of letters of credit, bankers' acceptances or other similar instruments) cash collateralise any such Indebtedness (in each case other than Indebtedness owed to the Issuer or a Restricted Subsidiary) within 365 days after the later of the date of such Asset Disposition and the date of receipt of such Net Available Cash, or (y) to the extent the Issuer or such Restricted Subsidiary elects, to reinvest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Subsidiary with an amount equal to Net Available Cash received by the Issuer or another Restricted Subsidiary) within 365 days from the later of the date of such Asset Disposition and the date of receipt of such Net Available Cash, or, if such investment in Additional Assets is a project authorised by the Board of Directors that will take longer than such 365 days to complete, the period of time necessary to complete such project; *provided* that such period of time does not exceed an additional 180 days following the expiration of the aforementioned 365 days;

(B) second, to the extent the balance of such Net Available Cash after application in accordance with clause (A) above (such balance, the "Excess Proceeds") exceeds £50 million, to make an offer to purchase Notes and (to the extent the Issuer or such Restricted Subsidiary elects, or is required by the terms thereof) to purchase, redeem or repay any other Pari Passu Indebtedness of the Issuer or such Restricted Subsidiary, pursuant and subject to the conditions of the Indenture and the agreements governing such other Indebtedness; and

(C) third, to the extent of the balance of such Net Available Cash after application, if required, in accordance with clauses (A) and (B) above (the amount of such balance, "Declined Excess Proceeds"), to fund (to the extent permitted by the other applicable provisions of the Indenture) any general corporate purpose (including but not limited to the repurchase, repayment or other acquisition or retirement of any Subordinated Obligations or the making of other Restricted Payments),

*provided, however*, that (1) in connection with any prepayment, repayment or purchase of Indebtedness pursuant to clause (A)(x) or (B) above, the Issuer or such Restricted Subsidiary will retire such Indebtedness and will cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased, (2) the Issuer (or any Restricted Subsidiary, as the case may be) may elect to invest in Additional Assets prior to receiving the Net Available Cash attributable to any given Asset Disposition (*provided* that such investment shall be made no earlier than the earliest of notice to the Trustee of the relevant Asset Disposition, execution of a definitive agreement for the relevant Asset Disposition, and consummation of the relevant Asset Disposition) and deem the amount so invested to be applied pursuant to and in accordance with clause (A)(y) above with respect to such Asset Disposition, and (3) the percentage first set forth above in clause (a)(iii) of this covenant shall be reduced to (i) 50% if the Consolidated Net Leverage Ratio at the time of such Asset Disposition (or, at the Issuer's option, on the date a legally binding commitment for such Asset Disposition is entered into) would be less than or equal to 1.88:1.00 and (ii) 0% if the Consolidated Net Leverage Ratio at the time of such Asset Disposition (or, at the Issuer's option, on the date a legally binding commitment for such Asset Disposition is entered into) would be less than or equal to 1.38:1.00, in each case, after giving pro forma effect thereto and to any application of Net Available Cash as set forth herein.

Notwithstanding the foregoing clause (iii) of the first paragraph of this covenant, to the extent that repatriating any or all of the Net Available Cash from any Asset Disposition by a Foreign Subsidiary (a "Foreign Disposition") (x) would result in material adverse tax consequences to the Issuer or any of its Subsidiaries or (y) is prohibited or delayed by applicable local law from being repatriated to the United Kingdom (in the case of the foregoing clauses (x) and (y), as reasonably determined by the Issuer in good faith which determination shall be conclusive), the portion of such Net Available Cash so affected will not be required to be applied in compliance with clause (iii) of the first paragraph of this covenant, and such amounts may be retained by the applicable Foreign Subsidiary; *provided* that, in the case of this clause (y), the Issuer shall take commercially reasonable efforts to cause the applicable Foreign Subsidiary to take all actions reasonably required by the applicable local law, applicable organisational impediments or other impediment to permit such repatriation, and if such repatriation of any of such affected Net Available Cash can be achieved such repatriation will be promptly effected and such repatriated Net Available Cash will be applied (whether or not repatriation actually occurs) in compliance with clause (iii) of the first paragraph of this covenant. The time periods set forth in this covenant shall not start until such time as the Net Available Cash may be repatriated whether or not such repatriation actually occurs.

If the aggregate principal amount of Notes and other Indebtedness of the Issuer or a Restricted Subsidiary validly tendered and not validly withdrawn (or otherwise subject to purchase, redemption or repayment) in connection with an offer pursuant to clause (B) above exceeds the Excess Proceeds, the Excess Proceeds will be apportioned between the Notes and such other Indebtedness of the Issuer or a Restricted Subsidiary, with the portion of the Excess Proceeds payable in respect of the Notes to equal the lesser of (x) the Excess Proceeds amount multiplied by a fraction, the numerator of which is the outstanding principal amount of the Notes and the denominator of which is the sum of the outstanding principal amount of the Notes and the outstanding principal amount of the relevant other Indebtedness of the Issuer or a Restricted Subsidiary, and (y) the aggregate principal amount of Notes validly tendered and not validly withdrawn.

For the purposes of clause (ii) of paragraph (a) above, the following are deemed to be cash: (1) Temporary Cash Investments and Cash Equivalents, (2) the assumption of Indebtedness of the Issuer (other than Disqualified Stock of the Issuer) or any Restricted Subsidiary and the release of the Issuer or such Restricted Subsidiary from all liability on payment of the principal amount of such Indebtedness in connection with such Asset Disposition, (3) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Disposition, to the extent that the Issuer and each other Restricted Subsidiary are released from any guarantee of such Indebtedness in connection with such Asset Disposition, (4) securities received by the Issuer or any Restricted Subsidiary from the transferee that are converted by the Issuer or such Restricted Subsidiary into cash within 180 days, (5) consideration consisting of Indebtedness of the Issuer or any Restricted Subsidiary received from Persons who are not the Issuer or any Restricted Subsidiary, (6) Additional Assets and (7) any Designated Non-cash Consideration received by the Issuer or any of its Restricted Subsidiaries in an Asset Disposition having an aggregate Fair Market Value, taken together with all other Designated

Non-cash Consideration received pursuant to this clause, not to exceed an aggregate amount at any time outstanding equal to the greater of £62.5 million and 9% of LTM EBITDA (with the Fair Market Value of each item of Designated Non-cash Consideration being measured on the date a legally binding commitment for such disposition (or, if later, for the payment of such item) was entered into and without giving effect to subsequent changes in value).

(b) In the event of an Asset Disposition that requires the purchase of Notes pursuant to clause (iii)(B) of paragraph (a) above, the Issuer will be required to repurchase Notes tendered pursuant to an offer by the Issuer for the Notes (the "Asset Offer") at a purchase price of 100% of their principal amount plus accrued and unpaid interest, if any, to the purchase date in accordance with the procedures (including prorating in the event of oversubscription) set forth in the Indenture. If the aggregate purchase price of the Notes tendered pursuant to the Asset Offer is less than the Net Available Cash allotted to the repurchase of Notes, the remaining Net Available Cash will be available to the Issuer and the Restricted Subsidiaries for use in accordance with clause (iii)(B) of paragraph (a) above (to repay other Indebtedness of the Issuer or a Restricted Subsidiary) or clause (iii)(C) of paragraph (a) above. The Issuer will not be required to make an Asset Offer for Notes pursuant to this covenant if the Net Available Cash available therefor (after application of the proceeds as provided in clause (iii)(A) of paragraph (a) above), is less than £25 million for any particular Asset Disposition (which lesser amounts will be carried forward for purposes of determining whether an Asset Offer is required with respect to the Net Available Cash from any subsequent Asset Disposition).

(c) The Issuer will, not later than 45 days after the Issuer becomes obligated to make an Asset Offer pursuant to this covenant (it being understood that the Issuer may satisfy its obligations pursuant to this covenant by making an Asset Offer with respect to all or part of the Net Available Cash from an Asset Disposition in advance of being required to do so by the Indenture), mail a notice to each Holder with a copy to the Trustee and the Paying Agent stating (1) that an Asset Disposition that requires the purchase of a portion of the Notes has occurred and that such Holder has the right (subject to the prorating described below) to require the Issuer to repurchase a portion of such Holder's Notes in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant Interest Payment Date); (2) the repayment date (which will be no earlier than 10 days nor later than 60 days from the date such notice is mailed); (3) the instructions determined by the Issuer, consistent with this covenant, that a Holder must follow in order to have its Notes purchased; and (4) the amount of the Asset Offer. If, upon the expiration of the period for which the Asset Offer remains open, the aggregate principal amount of Notes surrendered by Holders exceeds the amount of the Asset Offer, the Issuer will select the Notes to be repaid on a *pro rata* basis (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in minimum denominations of £100,000 or integral multiples of £1,000 in excess thereof will be repaid).

(d) To the extent that the provision of any applicable laws or regulations, including securities laws, conflict with provisions of this covenant, the Issuer and the Restricted Subsidiaries will comply with the applicable laws and regulations and will not be deemed to have breached their respective obligations under this covenant by virtue thereof.

(e) The sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "*—Change of Control*" and/or the provisions described above under the caption "*—Certain Covenants—Merger and Consolidation*" and not by the provisions described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*".

***Limitation on Liens***

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or permit to exist any Lien on any of its property or assets (including Capital Stock of any other Person), whether owned on the date of the Indenture or thereafter acquired, securing any Indebtedness of the Issuer or any Restricted Subsidiary (the "Initial Lien"), unless (a) in the case of any property or assets that does not constitute Collateral,

(i) such Lien is a Permitted Lien or (ii) contemporaneously therewith effective provision is made to secure the Notes and the Indenture or, in respect of Liens on property or assets of any Guarantor, any Note Guarantee thereof, equally and rateably with (or, in the case of Subordinated Obligations and Guarantor Subordinated Obligations on a senior basis to) such obligation for so long as such obligation is so secured by such Initial Lien and (b) in the case of any property or assets that constitute Collateral, such Lien is a Permitted Collateral Lien.

Any such Lien thereby created in favour of the Notes or any such Note Guarantee will be automatically and unconditionally released and discharged upon (i) the release and discharge of the Initial Lien to which it relates or (ii) as set forth under the caption "*—Security*".

***Future Guarantors***

Subject to the immediately following paragraph, the Issuer will cause each Restricted Subsidiary that enters into any guarantee of payment by the Issuer or by any Guarantor of any Indebtedness of the Issuer or any such Guarantor (any such guarantee, the "Triggering Indebtedness"), to guarantee payment of the Notes on a senior or *pari passu* basis with such Restricted Subsidiary's guarantee of such other Indebtedness. In addition, the Issuer may cause any Restricted Subsidiary that is not a Guarantor to guarantee payment of the Notes and become a Guarantor.

The Issuer will not be obligated to cause any Restricted Subsidiary to become a Guarantor unless (x) (i) such Subsidiary accounts for more than 5.0% of the Group's LTM EBITDA and (ii) the Indebtedness guaranteed thereby referred to above is either Incurred pursuant to (A) the Senior Facilities Agreement, or (B) clause (b)(i) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" in an aggregate principal amount exceeding £12.5 million or (C) is Public Debt and (y) in the good faith determination of the Issuer (which determination shall be conclusive), the provision by such Restricted Subsidiary of a Note Guarantee would not be inconsistent with the Agreed Security Principles and could not reasonably be expected to give rise to or result in:

- any violation of applicable law that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer (including any reasonably available "whitewash" procedures or similar procedures that would be required in order to enable such Note Guarantee to be provided in accordance with applicable law);
- any liability (criminal, civil, administrative or other) for any of the officers, directors or shareholders of the Issuer, any Subsidiary thereof (including such Guarantor);
- any cost, expense, liability or obligation (including, without limitation, any Tax or any obligation to pay any Additional Amount) other than routine and immaterial out-of-pocket expenses incurred in connection with (x) any governmental or regulatory filings required as a result of such Note Guarantee or (y) any "whitewash" procedures (or similar procedures that would be required in order to enable such Note Guarantee to be provided in accordance with applicable law) undertaken in connection with such Note Guarantee.

Subject to the Intercreditor Agreement, each Guarantor, as primary obligor and not merely as surety, will jointly and severally, irrevocably and fully and unconditionally guarantee, on a *pari passu* basis with the Senior Facilities Agreement and the Existing Indentures, the punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all monetary obligations of the Issuer under the Indenture and the Notes, whether for principal of or interest on the Notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Guarantors being herein called the "Guaranteed Obligations").

The obligations of each Guarantor will be subject to the limitations provided in the Agreed Security Principles and will be further limited to the maximum amount that can be guaranteed by such Guarantor without rendering its Note Guarantee void, voidable or unenforceable under applicable law relating to fraudulent conveyance or fraudulent transfer or any other law affecting the rights of creditors generally or otherwise relating to the insolvency of debtors. Notwithstanding any other provisions of the Indenture, each Note Guarantee shall be in such form and substance, and subject to such terms, conditions, limitations, qualifications and restrictions as may be necessary or appropriate (in the good faith determination of the Issuer,

which determination shall be conclusive) by reason of or to comply with any applicable law, rule or regulation, including the law of any jurisdiction where the relevant Guarantor is organised or conducts business.

Each Note Guarantee shall be a continuing guarantee and shall (i) subject to the paragraphs below, remain in full force and effect until payment in full of the principal amount of all outstanding Notes (whether by payment at maturity, purchase, redemption, defeasance, retirement or other acquisition) and all other Guaranteed Obligations of the Guarantor then due and owing, (ii) be binding upon such Guarantor and (iii) inure to the benefit of and be enforceable by the Trustee, the Holders and their permitted successors, transferees and assigns.

The Guaranteed Obligations of each Guarantor hereunder shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment which would otherwise have reduced or terminated the obligations of any Guarantor hereunder and under its Note Guarantee (whether such payment shall have been made by or on behalf of the issuer or by or on behalf of a Guarantor) is rescinded or reclaimed from any of the Holders upon the insolvency, bankruptcy, liquidation or reorganisation of the Issuer, any Guarantor or otherwise, all as though such payment had not been made.

Each Note Guarantee shall be released in accordance with the provisions described under the caption "*—Releases of the Notes Guarantees*".

Upon any such occurrence, the Trustee and the Security Agent, if applicable, shall execute any documents reasonably requested in order to evidence such release, discharge and termination in respect of the applicable Note Guarantee, subject to customary protections and indemnifications.

Neither the Issuer nor any such Guarantor will be required to make a notation on the Notes to reflect any such Note Guarantee or any such release, termination or discharge.

***Reports***

So long as any Notes are outstanding, the Issuer will provide to the Trustee:

(a) within 120 days after the end of each fiscal year of the Issuer beginning with the fiscal year ending in March 2024, annual reports containing the following information with a level of detail that is substantially comparable to this Offering Circular: (a) an audited consolidated balance sheet of the Issuer as of the end of the two most recent fiscal years and an audited consolidated income statements and statements of cash flow of the Issuer for the three most recent fiscal years, including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) a *pro forma* income statement and balance sheet information of the Issuer, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalisations that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates and which, in each case, represent greater than 20% of LTM EBITDA of the Issuer on a *pro forma* basis (unless such *pro forma* information has been provided in a previous report pursuant to clause (b) or (c) below (*provided* that such *pro forma* financial information will be provided only to the extent it can be prepared without the Issuer incurring unreasonable expense, in which case, the Issuer will provide, in the case of a material acquisition, any available audited financial statements for the most recently audited fiscal year of the acquired entity)); (c) an operating and financial review of the audited financial statements (in a scope that is substantially comparable to the information contained in the "*Operating and Financial Review*" of this Offering Circular); and (d) a description of the business, management and shareholders of the Issuer, material affiliate transactions and material debt instruments;

(b) within 90 days after the end of the Issuer's fiscal half-year in each fiscal year beginning with the half-year ending in September 2024, semi-annual reports containing the following information: (a) an unaudited condensed consolidated balance sheet as of the end of such six-month period and unaudited condensed statements of income and cash flow for the year to date period ending on the unaudited condensed balance sheet date, and the comparable prior year period for the Issuer, together with condensed footnote disclosure; (b) a *pro forma* income statement and

balance sheet information of the Issuer, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalisations that have occurred since the beginning of the period as to which such quarterly report relates and which, in each case, represent greater than 20% of LTM EBITDA of the Issuer on a *pro forma* basis (*provided* that such *pro forma* financial information will be provided only to the extent available without unreasonable expense and, if unreasonable expense would be incurred by the Issuer in such preparation, in the case of a material acquisition, only provide any actually available financial information for the most recent interim or annual period for the acquired entity); (c) an operating and financial review of the unaudited financial statements (in a scope that is substantially comparable to the information contained in the "*Operating and Financial Review*" of this Offering Circular); and (d) material recent developments;

(c) within 90 days after the end of the Issuer's first and third fiscal quarters in each fiscal year beginning with the fiscal quarter ending in December 2023, a trading update in respect of such fiscal quarter consistent with past practice; and

(d) as soon as reasonably practicable after the occurrence of any material acquisition, disposition or restructuring of the Issuer and its Restricted Subsidiaries, taken as a whole, and which, in each case, represent greater than 20% of LTM EBITDA of the Issuer on a *pro forma* basis or any change in the Chief Financial Officer or Chief Executive Officer of the Issuer or change in auditors of the Issuer, a report containing a description of such event,

*provided, however*, that the reports set forth in clauses (a), (b), (c) and (d) above will not be required to (1) contain any reconciliation to U.S. generally accepted accounting principles, (2) include separate financial statements for any Guarantors or non-guarantor Subsidiaries of the Issuer or (3) include any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in the Offering Circular. All financial statements shall be prepared in accordance with IFRS.

For so long as the Issuer is listed on the Main Market of the London Stock Exchange:

(a) the Issuer will be deemed to have complied with its obligations pursuant to clause (a) of the first paragraph of this covenant if it has published on a website maintained by the Group (or otherwise made publicly available in accordance with the rules of the U.K. Financial Conduct Authority) an annual report meeting the requirements of Art. 3 of the Luxembourg Law of 11 January 2008 in transparency requirements regarding information about issuers whose securities are admitted to trading on a regulated market, as amended (the "*Transparency Law*") within the time periods set out in such clause (a);

(b) the Issuer will be deemed to have complied with its obligations pursuant to clause (b) of the first paragraph of this covenant if it has published on a website maintained by the Group (or otherwise made publicly available in accordance with the rules of the U.K. Financial Conduct Authority) a semi-annual report meeting the requirements of Art. 4 of the Transparency Law within the time periods set out in such clause (b); and

(c) the Issuer will be deemed to have complied with its obligations pursuant to clause (d) of the first paragraph of this covenant if it has complied with the applicable rule(s) of the U.K. Financial Conduct Authority in respect of the occurrence of such event.

Substantially concurrently with the issuance to the Trustee after the Issue Date of the reports specified in paragraph (a), (b), (c) or (d) above, the Issuer will also (1) use its commercially reasonable efforts (i) to post copies of such reports on such website as may be then maintained by the Issuer and its subsidiaries or (ii) otherwise to provide substantially comparable public availability of such reports (as determined by the Issuer in good faith) (it being understood that, without limitation, making such reports available on Bloomberg or another private electronic information service will constitute substantially comparable public availability), or (2) to the extent the Issuer determines in good faith that it cannot make such reports available in the manner described in the preceding clause (1) after the use of its commercially reasonable efforts, furnish such reports to the Holders and prospective purchasers of the Notes, upon their request. The publication of the reports specified in paragraph (a), (b), (c) or (d) above pursuant to clauses (i) or (ii) of the immediate preceding sentence will be deemed to satisfy the Issuer's obligations to provide such reports to the Trustee.

In the event the Issuer becomes an SEC registrant and subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act, or elects to comply with such provisions, the Issuer will, for so long as it continues to file the reports required by Section 13(a) with the SEC, make available to the Trustee the annual reports, information, documents and other reports that the Issuer is, or would be, required to file with the SEC pursuant to such Section 13(a) or 15(d). Upon complying with the foregoing requirement, the Issuer will be deemed to have complied with the provisions contained in this covenant.

In addition, so long as the Notes remain outstanding and during any period during which the Issuer is not subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, the Issuer shall furnish to the Holders and prospective purchasers of the Notes, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

The Issuer will also make available copies of all reports required by clauses (a) through (c) of the first paragraph of this covenant, if and so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and the rules and regulations of the Luxembourg Stock Exchange so require, at the offices of the Registrar in Luxembourg.

***Impairment of Security Interest***

The Issuer shall not, and the Issuer shall not permit any Restricted Subsidiary to, take or omit to take any action, which action or omission would or is reasonably likely to, in each case, in the good faith determination of the Issuer, have the result of materially impairing the security interest with respect to the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the definition of Permitted Collateral Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral) for the benefit of the Trustee and the Holders, and the Issuer shall not, and the Issuer shall not permit any Restricted Subsidiary to, grant to any Person other than the Trustee, the Security Agent and the holders of the Notes (other than of any Additional Notes), the other beneficiaries described in the Security Documents and the Intercreditor Agreement or any Additional Intercreditor Agreement, any interest whatsoever in any of the Collateral (other than pursuant to a sale, lease, transfer, disposition, merger or conveyance not otherwise prohibited by the Indenture), *provided* that (a) nothing in this provision will restrict the discharge or release of the Collateral in accordance with the Indenture, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement and (b) subject to the second paragraph of this covenant, the Issuer and its Restricted Subsidiaries may incur Permitted Collateral Liens.

The Indenture will provide that, at the direction of the Issuer and without the consent of the holders of the Notes, the Trustee and the Security Agent shall from time to time enter into one or more amendments, extensions, renewals, restatements, supplements, modifications or replacements to the Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein, (ii) provide for Permitted Collateral Liens to the extent permitted under the Indenture (including by way of release and retaking of Security Documents), (iii) comply with the terms of the Intercreditor Agreement or any Additional Intercreditor Agreement, (iv) add to the Collateral, (v) evidence the succession of another Person to the Issuer, a Guarantor or any security provider, as applicable, and the assumption by such successor of the obligations under the Indenture, the Notes, the Note Guarantee, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, as applicable, in each case, in accordance with the caption "*—Certain Covenants—Merger and Consolidation*", (vi) provide for the release of property and assets constituting Collateral from the Liens created under the Security Documents and/or the release of the Note Guarantee of a Guarantor, in each case, in accordance with (and if permitted by) the terms of the Indenture, (vii) conform the Security Documents to this Description of Notes, (viii) evidence and provide for the acceptance of the appointment of a successor Trustee or Security Agent, (ix) provide for Additional Notes to also benefit from the Collateral, or (x) make any other change thereto that does not adversely affect the holders of the Notes in any material respect; *provided, however*, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced (otherwise than for reasons specified in clauses (i), (iii) (in connection with any enforcement action) and (iv) through (x)), unless contemporaneously with such amendment, extension,

renewal, restatement, supplement, modification or renewal, the Issuer delivers to the Trustee and the Security Agent, either:

(1) a solvency opinion, in form and substance reasonably satisfactory to the Trustee, from an Independent Financial Advisor confirming the solvency of the grantor of the security and the Issuer and its Restricted Subsidiaries, taken as a whole, on a consolidated basis, in each case, after giving effect to any transaction related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

(2) a certificate from the Board of Directors or responsible accounting or financial officer of the Issuer (acting in good faith) substantially in the form attached to the Indenture that confirms the solvency of the grantor of the security and the Issuer and its Restricted Subsidiaries, taken as a whole, on a consolidated basis, in each case, after giving effect to any transaction related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

(3) an opinion of counsel, in form and substance reasonably satisfactory to the Trustee (subject to customary assumptions, exceptions and qualifications), confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the security interest or security interests created under the Security Documents so amended, extended, renewed, restated, supplemented, modified or replaced are valid security interests not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such security interest or security interests were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement.

In the event that this covenant is complied with, the Trustee and the Security Agent shall (subject to customary protections and indemnifications) consent to and enter into all necessary documentation to implement such amendment, extension, renewal, restatement, supplement, modification or replacement without the need for instructions from the Holders.

***Merger and Consolidation***

*The Issuer*

(a) The Issuer will not consolidate with or merge with or into, or convey, transfer, lease or otherwise dispose of all or substantially all of its properties and assets taken as a whole in one or more related transactions, to any Person, unless:

(i) the resulting, surviving or transferee Person (the "Successor Issuer") is a Person organised and existing under the laws of Luxembourg or any other member state of the European Union, the United Kingdom, or the United States of America, any State thereof or the District of Columbia, and the Successor Issuer (if not the Issuer) expressly assumes all the obligations of the Issuer under the Notes, the Indenture, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement by executing and delivering to the Trustee a supplemental indenture, an accession agreement and/or one or more other documents or instruments in form reasonably satisfactory to the Trustee;

(ii) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Issuer as a result of such transaction as having been Incurred by the Successor Issuer at the time of such transaction), no Default or Event of Default will have occurred and be continuing;

(iii) immediately after giving *pro forma* effect to such transaction and any related financing transactions, either (A) the Issuer or, if applicable, the Successor Issuer could Incur at least £1.00 of additional Indebtedness pursuant to paragraph (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" or (B) the Consolidated Coverage Ratio of the Issuer (or, if applicable, the Successor Issuer with respect thereto) would equal or exceed the Consolidated Coverage Ratio of the Issuer immediately prior to giving effect to such transaction;

(iv) each Guarantor (other than (x) any Guarantor that will be released from its obligations under its Note Guarantee in connection with such transaction and (y) any party to any such consolidation or merger) shall have delivered a supplemental indenture or other document or instrument in form reasonably satisfactory to the Trustee, confirming its Note Guarantee (other than any Note Guarantee that will be discharged or terminated in connection with such transaction); and

(v) the Issuer will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer complies with the provisions described in this paragraph; *provided* that (x) in giving such opinion such counsel may rely on an Officer's Certificate as to compliance with the foregoing clauses (ii) and (iii) and as to any matters of fact, and (y) no Opinion of Counsel will be required for a consolidation, merger or transfer described in paragraph (b) of this covenant.

*Guarantors*

(b) A Guarantor (other than a Guarantor whose Note Guarantee is to be released in accordance with the terms of the Indenture) will not consolidate with or merge with or into, or convey, transfer, lease or otherwise dispose of all or substantially all of the properties and assets of the Issuer and its Restricted Subsidiaries taken as a whole in one or more related transactions, to any Person, unless:

(i) immediately after giving effect to such transaction, no Default or Event of Default will have occurred and be continuing; and

(ii) either

(a) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger assumes all the obligations of that Guarantor under its Note Guarantee, the Indenture and the Security Documents to which such Guarantor is a party pursuant to a supplemental indenture and appropriate Security Documents in a form reasonably satisfactory to the Trustee; or

(b) the Net Cash Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the Indenture.

In addition, the Issuer will not, directly or indirectly, lease all or substantially all of the properties and assets of it and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person.

Clauses (ii) of paragraph (a) and (i) of paragraph (b) of this covenant will not apply to (1) any consolidation or merger among Guarantors or (2) any consolidation or merger among the Issuer and any Guarantor or (3) any transaction in which any Restricted Subsidiary consolidates with, merges into or transfers all or part of its assets to the Issuer or (4) a transaction in which the Issuer or a Guarantor consolidates or merges with or into or transfers all or substantially all its properties and assets to (x) an Affiliate solely for the purpose of reincorporating or reorganising the Issuer or a Guarantor in another jurisdiction or changing its legal structure to a corporation or other entity or (y) a Restricted Subsidiary of the Issuer so long as all assets of the Issuer and the Restricted Subsidiaries of the Issuer immediately prior to such transaction (other than Capital Stock of such Restricted Subsidiary) are owned by the Issuer and its Restricted Subsidiaries immediately after the consummation thereof.

Upon any transaction involving the Issuer in accordance with this covenant, in which the Issuer is not the Successor Issuer, the Successor Issuer will succeed to, and be substituted for, and may exercise every right and power of the Issuer under the Notes, the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, and thereafter the predecessor Issuer will be relieved of all obligations and covenants under the Notes, the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, except that the predecessor Issuer in the case of a lease of all or substantially all its assets will not be released from its obligation to pay the principal of and interest on the Notes.

***Financial Calculations for Limited Condition Acquisitions***

In connection with any Limited Condition Acquisition, and any related transactions (including any financing thereof), at the Issuer's election, (a) compliance with any requirement relating to the absence of a Default or Event of Default may be determined as of the date a definitive agreement for such Limited Condition Acquisition, is entered into (the "effective date") and not as of any later date as would otherwise be required under the Indenture, and (b) any calculation of the Consolidated Coverage Ratio, the Consolidated Net Leverage Ratio, the Consolidated Secured Net Leverage Ratio or any amount based on a percentage of LTM EBITDA, or any other determination under any basket or ratio under the Indenture, may be made as of such effective date and, to the extent so made, will not be required to be made at any later date as would otherwise be required under the Indenture, giving *pro forma* effect to such Limited Condition Acquisition, and any related transactions (including any Incurrence of Indebtedness and the use of proceeds thereof). The Indenture will also provide that, if the Issuer makes such an election, any subsequent calculation of any such ratio, percentage and/or basket (unless the definitive agreement for such Limited Condition Acquisition expires or is terminated without its consummation) shall be calculated on an equivalent *pro forma* basis. As used herein, the term "Limited Condition Acquisition" means any acquisition by one or more of the Issuer and its Restricted Subsidiaries of any assets, business or Person or any other Investment permitted by the Indenture whose consummation is not conditioned on the availability of, or on obtaining, third party financing.

***Listing***

The Issuer shall use its commercially reasonable efforts to obtain and, for so long as the Notes are outstanding, maintain thereafter the listing of such Notes on the Official List of the Luxembourg Stock Exchange or, if at any time the Issuer determines that it shall not obtain or maintain such listing on the Official List of the Luxembourg Stock Exchange, or if maintenance of such listing becomes unduly onerous, it shall, prior to the delisting of the Notes from the Official List of the Luxembourg Stock Exchange and their withdrawal from trading on the Luxembourg Stock Exchange's Euro MTF Market, use all commercially reasonable efforts to list and maintain thereafter a listing of such Notes on another internationally recognised stock exchange.

***Additional Intercreditor Agreements***

The Indenture will provide that, at the request of the Issuer, in connection with the Incurrence by the Issuer or any Guarantor of any Indebtedness permitted pursuant to the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" (and, in each case, such Indebtedness shall be (x) Senior Indebtedness of the Issuer or a Guarantor or (y) Subordinated Obligations or a Guarantor Subordinated Obligation), the Issuer, the relevant Guarantors, the Trustee and, if applicable, the Security Agent shall enter into with the holders of such Indebtedness (or their duly authorised Representatives) an amended and/or restated Intercreditor Agreement or an additional intercreditor agreement (an "Additional Intercreditor Agreement") containing substantially the same terms as the Intercreditor Agreement (or terms more favourable to the Holders) including with respect to the subordination, payment blockage, limitation on enforcement and release of guarantees (or such other terms or with such changes as are necessary to facilitate compliance with the covenant described under the caption "*Certain Covenants—Future Guarantors*") and priority and release of the Security Documents (or such other terms or with such changes as the Issuer may in good faith determine to be necessary or appropriate relating to the Security Documents, in connection with the Incurrence of such Indebtedness, *provided* that such other terms are not materially more adverse to the Holders taken as a whole than the terms contained in the Intercreditor Agreement); *provided*, that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or the Security Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee or the Security Agent under the Indenture or the Intercreditor Agreement without the consent of the Trustee and the Security Agent. Pursuant to any such Additional Intercreditor Agreements, such other Indebtedness may constitute Senior Indebtedness or Subordinated Obligations or Guarantor Subordinated Obligations. If more than one such intercreditor agreement is outstanding at any one time, the collective terms of such intercreditor agreements must not conflict in any material respect.

The Indenture also will provide that, at the direction of the Issuer and without the consent of Holders, the Trustee and the Security Agent shall from time to time enter into one or more amendments to any Intercreditor Agreement or Additional Intercreditor Agreement to: (1) cure any ambiguity, manifest error, omission, defect

or inconsistency of any Intercreditor Agreement or any Additional Intercreditor Agreement, (2) increase the amount of Indebtedness of the types covered by any Intercreditor Agreement or any Additional Intercreditor Agreement that may be Incurred by the Issuer or any of its Subsidiaries that is subject to any Intercreditor Agreement or any Additional Intercreditor Agreement (including the addition of provisions relating to new Indebtedness that is contractually subordinated in right of payment to the Notes or the Note Guarantees, as applicable), (3) add Guarantors to any Intercreditor Agreement or an Additional Intercreditor Agreement, (4) add security to or for the benefit of the Notes (including Additional Notes), or confirm and evidence the release, termination or discharge of any Note Guarantee or Lien (including Liens on the Collateral and the Security Documents) when such release, termination or discharge is provided for or permitted under the Indenture, any Intercreditor Agreement or any Additional Intercreditor Agreement, (5) make provision for pledges of the Collateral securing Additional Notes to rank *pari passu* with the Security Documents or to implement any Permitted Collateral Liens, (6) provide for the assumption by a successor of the obligations of the Issuer under any Intercreditor Agreement or any Additional Intercreditor Agreement, (7) make any change in the subordination provisions of any Intercreditor Agreement or any Additional Intercreditor Agreement that would limit or terminate the benefits available to any holder of Senior Indebtedness of a Guarantor (or any Representative thereof) under such subordination provisions or as otherwise permitted by any Intercreditor Agreement or Additional Intercreditor Agreement, (8) conform the text of any Intercreditor Agreement or Additional Intercreditor Agreement to any provision of this "*Description of Notes*", or (9) make any other change to any Intercreditor Agreement or Additional Intercreditor Agreement that does not materially adversely affect the Holders. The Issuer shall not otherwise direct the Trustee and the Security Agent to enter into any amendment to any Intercreditor Agreement or Additional Intercreditor Agreement without the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding, except as otherwise permitted below under "*—Amendments and waivers,*" and the Issuer may only direct the Trustee and the Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee and the Security Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee and the Security Agent under the Indenture or any Intercreditor Agreement or an Additional Intercreditor Agreement.

The Indenture shall also provide that, in relation to any Intercreditor Agreement or an Additional Intercreditor Agreement, the Trustee and the Security Agent shall consent on behalf of the Holders to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Notes thereby; *provided, however*, that such transaction would comply with the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*".

The Indenture will also provide that each Holder, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of each Intercreditor Agreement or an Additional Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have irrevocably appointed the Trustee and the Security Agent to act on its behalf to enter into and comply with the provisions of such Intercreditor Agreement or Additional Intercreditor Agreement.

A copy of each Intercreditor Agreement or an Additional Intercreditor Agreement shall be made available to Holders upon request to the Issuer.

**Events of Default**

An "Event of Default" means the occurrence of the following:

(i) a default in any payment of interest on any Note when due, continued for a period of 30 days;

(ii) a default in the payment of principal of any Note when due, whether at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration of acceleration or otherwise;

(iii) the failure by the Issuer to comply with its obligations under paragraph (a) of the covenant described under the caption "*—Certain Covenants—Merger and Consolidation*";

(iv) the failure by the Issuer to comply for 60 days after notice with its other agreements contained in the Notes, the Indenture, any of the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement to which the Trustee or the Security Agent (in its capacity as Security Agent for the Trustee and the Holders) is a party;

(v) the failure by the Issuer or any Restricted Subsidiary to pay any Indebtedness for borrowed money (other than any Indebtedness owed to the Issuer or any Restricted Subsidiary) within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default, if the total amount of such Indebtedness so unpaid or accelerated exceeds £50 million or its equivalent in a currency other than sterling (the "cross acceleration provision");

(vi) certain events of bankruptcy, insolvency or reorganisation (or similar proceedings affecting the rights of creditors generally) of the Issuer or a Significant Subsidiary, or of other Restricted Subsidiaries that are not Significant Subsidiaries but would, in the aggregate, constitute a Significant Subsidiary if considered as a single Person, pursuant to or within the meaning of any Bankruptcy Law (the "bankruptcy provisions");

(vii) the rendering of any final non-appealable judgment for the payment of money in an amount (net of any insurance or indemnity payments actually received in respect thereof prior to or within 90 days from the entry thereof, or to be received in respect thereof in the event any appeal thereof will be unsuccessful) in excess of £50 million or its equivalent in a currency other than sterling against the Issuer or a Significant Subsidiary, or jointly and severally against other Restricted Subsidiaries that are not Significant Subsidiaries but would in the aggregate constitute a Significant Subsidiary if considered as a single Person, that is not discharged, or bonded or insured by a third Person, if such judgment is not subject to appeal and remains outstanding for a period of 90 days following its notification to the judgment debtor and is not discharged, waived or stayed (the "judgment default provision");

(viii) the failure of any applicable Note Guarantee by the Issuer or a Guarantor that is a Significant Subsidiary to be in full force and effect (except as contemplated by the terms thereof or of the Notes or the Indenture) or the denial or disaffirmation in writing by the Issuer or any applicable Guarantor that is a Significant Subsidiary of its obligations under the Notes and the Indenture or its Note Guarantee (other than by reason of the termination of the Indenture or such Guarantee or the release of such Note Guarantee in accordance with such Note Guarantee and the Indenture), if such Default continues for 10 days (the "guarantee default provision"); or

(ix) any security interest under the Security Documents shall, at any time, cease to be in full force and effect (other than in accordance with the terms of the relevant Security Document, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Indenture) with respect to Collateral having a fair market value in excess of £25 million for any reason other than the satisfaction in full of all obligations under the Indenture or the release of any such security interest in accordance with the terms of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents or any such security interest created thereunder shall be declared by a court of competent jurisdiction to be invalid or unenforceable or the Issuer or any Restricted Subsidiary shall assert in writing that any such security interest is invalid or unenforceable and any such Default continues for 10 days (the "security default provision").

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a Default under clause (iv) will not constitute an Event of Default until the Trustee or the Holders of at least 25% in principal amount of the outstanding Notes notify the Issuer and the Trustee of the Default and the Issuer or a Guarantor, as applicable, does not cure such Default within the time specified in such clauses after receipt of such notice.

If an Event of Default (other than an Event of Default relating to certain events of bankruptcy, insolvency or reorganisation of the Issuer (or similar proceedings affecting the rights of creditors generally)) occurs and is continuing, the Trustee, if so given notice by the Holders, or the Holders of at least 25% in principal amount of the outstanding Notes by notice to the Issuer and the Trustee may declare the principal of and accrued and unpaid interest on all the Notes to be due and payable. Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganisation (or similar proceedings affecting the rights of creditors generally) of the Issuer occurs and is

continuing, the principal of and accrued and unpaid interest on all the Notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any Holders. Under certain circumstances, the Holders of a majority in principal amount of the outstanding Notes may rescind any such acceleration with respect to the Notes and its consequences.

Notwithstanding the foregoing, in the event of a declaration of acceleration in respect of the Notes because an Event of Default specified in clause (v) above shall have occurred and be continuing, such declaration of acceleration of the Notes and such Event of Default and all consequences thereof (including any acceleration or resulting payment default) shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, and be of no further effect, if within 30 days after such Event of Default arose (x) the Indebtedness that is the basis for such Event of Default has been discharged, or (y) the holders thereof have rescinded or waived the acceleration, notice, action or other event or condition (as the case may be) giving rise to such Event of Default, or (z) the default in respect of such Indebtedness that is the basis for such Event of Default has been cured.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee, and if so requested by the Trustee, have provided to the Trustee indemnity and/or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due against the Issuer or any Guarantor, no Holder may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee in writing to pursue the remedy;

(3) such Holders have offered the Trustee security and/or indemnity satisfactory to it against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity; and

(5) the Holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, the Holders of a majority in principal amount of the outstanding Notes will be given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification and/or security satisfactory to it in its sole discretion against all losses, liabilities and expenses caused by taking or not taking such action.

If a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each Holder notice of the Default within 60 days after it occurs. Except in the case of a Default in the payment of principal of, premium (if any) or interest on any Note, the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the interests of the Holders. In addition, the Issuer will be required to deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate indicating whether the signer thereof knows of any Default that is continuing that occurred during the previous year. The Issuer will also be required to deliver to the Trustee, promptly, and in any event within 30 days, after becoming aware of the occurrence thereof, written notice of any event which would constitute certain Events of Default, their status and what action the Issuer is taking or proposes to take in respect thereof.

**Amendments and Waivers**

Subject to certain exceptions, the Indenture, the Notes, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document may be amended with the written consent of the Holders

of not less than a majority in principal amount of the Notes (including Additional Notes, if any) then outstanding and any past default or compliance with any provisions may be waived with the consent of the Holders of not less than a majority in principal amount of the Notes (including Additional Notes, if any) then outstanding and, subject to certain exceptions, any default or compliance with any provisions thereof may be waived with the consent of the Holders of not less than a majority in principal amount of the Notes then outstanding (including, in each case, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes). However, unless consented to by Holders of at least 90% of the aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), without the consent of each holder of Notes affected, an amendment or waiver may not, with respect to any Notes held by a non-consenting Holder:

(i) reduce the principal amount of Notes whose Holders must consent to an amendment or waiver;

(ii) reduce the rate of or extend the time for payment of interest on any Note;

(iii) reduce the principal of or extend the Stated Maturity of any Note;

(iv) reduce the premium payable upon the redemption of any Note, or change the time on which any Note may be redeemed as described under the caption "*—Optional Redemption*" above;

(v) make any Note payable in money other than that stated in such Note;

(vi) impair the legal right of any Holder to receive payment of principal of and interest or Additional Amounts, if any, on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes;

(vii) make any change to the subordination provisions of the Indenture that adversely affects the rights of any Holder in any material respect;

(viii) waive a Default or Event of Default in the payment of principal of, or interest, or premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(ix) waive a required redemption payment with respect to any Note (other than a payment required by one of the covenants described above under the captions "*—Change of Control*" or "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*");

(x) release any Guarantor from any of its obligations under its Note Guarantee, except in accordance with the terms of the Indenture and the Intercreditor Agreement (or any Additional Intercreditor Agreement);

(xi) release any Lien on Collateral granted for the benefit of the Holders, except in accordance with the terms of the Indenture and the Intercreditor Agreement (or any Additional Intercreditor Agreement); or

(xii) make any change in the amendment or waiver provisions described in this sentence.

Without the consent of any Holder, the Issuer, any Guarantor, the Trustee and the Security Agent, as applicable, may amend or supplement the Indenture, any Note, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document to (i) cure any ambiguity, mistake, omission, defect or inconsistency, (ii) provide for the assumption by a successor of the obligations of the Issuer or any Guarantor under the Indenture, the Notes, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document, (iii) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided, however*, that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code), (iv) add any Note Guarantees with respect to the Notes, add security to or for the benefit of the Notes, or confirm and evidence the release, termination or discharge of any Note Guarantee, Lien (including the Collateral and the Security Documents) with respect to or securing the Notes when such release, termination or discharge is provided for or permitted under the Indenture and the Intercreditor Agreement (or any Additional Intercreditor Agreement) or the Security Documents, (v) add to the covenants of the Issuer for the benefit of the Holders or surrender any right or power conferred upon the Issuer, (vi) provide for or confirm the issuance of Additional Notes in accordance with the limitations set forth in the Indenture (including the establishment of parallel debt in respect thereof or amendment of the parallel debt to allow such Additional Notes to be secured),

(vii) to provide that any Indebtedness that becomes or will become an obligation of a Successor Issuer pursuant to a transaction governed by the provisions described under the caption "*—Certain Covenants—Merger and Consolidation*" (and that is not a Subordinated Obligation or a Guarantor Subordinated Obligation) is Senior Indebtedness for purposes of the Indenture, (viii) conform the text of the Indenture, the Notes, any Note Guarantee or the Security Documents to any provision of this "*Description of Notes*" or (ix) make any change that does not materially adversely affect the rights of any Holder.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver. Until an amendment or waiver becomes effective, a consent to it by a Holder is a continuing consent by such Holder and every subsequent Holder of all or part of the related Note. Any such Holder or subsequent Holder may revoke such consent as to its Note by written notice to the Trustee or the Issuer, received thereby before the date on which the Issuer certifies to the Trustee that the Holders of the requisite principal amount of Notes have consented to such amendment or waiver. After an amendment or waiver under the Indenture becomes effective, the Issuer is required to give to Holders a notice briefly describing such amendment or waiver. However, the failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of the amendment or waiver.

The Trustee shall be entitled to rely on such evidence as it deems appropriate including Officer's Certificates and Opinions of Counsel.

**Defeasance**

The Issuer may, at its option at any time, terminate all its obligations under the Notes and the Indenture ("legal defeasance"), except for certain obligations, including those relating to the Trustee, the defeasance and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a registrar and paying agent in respect of the Notes. In addition, the Issuer may, at its option at any time, terminate its obligations under certain covenants under the Indenture, including the covenants described under the caption "—Certain Covenants" (other than clauses (i) and (ii) of paragraph (a) under the caption "*—Certain Covenants—Merger and Consolidation*") and the caption "*—Change of Control*", the operation of the default provisions relating to such covenants described under the caption "*—Events of Default*" above, and the operation of the cross acceleration provision, the bankruptcy provisions with respect to Subsidiaries, the judgment default provision, the guarantee default provision and the security default provision, described under the caption "*—Events of Default*" above ("covenant defeasance").

The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect thereto. If the Issuer exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clauses (iv), (as it relates to the covenants described under the caption "*—Certain Covenants*" above), (v), (vi) (in the case of clause (vi) with respect to Restricted Subsidiaries of the Issuer only), (vii) or (viii) under the caption "*—Events of Default*" above or because of the failure of the Issuer to comply with clause (a)(ii) or (iii) or (iv) under the covenant described under the caption "*—Certain Covenants—Merger and Consolidation*" above.

Either defeasance option may be exercised to any redemption date or to the maturity date for the Notes. In order to exercise either defeasance option, the Issuer must irrevocably deposit with the Trustee or with a person designated by the Trustee and approved by the Issuer for the benefit of the Holders money, U.K. Government Securities, or a combination thereof, the principal of and interest on which will be sufficient (without reinvestment) to pay principal of, and premium (if any) and interest on, the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of, among other things, an Opinion of Counsel to the effect that Holders of the applicable Notes will not recognise income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel (x) must be based on a ruling of the Internal Revenue Service or a change in applicable U.S. federal income tax law since the Issue Date and (y) need not be delivered if all Notes not theretofore delivered to the Registrar for cancellation have become due and payable, will become due and

payable at their Stated Maturity within one year, or are to be called for redemption within one year, under arrangements conforming to the requirements of the Indenture in the name, and at the expense, of the Issuer).

**Satisfaction and Discharge**

The Indenture, the Security Documents and the rights of the Trustee and the Holders under the Intercreditor Agreement or any Additional Intercreditor Agreement will be discharged and cease to be of further effect (except as to surviving rights of the Trustee and registration of transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when (i) either (a) all Notes previously authenticated and delivered (other than certain lost, stolen or destroyed Notes, and certain Notes for which provision for payment was previously made and thereafter the funds have been released to the Issuer) have been delivered to the Registrar for cancellation or (b) all Notes not previously cancelled or delivered to the Registrar for cancellation (x) have become due and payable, (y) will become due and payable at their Stated Maturity within one year or (z) have been or are to be called for redemption within one year under arrangements reasonably satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer; (ii) the Issuer has irrevocably deposited or caused to be deposited with the Trustee or with a person designated by the Trustee and approved by the Issuer money, U.K. Government Securities or a combination thereof, sufficient (without reinvestment) to pay and discharge the entire indebtedness on the Notes not previously cancelled or delivered to the Registrar for cancellation, for principal, premium, if any, and interest to the date of redemption or their Stated Maturity, as the case may be, *provided* that if such redemption is made pursuant to the provisions described in the third paragraph under the caption "—*Optional Redemption*", (x) the amount of money or U.K. Government Securities, or a combination thereof, that the Issuer must irrevocably deposit or cause to be deposited will be determined using an assumed Applicable Premium calculated as of the date of such deposit or calculated by the Issuer in good faith and (y) the Issuer must irrevocably deposit or cause to be deposited additional money in trust on the redemption date as necessary to pay the Applicable Premium as determined on such date; (iii) the Issuer has paid or caused to be paid all other sums then payable under the Indenture by the Issuer; and (iv) the Issuer has delivered to the Registrar and the Trustee an Officer's Certificate and an Opinion of Counsel each to the effect that all conditions precedent under the "*Satisfaction and Discharge*" section of the Indenture relating to the satisfaction and discharge of the Indenture have been complied with, *provided* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (i), (ii) and (iii)). If requested by the Issuer in writing no later than five Business Days prior to such distribution to the Trustee and the Paying Agent (which request may be included in the applicable notice of redemption pursuant to the above referenced Officer's Certificate) the Trustee shall distribute any amount deposited to the Holders prior to the Stated Maturity or the redemption date, as the case may be. For the avoidance of doubt, the distribution and payments to Holders prior to the maturity or redemption date as set forth above shall not include any negative interest, present value adjustment, break cost or any additional premium on such amounts. To the extent the Notes are represented by a global note deposited with a depositary for a clearing system, any payment to the beneficial holders holding interests as a participant of such clearing system shall be subject to the then applicable procedures of the clearing system.

**Concerning the Trustee**

GLAS Trustees Limited is to be appointed as Trustee under the Indenture. The Indenture provides that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are set forth specifically in the Indenture. During the existence of an Event of Default, the Trustee will exercise such of the rights and powers vested in it under the Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise under the circumstances in the conduct of such person's own affairs. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Indenture will not be construed as an obligation or duty.

The Trustee will be permitted to engage in transactions with the Issuer and the Guarantors; *provided*, *however*, that if it acquires any conflicting interest, it must either eliminate such conflict or resign.

The Indenture sets out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the Holders of a majority in principal amount of the then outstanding Notes, or may resign at any time by giving written notice to the

Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any Holder who has been a bona fide Holder for not less than six months may petition any court for the removal of the Trustee and the appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Indenture provides for the indemnification of the Trustee by the Issuer for any loss, liability and expenses incurred without gross negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of the Indenture.

**No personal liability of directors, officers, employees, incorporators and stockholders**

No director, officer, employee, incorporator or stockholder of the Issuer or any Subsidiary thereof will have any liability for any obligation of the Issuer or any Guarantor under the Indenture, the Notes, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement or for any claim based on, in respect of, or by reason of, any such obligation or its creation. Each Holder, by accepting the Notes, waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

**Transfer and Exchange**

A Holder may transfer or exchange Notes in accordance with the Indenture. Upon any transfer or exchange, the Issuer, the Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a Holder to pay any taxes or other governmental charges payable in connection with the transfer or exchange. The Issuer will not be required to transfer or exchange any Note selected for redemption or repurchase or to transfer or exchange any Note for a period of 15 Business Days prior to the day of the mailing of the notice of redemption or purchase. The Notes will be issued in registered form and the Holder will be treated as the owner of such Note for all purposes. For further information about transfer and exchange procedures, see the section titled "*Book-Entry; Delivery and Form*".

**Notices**

All notices to Holders of Notes will be validly given if mailed to them at their respective addresses in the register of the Holders of such Notes, if any, maintained by the Registrar. In addition, for so long as any of the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market, any such notice to the holders of the relevant Notes shall be published on the official website of the Luxembourg Stock Exchange and, in connection with any redemption, and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of Notes outstanding. For Notes which are represented by global certificates held on behalf of Euroclear and Clearstream, notices may be given by delivery of the relevant notices to Euroclear and Clearstream for communication to entitled account holders in substitution for the aforesaid mailing.

Each such notice shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made, *provided* that, if notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. Any notice or communication mailed to a Holder shall be mailed to such Person by first class mail or other equivalent means and shall be sufficiently given to him if so mailed within the time prescribed. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

**Currency Indemnity and Calculation of Sterling-denominated Restrictions**

The sterling is the sole currency of account with respect to the Notes and payment for all sums payable by the Issuer and the Guarantors under or in connection with the Notes, including damages. Any amount received or recovered in a currency other than sterling, whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or any Guarantor or otherwise by any Holder of a Note, as the case may be, or by the Trustee, in respect of any sum expressed to be due to it from the Issuer or any Guarantor shall only constitute a discharge to the Issuer or any Guarantor to the extent of the sterling amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that sterling amount is less than the sterling amount expressed to be due to the recipient or the Trustee under any Note the Issuer will indemnify them against the cost of making any such purchase. For the purposes of this currency indemnity provision, it will be prima facie evidence of the matter stated therein for the Holder of a Note or the Trustee to certify in reasonable detail in a manner reasonably satisfactory to the Issuer (indicating the sources of information used) the loss it Incurred in making any such purchase. These indemnities, to the extent permitted by law, constitute a separate and independent obligation from the Issuer's other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any waiver granted by any Holder or the Trustee (other than a waiver of the indemnities set out under the caption "—*Currency Indemnity and Calculation of Sterling-denominated Restrictions*") and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or to the Trustee.

Except as otherwise specifically set forth herein, for purposes of determining compliance with any sterling-denominated restriction herein, the Sterling Equivalent amount for purposes hereof that is denominated in a non- sterling currency shall be calculated based on the relevant currency exchange rate in effect on the date such non- sterling amount is Incurred or made, as the case may be.

**Enforceability of Judgments**

Since most of the managers and executive officers of the Issuer and its Subsidiaries are not residents of the United States, and most of the assets of the Issuer and its Subsidiaries are located outside the United States, any judgment obtained in the United States against the Issuer, including judgments with respect to the payment of principal, premium, interest, and any redemption price and any purchase price with respect to the Notes, may not be collectable within the United States. See the section titled "*Enforcement of Civil Liabilities*".

**Prescription**

Claims against the Issuer or any Guarantor for the payment of principal, premium or Additional Amounts, if any, on the Notes or any Notes Guarantees will be prescribed ten years after the applicable due dates for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest will be prescribed five years after the applicable due date for the payment of interest.

**Governing Law**

The Indenture will provide that it, the Notes and the Note Guarantees will be governed by, and construed in accordance with, the laws of the State of New York. For the avoidance of doubt, the application of articles 470-1 to 470-19 (inclusive) of the Luxembourg Companies Law shall be expressly excluded. The Intercreditor Agreement and the Senior Facilities Agreement are governed by, and construed in accordance with, English law. The Collateral is governed by English and Luxembourg law.

The Issuer has not qualified and does not expect to qualify the Indenture under the TIA. The Indenture will accordingly not be subject to the TIA, and will not contain any provision corresponding or similar to certain provisions of the TIA that would otherwise apply if the Indenture were so qualified, including TIA §316(b).

**Consent to Jurisdiction and Service**

The Issuer and Guarantors will appoint National Registered Agents Inc. as agent for actions relating to the Notes or the Indenture brought in any U.S. federal or state court located in the Borough of Manhattan in The City of New York and will submit to such jurisdiction.

**Certain Definitions**

Set forth below are defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for other capitalised terms used in this "Description of Notes" for which no definition is provided.

"Acquired Indebtedness" means Indebtedness of a Person (i) existing at the time such Person is merged with or into or becomes a Subsidiary or (ii) assumed in connection with the acquisition of properties or assets from such Person, in each case other than Indebtedness Incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or such acquisition. Acquired Indebtedness shall be deemed to be Incurred on the date of the related acquisition of assets from any Person or the date the acquired Person becomes a Subsidiary.

"Additional Assets" means (i) any property or assets that replace the property or assets that are the subject of an Asset Disposition; (ii) any property or assets (other than Indebtedness and Capital Stock) used or to be used by the Issuer or a Restricted Subsidiary or otherwise useful in a Related Business and any capital expenditures in respect of any property or assets already so used; (iii) the Capital Stock of a Person that is engaged in a Related Business and becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Issuer or another Restricted Subsidiary; or (iv) Capital Stock of any Person that at such time is a Restricted Subsidiary acquired from a third party.

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract, or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreed Security Principles" means the Agreed Security Principles as set out in a schedule to the Senior Facilities Agreement as amended from time to time, as applied *mutatis mutandis* with respect to the Notes in good faith by the Issuer.

"Applicable Premium" means, with respect to a Note on any redemption date, the greater of (A) 1% of the principal amount of such Note and (B) the excess (to the extent positive) of:

(1) the present value at such redemption date of (i) the redemption price of such Note at 2026 (such redemption price (expressed in a percentage of the principal amount) being set forth in the table under the second paragraph in the caption "—*Optional Redemption*"), plus (ii) all required remaining scheduled interest payments due on such Note to and including 2026 (excluding accrued and unpaid interest), computed using a discount rate equal to the Gilt Rate at such redemption date plus 50 basis points; over

(2) the outstanding principal amount of such Note on such redemption date,

as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate, *provided* that such calculation shall not be a duty or obligation of the Trustee, Registrar, Transfer Agent or any Paying Agent.

"Asset Disposition" means any sale, lease, transfer or other disposition of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares, or shares to be held by third parties to meet applicable legal requirements), property or other assets (each referred to for the purposes of this definition as a "disposition")

by the Issuer or any of its Restricted Subsidiaries (including any disposition by means of a merger, consolidation or similar transaction), other than:

(1) a disposition by a Restricted Subsidiary to the Issuer or by the Issuer or a Restricted Subsidiary to a Restricted Subsidiary;

(2) a disposition in the ordinary course of business;

(3) a disposition of Cash Equivalents or Temporary Cash Investments;

(4) the sale or discount (with or without recourse, and on customary or commercially reasonable terms) of accounts receivable or notes receivable arising in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable;

(5) any Restricted Payment Transaction;

(6) a disposition that is governed by the provisions described under the captions "*—Certain Covenants—Merger and Consolidation*" or "*—Change of Control*";

(7) any Financing Disposition;

(8) any "fee in lieu" or other disposition of assets to any governmental authority or agency that continue in use by the Issuer or any Restricted Subsidiary, so long as the Issuer or any Restricted Subsidiary may obtain title to such assets upon reasonable notice by paying a nominal fee;

(9) any exchange of property pursuant to or intended to qualify under Section 1031 (or any successor section) of the Code, or any exchange of equipment to be leased, rented or otherwise used in a Related Business;

(10) any financing transaction with respect to property built or acquired by the Issuer or any Restricted Subsidiary after the Issue Date, including without limitation any sale/leaseback transaction or asset securitisation, in the ordinary course of business;

(11) any disposition arising from foreclosure, condemnation or similar action with respect to any property or other assets or exercise of termination rights under any lease, licenses, concession, or other agreement;

(12) any disposition of Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary;

(13) a disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Issuer or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), entered into in connection with such acquisition;

(14) a disposition of Capital Stock which are directors' qualifying shares or which are *de minimis* holdings of Capital Stock to comply with legal or regulatory requirements;

(15) the abandonment or other disposition of patents, trademarks or other intellectual property that are, in the reasonable opinion of the Issuer, no longer economically practicable to maintain or useful in the conduct of the business of the Issuer and its Subsidiaries taken as a whole;

(16) any disposition or series of related dispositions for aggregate consideration not to exceed £25 million;

(17) any license, sub-license or other grant of rights in or to any trademark, copyright or other intellectual property;

(18) the creation or granting of any Lien permitted under the Indenture;

(19) any disposition in connection with a Tax Sharing Agreement; or

(20) the disposition of assets to a Person who is providing services (the provision of which have been or are to be outsourced by the Issuer or any Restricted Subsidiary to such Person) related to such assets.

"Bank Basket Sterling Amount" means an amount equal to (i) £450 million *plus* (ii) the greater of £225 million and 33% of LTM EBITDA, *plus* (iii) in the event of any refinancing of any Indebtedness Incurred under the basket permitting Indebtedness up to the Bank Basket Sterling Amount, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing.

"Bank Indebtedness" means any and all amounts, whether outstanding on the Issue Date or thereafter incurred, payable under or in respect of any Credit Facility, including without limitation principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganisation relating to the Issuer or any Restricted Subsidiary whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, guarantees, other monetary obligations of any nature and all other amounts payable thereunder or in respect thereof.

"Bank Products Agreement" means any agreement pursuant to which a bank or other financial institution agrees to provide (a) treasury services, (b) credit card, merchant card, purchasing card or stored value card services (including, without limitation, the processing of payments and other administrative services with respect thereto), (c) cash management services (including, without limitation, controlled disbursements, automated clearinghouse transactions, return items, netting, overdrafts, depository, lockbox, stop payment, electronic funds transfer, information reporting, wire transfer and interstate depository network services) and (d) other banking products or services as may be requested by the Issuer or any Restricted Subsidiary (other than letters of credit and other than loans and advances except indebtedness arising from services described in paragraphs (a) to (c) above).

"Bank Products Obligations" of any Person means the obligations of such Person pursuant to any Bank Products Agreement.

"Bankruptcy Law" means the U.K. Insolvency Act 1986, as amended (together with the rules and regulations made pursuant thereto),Title 11, U.S. Code, or any similar U.S. federal, state or non-U.S. law or Luxembourg (or any political subdivision thereof) insolvency law, for the relief of debtors (but excluding for the avoidance of doubt, any solvent winding up or other solvent process) or any amendment to, succession to or change in such law.

"Bloomberg" means any private electronic information service provided by Bloomberg L.P. or any of its Affiliates, or any of their respective successors.

"Board of Directors" means, for any Person, the board of directors or managers or other governing body of such Person or, if such Person does not have such board of directors, managers or other governing body, and is owned or managed by a single entity, the Board of Directors of such entity, or, in either case, any committee thereof duly authorised to act on behalf of such Board of Directors. Unless otherwise provided, "Board of Directors" means the Board of Directors of the Issuer.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banking institutions are authorised or required by law to close in Luxembourg, London or New York City.

"Capital Stock" of any Person means any and all shares of, partnership interest in, membership in, rights to purchase, warrants or options for, or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Capitalised Lease Obligation" means an obligation that is required to be classified and accounted for as a capitalised or finance lease for financial reporting purposes in accordance with IFRS. The amount of Indebtedness Incurred as a Capitalised Lease Obligation will be, at the time any determination is to be made, the amount of such obligation required to be capitalised on a balance sheet and recognised as a lease liability in accordance with IFRS, the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty, and interest on a Capitalised Lease Obligation shall be deemed to accrue at an interest rate determined in good faith by a responsible financial or accounting officer of the Issuer as the rate of interest implicit in such Capitalised Lease Obligation in accordance with IFRS.

"Cash Equivalents" means any of the following: (a) securities issued or fully guaranteed or insured by the United States of America, the United Kingdom or a member state of the European Union, Switzerland or Canada or any agency or instrumentality of any thereof, (b) overnight bank deposits, time deposits, certificates of deposit or bankers' acceptances or money market deposits with maturities (and similar instruments) of 12 months or less from the date of acquisition of (i) any bank or institutional lender under the Revolving Credit Facility or any affiliate thereof or (ii) any commercial bank or trust company having capital and surplus in excess of £250 million and the commercial paper of the holding company of which is rated at least A-1 or the equivalent thereof by S&P or at least P-1 or the equivalent thereof by Moody's (or if at such time neither is issuing ratings, then a comparable rating of another nationally recognised rating agency), (c) repurchase obligations with a term of not less than 30 days for underlying securities of the types described in clauses (a) and (b) above entered into with any financial institution meeting the qualifications specified in clause (b) above, (d) money market instruments, commercial paper or other short-term obligations rated at least A-1 or the equivalent thereof by S&P or at least P-1 or the equivalent thereof by Moody's (or if at such time neither is issuing ratings, then a comparable rating of another nationally recognised rating agency), (e) investments in money market funds subject to the risk limiting conditions of Rule 2a-7 or any successor rule of the SEC under the Investment Company Act, (f) investments similar to any of the foregoing denominated in currencies other than euro, sterling or U.S. dollars approved by the Board of Directors and (g) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (f) of this definition.

"Change of Control" means:

(1) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Issuer; or

(2) the Issuer merges or consolidates with or into, or sells or transfers (in one or a series of related transactions) all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole, to another Person and any "person" (as defined in clause (1) above), is or becomes the "beneficial owner" (as so defined), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the surviving Person in such merger or consolidation, or the transferee Person in such sale or transfer of assets, as the case may be.

"Clearstream" means Clearstream Banking S.A., as currently in effect or any successor securities clearing agency.

"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means the rights, property and assets securing or otherwise benefitting the Notes and/or the Note Guarantees as described under the caption "—*Security*" and any rights, property or assets over which a Lien has been granted to secure the Obligations of the Issuer and the Guarantors under the Notes, the Note Guarantees or the Indenture.

"Commodities Agreements" means, in respect of a Person, any commodity futures contract, forward contract, option or similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is a party or beneficiary.

"Consolidated Coverage Ratio" as of any date of determination means the ratio of (i) LTM EBITDA to (ii) Consolidated Interest Expense for such four fiscal quarters; *provided* that:

(1) if since the beginning of such period the Issuer or any Restricted Subsidiary has Incurred any Indebtedness that remains outstanding on such date of determination or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio is an Incurrence of Indebtedness, Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a *pro forma* basis to such Indebtedness as if such Indebtedness had been Incurred on the first day of such period;

(2) if since the beginning of such period the Issuer or any Restricted Subsidiary has repaid, repurchased, redeemed, defeased or otherwise acquired, retired or discharged any Indebtedness that is no longer outstanding on such date of determination (each, a "Discharge") or if the

transaction giving rise to the need to calculate the Consolidated Coverage Ratio involves a Discharge of Indebtedness (in each case other than Indebtedness Incurred under any revolving credit facility unless such Indebtedness has been permanently repaid), Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a *pro forma* basis to such Discharge of such Indebtedness, including with the proceeds of such new Indebtedness, as if such Discharge had occurred on the first day of such period;

(3) if since the beginning of such period the Issuer or any Restricted Subsidiary shall have disposed of any company, any business or any group of assets constituting an operating unit of a business including any such disposition occurring in connection with a transaction causing a calculation to be made hereunder or designation of a Restricted Subsidiary or an Unrestricted Subsidiary (any such disposition or designation, a "Sale"), the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets that are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period and Consolidated Interest Expense for such period shall be reduced by an amount equal to (A) the Consolidated Interest Expense attributable to any Indebtedness of the Issuer or any Restricted Subsidiary repaid, repurchased, redeemed, defeased or otherwise acquired, retired or discharged with respect to the Issuer and its continuing Restricted Subsidiaries in connection with such Sale for such period (including but not limited to through the assumption of such Indebtedness by another Person) plus (B) if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Interest Expense for such period attributable to the Indebtedness of such Restricted Subsidiary to the extent the Issuer and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such Sale;

(4) if since the beginning of such period the Issuer or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise acquired any company, any business or any group of assets constituting an operating unit of a business, including any such Investment or acquisition occurring in connection with a transaction causing a calculation to be made hereunder or designated any Unrestricted Subsidiary as a Restricted Subsidiary (any such Investment, acquisition or designation, a "Purchase"), Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving *pro forma* effect thereto (including the Incurrence of any related Indebtedness) as if such Purchase occurred on the first day of such period; and

(5) if since the beginning of such period any Person became a Restricted Subsidiary or was merged or consolidated with or into the Issuer or any Restricted Subsidiary, and since the beginning of such period such Person shall have Discharged any Indebtedness or made any Sale or Purchase that would have required an adjustment pursuant to clause (2), (3) or (4) above if made by the Issuer or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving *pro forma* effect thereto as if such Discharge, Sale or Purchase occurred on the first day of such period;

*provided* that (in the event that the Issuer shall classify Indebtedness Incurred on the date of determination as Incurred in part under paragraph (a) of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" and in part under paragraph (b) of such covenant, as provided in paragraph (d)(iii) of such covenant) any such *pro forma* calculation of Consolidated Interest Expense shall not give effect to any such Incurrence of Indebtedness on the date of determination pursuant to such paragraph (b) or to any Discharge of Indebtedness from the proceeds of any such Incurrence pursuant to such paragraph (b).

For purposes of this definition, whenever *pro forma* effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness Incurred or repaid, repurchased, redeemed, defeased or otherwise acquired, retired or discharged in connection therewith, the *pro forma* calculations in respect thereof (including without limitation in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by the Chief Financial Officer of the Issuer or an authorised responsible financial or accounting Officer of the Issuer. If any Indebtedness bears a floating rate of interest and is being given *pro forma* effect, the interest expense on such Indebtedness shall be calculated

as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness). If any Indebtedness bears, at the option of the Issuer or a Restricted Subsidiary, a rate of interest based on a prime or similar rate, a sterling currency interbank offered rate or other fixed or floating rate, and such Indebtedness is being given *pro forma* effect, the interest expense on such Indebtedness shall be calculated by applying such optional rate as the Issuer or such Restricted Subsidiary may designate. If any Indebtedness that is being given *pro forma* effect was Incurred under a revolving credit facility, the interest expense on such Indebtedness shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on a Capitalised Lease Obligation shall be deemed to accrue at an interest rate determined in good faith by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capitalised Lease Obligation in accordance with IFRS.

"Consolidated EBITDA" means, for any period, the Consolidated Net Income for such period, plus the following to the extent deducted in calculating such Consolidated Net Income, without duplication (in each case on a consolidated basis in accordance with IFRS):

(1) provision for all taxes (whether or not paid, estimated or accrued) based on income, profits or capital (including penalties and interest, if any) and any charge for such taxes incurred by the Issuer or a Restricted Subsidiary pursuant to a Tax Sharing Agreement; *plus*

(2) Consolidated Interest Expense for such period; *plus*

(3) depreciation, amortisation or impairment (including but not limited to amortisation of goodwill and intangibles and amortisation and write-off of financing costs and write downs and impairment of property, plant, equipment and intangibles and other long-lived assets and the impact of purchase accounting on the Issuer and its Restricted Subsidiaries for such period) and any non-cash charges, non-cash losses, or non-cash provisions for reserves for discontinued operations, in each case, other than any non-cash items for which a future cash payment will be required and for which an accrual or reserve is required by IFRS to be made, to the extent that such depreciation, amortisation and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(4) any expenses or charges related to any Equity Offering, Investment or Indebtedness permitted by the Indenture (whether or not consummated or incurred, and including any offering or sale of Capital Stock to the extent the proceeds thereof were intended to be contributed to the equity capital of the Issuer or its Restricted Subsidiaries) and any expenses or charges related to the Transactions; *plus*

(5) all deferred financing costs written off and premiums paid in connection with any early extinguishment of Hedging Obligations or other derivative instruments; *plus*

(6) the amount of any minority interest expense consisting of subsidiary income attributable to minority equity interests of third parties in any non-wholly owned Restricted Subsidiary in such period, except to the extent of cash dividends declared or paid on, or other cash payments in respect of, Capital Stock held by such parties; *plus*

(7) any gain or loss relating to the fair value of the pension asset or liability calculated in accordance with the 'corridor test' under IFRS; *plus*

(8) any non-recurring fees or charges or non-cash interest attributable to a post-employment benefit scheme or a management or employee benefit scheme, in each case other than the current service costs attributable to any such scheme; *plus*

(9) the amount of net cost savings projected by the Issuer in good faith to be realised as the result of actions taken or to be taken on or prior to the date that is 18 months after the consummation of any operational change (calculated on a *pro forma* basis as though such cost savings had been realised on the first day of such period), net of the amount of actual benefits realised during such period from such actions (which adjustments, without double counting, may be incremental to *pro forma* adjustments made pursuant to the proviso to the definition of "Consolidated Coverage Ratio", "Consolidated Net Leverage Ratio" or "Consolidated Secured Net Leverage Ratio"); *minus*

(10) (other than any non-cash items reducing such Consolidated Net Income pursuant to clauses (1) – (14) of the definition thereof) non-cash items increasing such Consolidated Net Income for such period, other than (i) any items which represent the reversal in such period of any accrual of, or cash reserve for, anticipated charges in any prior period where such accrual or reserve is no longer required; or (ii) items related to percentage of completion accounting.

"Consolidated Interest Expense" means, for any period, (i) the total interest expense of the Issuer and its Restricted Subsidiaries to the extent deducted in calculating Consolidated Net Income, net of any interest income of the Issuer and its Restricted Subsidiaries and after taking into account the net payment or receipt paid or payable or received or receivable under any Interest Rate Agreement or Currency Agreement in respect of Indebtedness, and after excluding any foreign exchange differences that are treated as interest under IFRS and after excluding any fair value movements on any Indebtedness or Hedging Obligations for such period, including without limitation any such interest expense consisting of (a) interest expense attributable to Capitalised Lease Obligations, (b) amortisation of debt discount, (c) interest in respect of Indebtedness of any other Person that has been guaranteed by the Issuer or any Restricted Subsidiary, but only to the extent that such interest is actually paid by the Issuer or any Restricted Subsidiary, (d) non-cash interest expense on Indebtedness, (e) the interest portion of any deferred payment obligation and (f) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing, plus (ii) Preferred Stock dividends paid in cash in respect of Disqualified Stock of the Issuer held by Persons other than the Issuer or a Restricted Subsidiary and minus (iii) to the extent otherwise included in such interest expense referred to in clause (i) above, Special Purpose Financing Fees, any interest expense in relation to any guarantee, indemnity, performance bond, standby letter of credit or similar instrument issued in respect of commercial obligations of the Issuer or any Restricted Subsidiary in the ordinary course of business and any arrangement, underwriting and participation fees and similar issuance costs, agency and fronting fees and repayment and prepayment or early redemption premiums, fees or costs, in each case under clauses (i) through (iii) as determined on a Consolidated basis in accordance with IFRS; *provided* that gross interest expense shall be determined after giving effect to any net payments made or received by the Issuer and its Restricted Subsidiaries with respect to Interest Rate Agreements and Currency Agreements.

"Consolidated Net Income" means, for any period, the net income (loss) of the Issuer and its Restricted Subsidiaries, determined on a Consolidated basis in accordance with IFRS and before any reduction in respect of Preferred Stock dividends; *provided* that there shall not be included in such Consolidated Net Income:

(1) any net income (loss) of any Person if such Person is not the Issuer or a Restricted Subsidiary, except that subject to the limitations contained in clause (3) below, the Issuer's or any Restricted Subsidiary's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount actually distributed in cash by such Person during such period to the Issuer or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to a Restricted Subsidiary, to the limitations contained in clause (2) below);

(2) solely for purposes of determining the amount available for Restricted Payments under clause (a)(iv)(3)(A) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*", any net income (loss) of any Restricted Subsidiary that is not a Guarantor if such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of similar distributions by such Restricted Subsidiary, directly or indirectly, to its parent company by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its stockholders (other than (w) restrictions that have been waived or otherwise released, (x) restrictions pursuant to the Notes or the Indenture or other Senior Indebtedness, (y) restrictions permitted pursuant to clauses (1) and (7) of the covenant described under the caption "*—Certain Covenants—Limitation on Restrictions on Distributions from Restricted Subsidiaries*", and (z) restrictions in effect on the Issue Date with respect to a Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole are not materially less favourable to the Holders than such restrictions in effect on the Issue Date as determined by the Issuer in good faith), except that the Issuer's equity in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount in cash of any dividend or distribution that was or that

could have been made by such Restricted Subsidiary during such period to the Issuer or another Restricted Subsidiary (subject, in the case of a dividend that could have been made to another Restricted Subsidiary, to the limitation contained in this clause (2));

(3) (x) any net gain or loss realised upon the sale or other disposition of any asset of the Issuer or any Restricted Subsidiary (including pursuant to any sale/leaseback transaction) that is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by the Board of Directors), and (y) any net after-tax gain or loss realised upon the disposal, abandonment or discontinuation of operations of the Issuer or any Restricted Subsidiary;

(4) any item classified as an extraordinary, unusual or nonrecurring gain, loss or charge and any exceptional or one off item (including fees, expenses and charges associated with the Transactions (other than for the avoidance of doubt interest incurred on Indebtedness Incurred pursuant to the Transactions) and any actual or aborted acquisition, merger or consolidation after the Issue Date), any severance (which, for the avoidance of doubt, shall include retention, integration or excess pension or other excess charges), relocation, consolidation, closing, integration, facilities, stores and/or warehouses opening, business optimisation, transition or restructuring costs, charges or expenses, any signing, retention or completion bonuses, and any costs associated with curtailments or modifications to pension and post-retirement employee benefit plans, excluding, for the avoidance of doubt, any gains or benefits received in respect of rent free periods under leases;

(5) the cumulative effect of a change in accounting principles;

(6) all deferred financing costs written off and premiums paid in connection with any early extinguishment of Indebtedness and any net gain or loss from any write-off or forgiveness of Indebtedness;

(7) any unrealised gains or losses in respect of Hedge Agreements or any ineffectiveness recognised in earnings related to qualifying hedge transactions or the fair value or changes therein recognised in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations;

(8) any unrealised foreign currency transaction gains or losses in respect of Indebtedness of any Person denominated in a currency other than the functional currency of such Person;

(9) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards;

(10) to the extent otherwise included in Consolidated Net Income, any unrealised foreign currency translation or transaction gains or losses in respect of Indebtedness or other obligations of the Issuer or any Restricted Subsidiary owing to the Issuer or any Restricted Subsidiary;

(11) any one-time non-cash charge, expense or other impact attributable to application of the purchase or recapitalisation method of accounting (including the total amount of depreciation and amortisation, cost of sales or other non-cash expense resulting from the write-up of assets to the extent resulting from such purchase or recapitalisation accounting adjustments);

(12) any goodwill or other intangible asset impairment charges;

(13) any gain or loss associated with the sale or write down or recalculation of assets not in the ordinary course of business, or any gain or loss associated with the disposal of leases not in the ordinary course of business; and

(14) any losses to the extent covered by business interruption or similar insurance and to the extent the proceeds are actually received.

Notwithstanding the foregoing, for the purpose of clause (a)(iv)(3)(A) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*" only, there shall be excluded from Consolidated Net Income, without duplication, any income consisting of dividends, repayments of loans or advances or other transfers of assets from Unrestricted Subsidiaries to the Issuer or a Restricted Subsidiary, and any income consisting of return of capital, repayment or other proceeds from dispositions or repayments of Investments consisting of Restricted Payments, in each case to the extent such income would be included

in Consolidated Net Income and such related dividends, repayments, transfers, return of capital or other proceeds are applied by the Issuer to increase the amount of Restricted Payments permitted under such covenant pursuant to clause (a)(iv)(3)(C) or (a)(iv)(3)(D) thereof.

"Consolidated Net Indebtedness" means, as of any date of determination, an amount equal to (i) the aggregate principal amount of outstanding Indebtedness of the Issuer and its Restricted Subsidiaries as of such date (other than (1) Hedging Obligations, (2) Management Guarantees and (3) Indebtedness of a type referred to in, or Incurred pursuant to, clause (b)(ix) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*") *minus* (ii) the aggregate amount of all cash and Cash Equivalents of the Issuer and its Restricted Subsidiaries, in each case determined on a Consolidated basis in accordance with IFRS (but excluding items eliminated in Consolidation); *provided* that such cash and Cash Equivalents shall be adjusted to normalise the impact of increases or decreases in Consolidated Working Capital during the relevant four quarter period by increasing or decreasing the amount of Cash on such date of determination based on the average Consolidated Working Capital during such four quarter period as determined in good faith by the Chief Financial Officer of the Issuer or an authorised responsible financial or accounting Officer of the Issuer; *provided further* that such cash and Cash Equivalents shall exclude the proceeds of any Indebtedness in respect of which such calculation was made.

"Consolidated Net Leverage Ratio" means, as of any date of determination, the ratio of (i) Consolidated Net Indebtedness as at such date (after giving effect to any Incurrence or Discharge of Indebtedness on such date) to (ii) LTM EBITDA, *provided*, that:

(1) if since the beginning of such period the Issuer or any Restricted Subsidiary shall have made a Sale (as defined under the definition of "Consolidated Coverage Ratio"), the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets that are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period;

(2) if since the beginning of such period the Issuer or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made a Purchase (as defined under the definition of "Consolidated Coverage Ratio") (including any Purchase occurring in connection with a transaction causing a calculation to be made hereunder), Consolidated EBITDA for such period shall be calculated after giving *pro forma* effect thereto as if such Purchase occurred on the first day of such period; and

(3) if since the beginning of such period any Person became a Restricted Subsidiary or was merged or consolidated with or into the Issuer or any Restricted Subsidiary, and since the beginning of such period such Person shall have made any Sale or Purchase that would have required an adjustment pursuant to clause (1) or (2) above if made by the Issuer or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA for such period shall be calculated after giving *pro forma* effect thereto as if such Sale or Purchase occurred on the first day of such period.

For purposes of this definition, whenever *pro forma* effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto, the *pro forma* calculations in respect thereof (including, without limitation, in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by the Chief Financial Officer of the Issuer or an authorised responsible financial or accounting Officer of the Issuer.

"Consolidated Secured Net Indebtedness" means, as of any date of determination, an amount equal to (i) the aggregate principal amount of outstanding Secured Indebtedness of the Issuer and its Restricted Subsidiaries as of such date (other than (1) Hedging Obligations, (2) Indebtedness of a type referred to in, or Incurred pursuant to, clause (b)(ix) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" and (3) Indebtedness secured only by property or assets held in a defeasance or similar trust or arrangement for the benefit of the Indebtedness secured thereby) *minus* (ii) the aggregate amount of all cash and Cash Equivalents of the Issuer and its Restricted Subsidiaries, in each case determined on a Consolidated basis in accordance with IFRS (but excluding items eliminated in Consolidation); *provided* that such cash and Cash Equivalents shall be adjusted to normalise the impact of increases or decreases in Consolidated Working Capital during the relevant four quarter period by increasing or decreasing the amount

of Cash on such date of determination based on the average Consolidated Working Capital during such four quarter period as determined in good faith by the Chief Financial Officer of the Issuer or an authorised responsible financial or accounting Officer of the Issuer; *provided further* that such cash and Cash Equivalents shall exclude the proceeds of any Indebtedness in respect of which such calculation was made.

"Consolidated Secured Net Leverage Ratio" means, as of any date of determination, the ratio of (i) Consolidated Secured Net Indebtedness as at such date (subject to the proviso below, after giving effect to any Incurrence or Discharge of Indebtedness on such date) to (ii) LTM EBITDA, *provided* that:

(1) if, since the beginning of such period, the Issuer or any Restricted Subsidiary shall have made a Sale (as defined in the definition of "Consolidated Coverage Ratio"), the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets that are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period;

(2) if, since the beginning of such period, the Issuer or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made a Purchase (as defined under the definition of Consolidated Coverage Ratio) (including any Purchase occurring in connection with a transaction causing a calculation to be made hereunder), Consolidated EBITDA for such period shall be calculated after giving *pro forma* effect thereto as if such Purchase occurred on the first day of such period; and

(3) if, since the beginning of such period, any Person became a Restricted Subsidiary or was merged or consolidated with or into the Issuer or any Restricted Subsidiary, and since the beginning of such period such Person shall have made any Sale or Purchase that would have required an adjustment pursuant to clause (1) or (2) above if made by the Issuer or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA for such period shall be calculated after giving *pro forma* effect thereto as if such Sale or Purchase occurred on the first day of such period;

*provided* that, in the event that the Issuer shall classify Indebtedness Incurred on the date of determination that is secured by Liens on property or assets of the Issuer and its Restricted Subsidiaries, as Incurred in part pursuant to paragraph (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" and in part pursuant to one or more clauses or subclauses of paragraph (b) of such covenant (as provided in clauses (ii) and (iii) of paragraph (d) of such covenant), Consolidated Secured Net Indebtedness shall not include any such Indebtedness (and shall not give effect to any Discharge of Consolidated Secured Net Indebtedness from the proceeds thereof) to the extent Incurred pursuant to any such clause or subclause of such paragraph (b).

For purposes of this definition, whenever *pro forma* effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto, the *pro forma* calculations in respect thereof (including, without limitation, in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by the Chief Financial Officer of the Issuer or an authorised, responsible financial or accounting Officer of the Issuer.

"Consolidated Working Capital" means, at the date of determination thereof, the aggregate amount of all current assets (excluding cash, Cash Equivalents, pensions assets, interest receivable, income or corporation tax receivable, deferred taxes recorded as assets, the effects (if any) of the application of purchase accounting and the fair value of Hedging Obligations or other derivative transactions) minus the aggregate amount of all current liabilities (excluding any Bank Indebtedness consisting of revolving loans, current maturities of Indebtedness, interest payable, deferred consideration payable for acquisitions, provisions (including, without limitation, accounting for lease incentives), pensions liabilities, restructuring costs payable, corporation tax payable, distributions and redemptions payable, the effects (if any) of the application of purchase accounting and the fair value of any Hedging Obligations or other derivative transactions).

"Consolidation" means the consolidation of the accounts of each of the Restricted Subsidiaries with those of the Issuer in accordance with IFRS; *provided* that "Consolidation" will not include consolidation of the accounts of any Unrestricted Subsidiary, but the interest of the Issuer or any Restricted Subsidiary in any

Unrestricted Subsidiary will be accounted for as an investment. The term "Consolidated" has a correlative meaning.

"Contribution Amounts" means the aggregate amount of capital contributions applied by the Issuer to permit the Incurrence of Contribution Indebtedness pursuant to clause (b)(xi) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*".

"Contribution Indebtedness" means Indebtedness of the Issuer or any Restricted Subsidiary in an aggregate principal amount, together with any Indebtedness refinancing such Indebtedness, not greater than the aggregate amount of cash contributions (other than Excluded Contributions, the proceeds from the issuance of Disqualified Stock or contributions by the Issuer or any Restricted Subsidiary) made to the equity capital of the Issuer or such Restricted Subsidiary (in each case, other than by a Subsidiary of the Issuer) (whether through the issuance or sale of Capital Stock or otherwise) in each case after the Issue Date; *provided* that such Contribution Indebtedness:

(1) is Incurred within 180 days after the making of the related cash capital contribution; and

(2) is so designated as "Contribution Indebtedness" pursuant to an Officer's Certificate no later than the date of Incurrence thereof.

Any sale of Capital Stock or capital contribution that forms the basis for an incurrence of Contribution Indebtedness will be disregarded for purposes of the "Restricted Payments" covenant and will not be considered to be an Equity Offering for purposes of the "Optional Redemption" provisions of the Indenture.

"Credit Facilities" means one or more of (i) the Senior Credit Facilities and (ii) other facilities or commercial paper facilities or indentures or trust deeds or note purchase agreements or arrangements designated by the Issuer, in each case with one or more banks or other lenders or institutions providing for revolving credit loans, term loans, receivables or inventory financings (including, without limitation, through the sale of receivables or inventory to such institutions or to special purpose entities formed to borrow from such institutions against such receivables, inventory or real estate or the creation of any Liens in respect of such receivables or inventory in favour of such institutions), letters of credit, bonds, notes, debentures or other Indebtedness, in each case, including all agreements, instruments and documents executed and delivered pursuant to or in connection with any of the foregoing, including but not limited to any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, in each case as the same may be amended, supplemented, novated, restated, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original banks, lenders or institutions or other banks, lenders or institutions or otherwise, and whether provided under any original Credit Facility or one or more other credit agreements, indentures, financing agreements or other Credit Facilities or otherwise). Without limiting the generality of the foregoing, the term "Credit Facility" shall include any agreement (i) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (ii) adding Subsidiaries as additional borrowers or guarantors thereunder, (iii) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (iv) otherwise altering the terms and conditions thereof.

"Currency Agreement" means, in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement or arrangements (including derivative agreements or arrangements), as to which such Person is a party or a beneficiary.

"Declined Excess Proceeds" has the meaning assigned thereto in clause (a)(iii)(C) under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*."

"Default" means any event or condition that is, or after notice or passage of time or both would be, an Event of Default.

"Designated Non-cash Consideration" means the Fair Market Value of noncash consideration received by the Issuer or one of its Restricted Subsidiaries in connection with an Asset Disposition that is so designated

as Designated Non-cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation.

"Designated Preferred Stock" means Preferred Stock of the Issuer (other than Disqualified Stock) that is issued after the Issue Date for cash (other than to a Restricted Subsidiary) and is so designated as Designated Preferred Stock, pursuant to an Officer's Certificate of the Issuer; *provided* that the cash proceeds of such issuance shall be excluded from the calculation set forth in clause (a)(iv)(3)(B) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*".

"Disqualified Stock" means, with respect to any Person, any Capital Stock (other than Management Stock) that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable) or upon the happening of any event (other than following the occurrence of a Change of Control or other similar event described under such terms as a "change of control," or an Asset Disposition) (i) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise, (ii) is convertible or exchangeable for Indebtedness or Disqualified Stock or (iii) is redeemable at the option of the holder thereof (other than following the occurrence of a Change of Control or other similar event described under such terms as a "change of control," or an Asset Disposition), in whole or in part, in each case on or prior to the final Stated Maturity of the Notes; *provided* that Capital Stock issued to any employee benefit plan, or by any such plan to any employees of the Issuer or any Subsidiary, shall not constitute Disqualified Stock solely because it may be required to be repurchased or otherwise acquired or retired in order to satisfy applicable statutory or regulatory obligations.

"Equity Offering" means a sale of Capital Stock (x) that is a sale of Capital Stock of the Issuer (other than Disqualified Stock) or (y) proceeds of which in an amount equal to or exceeding the Redemption Amount are contributed to the Issuer or any of its Restricted Subsidiaries (other than an Excluded Contribution).

"Escrowed Proceeds" means the proceeds from the offering of any debt securities or other Indebtedness paid into escrow accounts with an independent escrow agent on the date of the applicable offering or incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow accounts upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"Euroclear" means Euroclear Bank S.A./N.V., as operator of the Euroclear System as currently in effect or any successor securities clearing agency.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended as in effect on the Issue Date.

"Excluded Contribution" means Net Cash Proceeds, or the Fair Market Value of property or assets, received by the Issuer as capital contributions to the Issuer after the Issue Date or from the issuance or sale (other than to a Restricted Subsidiary) of Capital Stock (other than Disqualified Stock) of the Issuer, in each case to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Issuer and not previously included in the calculation set forth in clause (a)(iv)(3)(B)(x) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*" for purposes of determining whether a Restricted Payment may be made.

"Existing 2025 Indenture" means the indenture dated as of 13 July 2020 between B&M European Value Retail S.A. as the issuer, Deutsche Trustee Company Limited as trustee, Deutsche Bank AG, London Branch as security agent, Deutsche Bank AG, London Branch as paying agent and Deutsche Bank Luxembourg, S.A. as registrar and transfer agent in respect of the Existing 2025 Notes.

"Existing 2025 Notes" means the 3.625% £400 million senior secured notes due 2025 under the terms of the Existing 2025 Indenture.

"Existing 2028 Indenture" means the indenture dated as of 24 November 2021 between B&M European Value Retail S.A. as the issuer, Deutsche Trustee Company Limited as trustee, Deutsche Bank AG, London

Branch as security agent, Deutsche Bank AG, London Branch as paying agent and Deutsche Bank Luxembourg, S.A. as registrar and transfer agent in respect of the Existing 2028 Notes.

"Existing 2028 Notes" means the 4.000% £250 million senior secured notes due 2028 under the terms of the Existing 2028 Indenture.

"Existing Indentures" means the Existing 2025 Indenture and the Existing 2028 Indenture.

"Existing Notes" means the Existing 2025 Notes and the Existing 2028 Notes.

"Fair Market Value" means, with respect to any asset or property, the fair market value of such asset or property as determined in good faith by the Board of Directors, whose determination will be conclusive.

"Financing Disposition" means any sale, assignment, transfer (including, without limitation, by way of trust), conveyance or other disposition of, or creation or incurrence of any Lien on, property or assets (a) by the Issuer or any Subsidiary thereof to or in favour of any Special Purpose Entity, (or in the case of a Lien, a security agent or security trustee) or by any Special Purpose Subsidiary, in each case in connection with the Incurrence by a Special Purpose Entity of Indebtedness, or obligations to make payments to the obligor on Indebtedness, which may be secured by a Lien in respect of such property or assets or (b) by the Issuer or any Subsidiary thereof to or in favour of any Special Purpose Entity that is not a Special Purpose Subsidiary.

"Foreign Subsidiary" means any Subsidiary of the Issuer that is not organised under the laws of the United Kingdom and any Subsidiary of such Foreign Subsidiary.

"Gilt Rate" means, with respect to any redemption date, the yield to maturity as of such redemption date of U.K. Government Securities with a fixed maturity (as compiled by the Office for National Statistics and published in the most recent Financial Statistics that have become publicly available at least two Business Days in London prior to such redemption date (or, if such Financial Statistics are no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to 2026; provided, however, that if the period from such redemption date to 2026 is less than one year, the weekly average yield on actually traded U.K. Government Securities denominated in sterling adjusted to a fixed maturity of one year shall be used.

"Group" means the Issuer and its Restricted Subsidiaries from time to time.

"guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person (whether arising by agreements to keep-well, to take or pay or to maintain financial condition, pledges of assets or otherwise); *provided* that the term "guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning.

"Guarantor" means (a) initially, the Initial Guarantors and (b) any Restricted Subsidiary that enters into a Note Guarantee of the Notes in accordance with the terms of the Indenture, in each case, together with their respective successors and assigns.

"Guarantor Subordinated Obligations" means, with respect to a Guarantor, any Indebtedness of such Guarantor (whether outstanding on the Issue Date for the Initial Guarantors or thereafter Incurred) that is expressly subordinated in right of payment to the obligations of such Guarantor under its Note Guarantee pursuant to a written agreement.

"Hedge Agreements" means, collectively, Interest Rate Agreements, Currency Agreements and Commodities Agreements.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodities Agreement.

"Holder" means a Person in whose name a Note is registered in a register maintained by the registrar and reflecting ownership of the Notes.

"IFRS" means the International Financial Reporting Standards promulgated by the International Accounting Standards Board or any successor board or agency as endorsed by the European Union and in effect on the date hereof, or, with respect to the covenant described under the caption "Reports" as in effect from time to time; *provided* that, at any date after the Issue Date, the Issuer may make an irrevocable election to establish that "IFRS" shall mean IFRS as in effect from time to time. The Issuer shall give notice of any such election to the Trustee and the Holders.

"Incur" means issue, assume, enter into any guarantee of, incur or otherwise become liable for; and the terms "Incurs," "Incurred" and "Incurrence" shall have a correlative meaning; *provided* that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary. Accrual of interest, the accretion of accreted value, the payment of interest in the form of additional Indebtedness, and the payment of dividends on Capital Stock constituting Indebtedness in the form of additional shares of the same class of Capital Stock, will not be deemed to be an Incurrence of Indebtedness. Any Indebtedness issued at a discount (including Indebtedness on which interest is payable through the issuance of additional Indebtedness) shall be deemed Incurred at the time of original issuance of the Indebtedness at the initial accreted amount thereof.

"Indebtedness" means, with respect to any Person on any date of determination (without duplication):

(1) the principal of indebtedness of such Person for borrowed money;

(2) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all reimbursement obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit, bankers' acceptances or other instruments plus the aggregate amount of drawings thereunder that have not then been reimbursed);

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property (except Trade Payables), which purchase price is due more than one year after the date of placing such property in final service or taking final delivery and title thereto;

(5) all Capitalised Lease Obligations of such Person;

(6) the redemption, repayment or other repurchase amount of such Person with respect to any Disqualified Stock of such Person or (if such Person is a Subsidiary of the Issuer other than a Guarantor) any Preferred Stock of such Subsidiary, but excluding, in each case, any accrued dividends (the amount of such obligation to be equal at any time to the maximum fixed involuntary redemption, repayment or repurchase price for such Capital Stock, or if less (or if such Capital Stock has no such fixed price), to the involuntary redemption, repayment or repurchase price therefor calculated in accordance with the terms thereof as if then redeemed, repaid or repurchased, and if such price is based upon or measured by the Fair Market Value of such Capital Stock, such Fair Market Value shall be as determined in good faith by senior management of the Issuer, the Board of Directors or the board of directors or other governing body of the issuer of such Capital Stock);

(7) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of Indebtedness of such Person shall be the lesser of (A) the Fair Market Value of such asset at such date of determination (as determined in good faith by the Issuer) and (B) the amount of such Indebtedness of such other Persons;

(8) all guarantees by such Person of Indebtedness of other Persons, to the extent so guaranteed by such Person; and

(9) to the extent not otherwise included in this definition, net Hedging Obligations of such Person (the amount of any such obligation to be equal at any time to the termination value of such agreement or arrangement giving rise to such Hedging Obligation that would be payable by such Person at such time).

The term "Indebtedness" shall not include (i) obligations under a Tax Sharing Agreement, up to an amount not to exceed, with respect to such Taxes, the amount of such Taxes that the Issuer and its Restricted Subsidiaries would have been required to pay on a separate company basis, or on a consolidated basis if the Issuer and its Restricted Subsidiaries had paid tax on a consolidated, combined, group, affiliated or unitary basis on behalf of an affiliated group consisting only of the Issuer and its Restricted Subsidiaries, (ii) any "parallel debt" obligations created in connection with a Lien created to secure other indebtedness permitted to be incurred under the Indenture or (iii) any guarantee, indemnity, bond, standby letter of credit or similar instrument in respect of commercial obligations of the Issuer or any Restricted Subsidiary in the ordinary course of business to the extent such guarantees, indemnities, bonds or letters of credit are not drawn upon or, if and to the extent drawn upon are honoured in accordance with their terms and if to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment on the guarantee, indemnity, bond or letter of credit.

The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in the Indenture, or otherwise shall equal the amount thereof that would appear on a balance sheet of such Person (excluding any notes thereto) prepared in accordance with IFRS.

"Independent Financial Advisor" means an investment banking or accounting firm of international standing or any third party appraiser of international standing; *provided, however*, that such firm or appraiser is not an Affiliate of the Issuer.

"Initial Guarantors" means B&M European Value Retail 1 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, B&M European Value Retail 2 S.à r.l., EV Retail Limited, B & M Retail Limited, Heron Foods Limited and Heron Food Group Limited.

"Intercreditor Agreement" means the intercreditor agreement entered into on 13 July 2020 and made among, *inter alios*, the Issuer, Bank of America Merrill Lynch International Limited (as Initial Senior Agent (as defined therein)), Deutsche Bank AG, London Branch (as Security Agent) and the lenders under the Senior Facilities Agreement, as the same may be amended, waived, supplemented or otherwise modified from time to time in compliance with the Indenture.

"Interest Rate Agreement" means, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is party or a beneficiary.

"Investment" in any Person by any other Person means any direct or indirect advance, loan or other extension of credit (other than to customers, dealers, licensees, franchisees, suppliers, directors, officers or employees of any Person in the ordinary course of business) or capital contribution (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others) to, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such Person. For purposes of the definition of "Unrestricted Subsidiary" and the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*" only, (i) "Investment" shall include the portion (proportionate to the Issuer's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Issuer at the time that such Subsidiary is designated an Unrestricted Subsidiary, *provided* that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Issuer shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to (x) the Issuer's "Investment" in such Subsidiary at the time of such redesignation less (y) the portion (proportionate to the Issuer's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation, (ii) any property transferred to or from an Unrestricted

Subsidiary shall be valued at its Fair Market Value at the time of such transfer and (iii) for purposes of clause (3)(C) of paragraph (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments,*" the amount resulting from the redesignation of any Unrestricted Subsidiary as a Restricted Subsidiary shall be the Fair Market Value of the Investment in such Unrestricted Subsidiary at the time of such redesignation. Guarantees shall not be deemed to be Investments. The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Issuer's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment; *provided*, that to the extent that the amount of Restricted Payments outstanding at any time pursuant to paragraph (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*" is so reduced by any portion of any such amount or value that would otherwise be included in the calculation of Consolidated Net Income, such portion of such amount or value shall not be so included for purposes of calculating the amount of Restricted Payments that may be made pursuant to paragraph (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*".

"Investment Company Act" means the U.S. Investment Company Act of 1940, as amended.

"Investment Grade Rating" means a rating of Baa3 or better by Moody's and BBB- or better by S&P (or, in either case, the equivalent of such rating by such organisation), or an equivalent rating by any other Rating Agency.

"Issuer" means B&M European Value Retail S.A. and any successor in interest thereto.

"Issue Date" means the first date on which Notes are issued.

"Junior Capital" means, collectively, any Indebtedness of the Issuer or any Restricted Subsidiary provided that such Indebtedness (i) is not secured by any asset of the Issuer or any Restricted Subsidiary, (ii) is expressly subordinated in right of payment to the prior payment in full of the Notes in the event of any Default, bankruptcy, dissolution, reorganisation, liquidation, winding-up or analogous proceeding taken in any jurisdiction in relation to the Issuer, (iii) does not mature or require any amortisation that is not earlier than, and provides for no scheduled payments of principal prior to, the date that is 91 days after the Stated Maturity of the Notes (other than through conversion or exchange of any such Indebtedness for Capital Stock (other than Disqualified Stock) of the Issuer or any other Junior Capital), (iv) has no mandatory redemption or prepayment obligations other than (a) obligations that are subject to the prior payment in full in cash of the Notes or (b) pursuant to an escrow or similar arrangement with respect to the proceeds of such Junior Capital, and (v) does not require the payment of cash interest until the date that is 91 days after the Stated Maturity of the Notes.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"LTM EBITDA" means the aggregate amount of Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters of the Issuer ending prior to the date of determination for which consolidated financial statements of the Issuer are available.

"Luxembourg" means the Grand Duchy of Luxembourg.

"Luxembourg Companies Law" means the law of 10 August 1915 on commercial companies, as amended.

"Management Advances" means (1) loans or advances made to directors, officers, employees or consultants of the Issuer or any Restricted Subsidiary (x) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business, (y) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility, or (z) for any other purpose (but in the case of this clause (z) not exceeding the greater of £7.5 million and 1% of LTM EBITDA in the aggregate outstanding at any time), (2) promissory notes of, or loans to, Management Investors acquired, or made, in connection with

the issuance of, or purchase of, Management Stock to, or by, such Management Investors, which are permitted under clause (b)(v) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*" or (3) Management Guarantees.

"Management Guarantees" means guarantees (and any Indebtedness so guaranteed that is thereafter assumed by the Issuer or any Restricted Subsidiary, and any Indebtedness Incurred to refinance such Indebtedness) (1) of up to an aggregate principal amount outstanding at any time of the greater of £7.5 million and 1% of LTM EBITDA of borrowings by Management Investors in connection with their purchase of Management Stock or (2) made on behalf of, or in respect of loans or advances made to, directors, officers or employees or consultants of the Issuer or any Restricted Subsidiary (x) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business, (y) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or (z) for any other purpose but, (in the case of this clause (z)) not exceeding the greater of £7.5 million and 1% of LTM EBITDA in the aggregate outstanding at any time.

"Management Indebtedness" means Indebtedness Incurred to (1) any Person other than a Management Investor of up to an aggregate principal amount outstanding at any time of £7.5 million, and (2) any Management Investor, in each case, to finance the repurchase or other acquisition of Capital Stock of the Issuer or any Restricted Subsidiary (including any options, warrants or other rights in respect thereof) from any Management Investor, which repurchase or other acquisition of Capital Stock is permitted by the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*".

"Management Investors" means the officers, directors, employees and other members of the management of, or consultants to, the Issuer or its Subsidiaries, or family members or relatives of any of the foregoing, or trusts, partnerships, limited liability companies or other entities for the benefit of any of the foregoing, or any of their heirs, executors, successors and legal representatives who, at any date, beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Issuer or any Restricted Subsidiary or Capital Stock or other debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any Restricted Subsidiary.

"Management Stock" means Capital Stock of the Issuer or any Restricted Subsidiary (including any options, warrants or other rights in respect thereof) or Capital Stock or other debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any Restricted Subsidiary held directly or indirectly by any of the Management Investors.

"Moody's" means Moody's Investors Service, Inc., and its successors.

"Net Available Cash" from an Asset Disposition means an amount equal to the cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or instalment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other non-cash form) therefrom, in each case net of (i) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all Taxes required to be paid or to be accrued as a liability under IFRS, in each case as a consequence of or in receipt of such Asset Disposition (including as a consequence of any transfer of funds in connection with the application thereof in accordance with the covenant described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*"), (ii) all payments made, and all instalment payments required to be made, on any Indebtedness (x) that is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon such assets, or (y) that must by its terms, or in order to obtain a necessary consent to such Asset Disposition (including as a consequence of any transfer of funds in connection with the application thereof in accordance with the covenant described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*"), or by applicable law, be repaid out of the proceeds from such Asset Disposition, including but not limited to any payments required to be made to increase borrowing availability under any Senior Facilities Agreement, (iii) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition, or to any other Person (other than the Issuer or a Restricted Subsidiary) owning a beneficial

interest in the assets disposed of in such Asset Disposition, (iv) any liabilities or obligations associated with the assets disposed of in such Asset Disposition and retained, indemnified or insured by the Issuer or any Restricted Subsidiary after such Asset Disposition, including without limitation pension and other post-employment benefit liabilities, liabilities related to environmental matters, and liabilities relating to any indemnification obligations associated with such Asset Disposition, and (v) the amount of any purchase price or similar adjustment (x) claimed by any Person to be owed by the Issuer or any Restricted Subsidiary, until such time as such claim shall have been settled or otherwise finally resolved, or (y) paid or payable by the Issuer or any Restricted Subsidiary, in either case in respect of such Asset Disposition.

"Net Cash Proceeds," with respect to any issuance or sale of any securities of the Issuer or any Subsidiary by the Issuer or any Subsidiary, or any capital contribution, means the cash proceeds of such issuance, sale, contribution or Incurrence net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance, sale, contribution or Incurrence and net of taxes paid or payable as a result thereof.

"Note Guarantee" means any guarantee of the obligations of the Issuer under the Indenture and the Notes by any Person in accordance with the provisions of the Indenture.

"Obligations" means, with respect to any Indebtedness, any principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganisation relating to the Issuer or any Restricted Subsidiary whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, guarantees of such Indebtedness (or of Obligations in respect thereof), other monetary obligations of any nature and all other amounts payable thereunder or in respect thereof.

"Officer" means (a) with respect to the Issuer or any Guarantor, the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the General Counsel or the Company Secretary or any authorised signatory, as the case may be, (i) of such Person or (ii) if such Person is owned or managed by a single entity, of such entity, or (b) any other individual designated as an "Officer" for the purposes of the Indenture by the Board of Directors.

"Officer's Certificate" means, with respect to any Person, a certificate signed by one Officer of such Person.

"Opinion of Counsel" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The legal counsel may be an employee of or counsel to the Issuer.

"Pari Passu Indebtedness" means Indebtedness of the Issuer or any Restricted Subsidiary that is a Guarantor which does not constitute Subordinated Obligations or Guarantor Subordinated Obligations as the case may be.

"Permitted Collateral Liens" means

(1) Liens arising by operation of law that are described in the definition of "Permitted Liens;"

(2) Liens on the Collateral to secure any Indebtedness of the Issuer or any Restricted Subsidiary that is permitted to be Incurred under clause (i), (iii) (to the extent, in the case of Refinancing Indebtedness under clause (iii), such Refinancing Indebtedness is in exchange for or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge Indebtedness secured with a Permitted Collateral Lien in compliance with the Indenture but, if such Refinancing Indebtedness relates to Indebtedness incurred on the Issue Date under clause (iii), only if a Permitted Collateral Lien over such assets was in place on the Issue Date), (vi)(A) (but only to the extent such guarantee is in respect of Indebtedness that is permitted to be secured on the Collateral pursuant to any other clause of this definition), (viii)(C), (viii)(J), (viii)(K), (ix), (x) (*provided* that immediately following the Incurrence of Indebtedness pursuant to such clause (x) and after giving effect thereto on a *pro forma* basis, the Consolidated Secured Net Leverage Ratio would have been less than 3.25:1.0 or would not be greater than it was immediately prior to giving effect to the relevant acquisition, merger or consolidation), (xiii), (xiv), (xv) or (xvi) of

paragraph (b) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*"; *provided, however*, that, such Lien ranks equal or junior to all other Liens on such Collateral securing the Notes or the Notes Guarantees and each of the secured parties to any such Indebtedness (acting directly or through its respective creditor representative) is party to or has acceded to the Intercreditor Agreement or an Additional Intercreditor Agreement;

(3) Liens on the Collateral to secure Indebtedness incurred pursuant to clause (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*"; *provided* that immediately following the Incurrence of Indebtedness pursuant to such clause (a), and after giving effect thereto on a *pro forma* basis, the Consolidated Secured Net Leverage Ratio would have been less than 3.25:1.0;

(4) Liens securing Indebtedness permitted to be Incurred under clause (iv), (viii)(F) or (viii)(G) of paragraph (b) of the covenant described under the caption "*Certain Covenants—Limitation on Indebtedness*"; and

(5) Liens on assets or Capital Stock of a Special Purpose Entity that constitute Collateral to secure Indebtedness (including Liens securing obligations in respect thereof) or other obligations of, or in favour of, any Special Purpose Entity, or in connection with a Special Purpose Financing Incurred pursuant to clause (b)(ix) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" (but only in respect of the assets subject to the relevant Financing Disposition or Capital Stock of a Special Purpose Entity).

A Lien shall be deemed to rank equally with another Lien notwithstanding (i) any different preference or hardening period applicable thereto, (ii) any other difference in priority so long as an "assignment of ranking" or other sharing arrangement has been entered into by or for the benefit of beneficiaries of each such Lien or (iii) any difference in validity or enforceability.

For purposes of determining compliance with this definition, (u) a Lien need not be incurred solely by reference to one category of Permitted Collateral Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category), (v) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Collateral Liens, the Issuer shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition, (w) the principal amount of Indebtedness secured by a Lien outstanding under any category of Permitted Collateral Liens shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness, (x) any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness shall also be permitted to secure any increase in the amount of such Indebtedness in connection with the accrual of interest and the accretion of accreted value, (y) if any Indebtedness or other obligation is secured by any Lien outstanding under any category of Permitted Collateral Liens measured by reference to a percentage of LTM EBITDA at the time of incurrence of such Indebtedness or other obligations, and is refinanced by any Indebtedness or other obligation secured by any Lien incurred by reference to such category of Permitted Collateral Liens, and such refinancing would cause the percentage of LTM EBITDA to be exceeded if calculated based on LTM EBITDA on the date of such refinancing, such percentage of LTM EBITDA not be deemed to be exceeded (and such refinancing Lien shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness or other obligation does not exceed an amount equal to the principal amount of such Indebtedness or other obligation being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such refinancing and (z) if any Indebtedness or other obligation is secured by any Lien outstanding under any category of Permitted Collateral Liens measured by reference to an amount in sterling, and is refinanced by any Indebtedness or other obligation secured by any Lien incurred by reference to such category of Permitted Collateral Liens, and such refinancing would cause such sterling amount to be exceeded, such sterling amount shall not be deemed to be exceeded (and such refinancing Lien shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness or other obligation does not exceed an amount equal to the principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and

other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such refinancing.

"Permitted Investment" means an Investment by the Issuer or any Restricted Subsidiary in, or consisting of, any of the following:

(1) a Restricted Subsidiary, the Issuer, or a Person that will, upon the making of such Investment, become a Restricted Subsidiary (and any Investment held by such Person that was not acquired by such Person, or made pursuant to a commitment by such Person that was not entered into, in contemplation of so becoming a Restricted Subsidiary);

(2) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary (and, in each case, any Investment held by such other Person that was not acquired by such Person, or made pursuant to a commitment by such Person that was not entered into, in contemplation of such merger, consolidation or transfer);

(3) Temporary Cash Investments or Cash Equivalents;

(4) receivables owing to the Issuer or any Restricted Subsidiary, if created or acquired in the ordinary course of business;

(5) any securities or other Investments received as consideration in, or retained in connection with, sales or other dispositions of property or assets, including Asset Dispositions made in compliance with the covenant described under the caption "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*";

(6) securities or other Investments received in settlement of debts created in the ordinary course of business and owing to, or received in settlement of other claims asserted by, the Issuer or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of judgments, including in connection with any bankruptcy proceeding or other reorganisation of another Person;

(7) Investments in existence or made pursuant to legally binding written commitments in existence on the Issue Date, and in each case any extension, modification, replacement, reinvestment or renewal thereof; *provided* that the amount of any such Investment may be increased in such extension, modification, replacement, reinvestment or renewal only (x) as required by the terms of such Investment or binding commitment as in existence on the Issue Date, or (y) as otherwise permitted by the Indenture;

(8) Currency Agreements, Interest Rate Agreements, Commodities Agreements and related Hedging Obligations, which obligations are Incurred in compliance with the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*";

(9) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under the caption "*—Certain Covenants—Limitation on Liens*";

(10) (1) Investments in or by any Special Purpose Subsidiary, or in connection with a Financing Disposition by, to, in or in favour of any Special Purpose Entity, including Investments of funds held in accounts permitted or required by the arrangements governing a Financing Disposition or any related Indebtedness, or (2) any promissory note issued by the Issuer;

(11) bonds secured by assets leased to and operated by the Issuer or any Restricted Subsidiary that were issued in connection with the financing of such assets so long as the Issuer or any Restricted Subsidiary may obtain title to such assets at any time by paying a nominal fee, cancelling such bonds and terminating the transaction;

(12) the Notes, the Existing Notes, loans under the Senior Facilities Agreement and Investments in any other Indebtedness of the Issuer or its Restricted Subsidiaries excluding (in the case of the Issuer) Subordinated Obligations and (in the case of any Guarantor) Guarantor Subordinated Obligations;

(13) any Investment to the extent made using Capital Stock of the Issuer (other than Disqualified Stock) as consideration;

(14) Management Advances;

(15) Investments in any joint-venture or similar agreement or arrangement with another Person in an aggregate amount outstanding at any time not to exceed an amount equal to the greater of £75 million and 11% of LTM EBITDA; and

(16) any transaction to the extent it constitutes an Investment in relation to (1) (i) the entering into, maintaining or performance of any employment or consulting contract, collective bargaining agreement, benefit plan, program or arrangement, related trust agreement or any other similar arrangement for or with any current or former employee, officer or director or consultant of or to the Issuer or any Restricted Subsidiary heretofore or hereafter entered into in the ordinary course of business, including vacation, health, insurance, deferred compensation, severance, retirement, savings or other similar plans, programs or arrangements, (ii) payments of compensation, performance of indemnification or contribution obligations, or any issuance, grant or award of stock, options, other equity related interests or other securities, to any employees, officers, directors or consultants in the ordinary course of business, (iii) the payment of reasonable fees to directors of the Issuer or any of its Subsidiaries (as determined in good faith by the Issuer or such Subsidiary) or (iv) Management Advances and payments in respect thereof (or in reimbursement of any expenses referred to in the definition of such term), (2) any transaction between or among any of the Issuer, one or more Restricted Subsidiaries, or one or more Special Purpose Entities, (3) any transaction arising out of agreements or instruments in existence on the Issue Date, and any payments made pursuant thereto, (4) the execution, delivery and performance of any Tax Sharing Agreement and (5) issuances or sales of Capital Stock (other than Disqualified Stock) of the Issuer or options, warrants or other rights to acquire such Capital Stock; and

(17) other Investments in an aggregate amount outstanding at any time not to exceed an amount equal to the greater of £150 million and 22% of LTM EBITDA.

If any Investment pursuant to clause (15) or (17) above, or paragraph (b)(vii) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*", as applicable, is made in any Person that is not a Restricted Subsidiary and such Person thereafter (A) becomes a Restricted Subsidiary or (B) is merged or consolidated into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary, then such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) above, respectively, and not clause (15) or (17), or paragraph (b)(vi) of the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*", as applicable.

"Permitted Liens" means:

(1) Liens for taxes, assessments or other governmental charges not yet delinquent or the nonpayment of which in the aggregate would not reasonably be expected to have a material adverse effect on the Issuer and its Restricted Subsidiaries or that are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Issuer or a Subsidiary thereof, as the case may be, in accordance with IFRS;

(2) carriers', warehousemen's, mechanics', landlords', materialmen's, repairmen's or other like Liens arising in the ordinary course of business in respect of obligations that are not overdue for a period of more than 60 days or that are bonded or that are being contested in good faith and by appropriate proceedings;

(3) pledges, deposits or Liens in connection with workers' compensation, professional liability insurance, insurance programs, unemployment insurance and other social security and other similar legislation or other insurance related obligations (including, without limitation, pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements);

(4) pledges, deposits or Liens to secure the performance of bids, tenders, trade, government or other contracts (other than for borrowed money), obligations for utilities, leases, licenses, statutory obligations, completion guarantees, surety, judgment, appeal or performance bonds, other similar

bonds, instruments or obligations, and other obligations of a like nature incurred in the ordinary course of business;

(5) easements (including reciprocal easement agreements), rights-of-way, building, zoning and similar restrictions, utility agreements, covenants, reservations, restrictions, encroachments, charges, and other similar encumbrances or title defects incurred, or leases or subleases granted to others, in the ordinary course of business, which do not in the aggregate materially interfere with the ordinary conduct of the business of the Issuer and its Subsidiaries, taken as a whole;

(6) Liens existing on, or provided for under written arrangements existing on, the Issue Date, or (in the case of any such Liens securing Indebtedness of the Issuer or any of its Subsidiaries existing or arising under written arrangements existing on the Issue Date) securing any Refinancing Indebtedness in respect of such Indebtedness so long as the Lien securing such Refinancing Indebtedness is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or under such written arrangements could secure) the original Indebtedness;

(7) (i) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Issuer or any Restricted Subsidiary of the Issuer has easement rights or on any leased property and subordination or similar agreements relating thereto and (ii) any condemnation or eminent domain proceedings affecting any real property;

(8) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Hedging Obligations, Bank Products Obligations, Purchase Money Obligations or Capitalised Lease Obligations Incurred in compliance with the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*";

(9) Liens arising out of judgments, decrees, orders or awards in respect of which the Issuer or any Restricted Subsidiary shall in good faith be prosecuting an appeal or proceedings for review, which appeal or proceedings shall not have been finally terminated, or if the period within which such appeal or proceedings may be initiated shall not have expired;

(10) leases, subleases, licenses or sublicenses to or from third parties;

(11) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of (1) the Notes or any Note Guarantee, (2) Indebtedness of any Restricted Subsidiary that is not a Guarantor (limited, in the case of this clause (2), to Liens on any of the property and assets of any Restricted Subsidiary that is not a Guarantor) or (3) Indebtedness or other obligations of any Special Purpose Entity (limited, in the case of this clause (3), to Liens on any property or assets of, or stock of, any Special Purpose Entity);

(12) Liens existing on property or assets of a Person at, or provided for under written arrangements existing of, the time such Person becomes a Subsidiary of the Issuer (or at the time the Issuer or a Restricted Subsidiary acquires such property or assets, including any acquisition by means of a merger or consolidation with or into the Issuer or any Restricted Subsidiary); *provided, however*, that such Liens are not created in connection with, or in contemplation of, such other Person becoming such a Subsidiary (or such acquisition of such property or assets), and that such Liens are limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which such Liens arose, could secure) the obligations to which such Liens relate; *provided, further*, that for purposes of this clause (l), if a Person other than the Issuer is the Successor Issuer with respect thereto, any Subsidiary thereof shall be deemed to become a Subsidiary of the Issuer, and any property or assets of such Person or any such Subsidiary shall be deemed acquired by the Issuer or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Issuer;

(13) Liens on Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary or a joint venture that is not a Subsidiary of the Issuer that secure Indebtedness or other obligations of such Unrestricted Subsidiary or joint venture respectively;

(14) any encumbrance or restriction (including, but not limited to, pursuant to put and call agreements or buy/sell arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(15) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Refinancing Indebtedness Incurred in respect of any Indebtedness secured by, or securing any refinancing, refunding, extension, renewal or replacement (in whole or in part) of any other obligation secured by, any other Permitted Liens, *provided* that any such new Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the obligations to which such Liens relate;

(16) Liens (1) arising by operation of law (or by agreement to the same effect) in the ordinary course of business, (2) on property or assets under construction (and related rights) in favour of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets, (3) on Receivables, commissions or revenue streams from contractual arrangements (including related rights) in the ordinary course of business or (4) securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities (including in connection with purchase orders and other agreements with customers), (5) in favour of the Issuer or any Subsidiary (other than Liens on property or assets of the Issuer in favour of any Subsidiary that is not a Guarantor), (6) arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business, (7) on inventory or other goods and proceeds securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods, (8) relating to pooled deposit or sweep accounts to permit satisfaction of overdraft, cash pooling or similar obligations incurred in the ordinary course of business, (9) attaching to commodity trading or other brokerage accounts incurred in the ordinary course of business or (10) arising in connection with repurchase agreements permitted under the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" on assets that are the subject of such repurchase agreements;

(17) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the incurrence of such debt securities or Indebtedness, or government securities purchased with such cash, to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in escrow accounts or similar arrangement to be applied for such purpose;

(18) other Liens securing Indebtedness or other obligations that in the aggregate at any time outstanding do not exceed an amount equal to the greater of £162.5 million and 24% of LTM EBITDA at the time of Incurrence of such Indebtedness or other obligations;

(19) Liens securing any Indebtedness of the Issuer or any Restricted Subsidiary that is permitted to be Incurred under clauses (i), (iv) (*provided* that such Liens are limited to the assets financed with such Indebtedness Incurred under clause (iv)), (v), (vii), (viii), (x), (xiii), (xiv) or (xv) of paragraph (b) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*"; and

(20) Liens on assets or Capital Stock of a Special Purpose Entity to secure Indebtedness (including Liens securing obligations in respect thereof) or other obligations of, or in favour of, any Special Purpose Entity, or in connection with a Special Purpose Financing Incurred pursuant to clause (b)(ix) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" (but only in respect of the assets subject to the relevant Financing Disposition or Capital Stock of a Special Purpose Entity).

For purposes of determining compliance with this definition, (u) a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category), (v) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Liens, the Issuer shall, in its sole discretion, classify or reclassify such Lien (or any

portion thereof) in any manner that complies with this definition, (w) the principal amount of Indebtedness secured by a Lien outstanding under any category of Permitted Liens shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness, (x) any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness shall also be permitted to secure any increase in the amount of such Indebtedness in connection with the accrual of interest and the accretion of accreted value, (y) if any Indebtedness or other obligation is secured by any Lien outstanding under any category of Permitted Liens measured by reference to a percentage of LTM EBITDA at the time of incurrence of such Indebtedness or other obligations, and is refinanced by any Indebtedness or other obligation secured by any Lien incurred by reference to such category of Permitted Liens, and such refinancing would cause the percentage of LTM EBITDA to be exceeded if calculated based on LTM EBITDA on the date of such refinancing, such percentage of LTM EBITDA shall not be deemed to be exceeded (and such refinancing Lien shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness or other obligation does not exceed an amount equal to the principal amount of such Indebtedness or other obligation being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such refinancing and (z) if any Indebtedness or other obligation is secured by any Lien outstanding under any category of Permitted Liens measured by reference to an amount in sterling, and is refinanced by any Indebtedness or other obligation secured by any Lien incurred by reference to such category of Permitted Liens, and such refinancing would cause such sterling amount to be exceeded, such sterling amount shall not be deemed to be exceeded (and such refinancing Lien shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness or other obligation does not exceed an amount equal to the principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such refinancing.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, trust, unincorporated organisation, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" as applied to the Capital Stock of any corporation means Capital Stock of any class or classes (however designated) and that by its terms is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over Capital Stock of any other class of such corporation.

"Public Indebtedness" means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (x) a public offering or (y) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A under the Securities Act (or Rule 144A and Regulation S) whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC for public resale. The term "Public Indebtedness" (i) shall not include the Notes and (ii) for the avoidance of doubt, shall not be construed to include any Indebtedness issued to institutional investors in a direct placement of such Indebtedness that is not underwritten by an intermediary (it being understood that, without limiting the foregoing, a financing that is distributed to not more than ten Persons (*provided* that multiple managed accounts and affiliates of any such Persons shall be treated as one Person for the purposes of this definition) shall be deemed not underwritten), or any Bank Indebtedness, commercial bank or similar Indebtedness, Special Purpose Financing, Capitalised Lease Obligation or recourse transfer of any financial asset or any other type of Indebtedness Incurred in a manner not customarily viewed as a "securities offering."

"Purchase Money Obligations" means any Indebtedness Incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets, and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

"Rating Agency" means Moody's or S&P or, if Moody's or S&P or both shall not make a rating on the Notes publicly available, a recognised statistical rating agency or agencies, as the case may be, selected by the Issuer which shall be substituted for Moody's or S&P or both, as the case may be.

"Receivable" means a right to receive payment arising pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay, as determined in accordance with IFRS.

"refinance" means refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell or extend (including pursuant to any defeasance or discharge mechanism); and the terms "refinances," "refinanced" and "refinancing" as used for any purpose in the Indenture shall have a correlative meaning.

"Refinancing Indebtedness" means Indebtedness that is Incurred to refinance any Indebtedness (or unutilised commitments in respect of Indebtedness) existing on the date of the Indenture or Incurred in compliance with the Indenture (including Indebtedness of the Issuer that refinances Indebtedness of any Restricted Subsidiary (to the extent permitted in the Indenture) and Indebtedness of any Restricted Subsidiary that refinances Indebtedness of another Restricted Subsidiary) including Indebtedness that refinances Refinancing Indebtedness, and Indebtedness Incurred pursuant to a commitment that refinances any Indebtedness or unutilised commitment; *provided* that (1) if the Indebtedness being refinanced is Subordinated Obligations or Guarantor Subordinated Obligations, the Refinancing Indebtedness has a final Stated Maturity at the time such Refinancing Indebtedness is Incurred that is equivalent to or later than the final Stated Maturity of the Indebtedness being refinanced (or if shorter, the Notes), (2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of (x) the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being refinanced, plus (y) an amount equal to any unutilised commitment relating to the Indebtedness being refinanced or otherwise then outstanding under a Credit Facility or other financing arrangement being refinanced to the extent the unutilised commitment being refinanced could be drawn in compliance with the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" immediately prior to such refinancing, plus (z) fees, underwriting discounts, premiums and other costs and expenses Incurred in connection with such Refinancing Indebtedness and (3) Refinancing Indebtedness shall not include (x) Indebtedness of a Restricted Subsidiary that is not a Guarantor that refinances Indebtedness of the Issuer or a Guarantor or (y) Indebtedness of the Issuer or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary.

"Related Business" means those businesses in which the Issuer or any of its Subsidiaries is engaged on the Issue Date, or that are similar, related, complementary, incidental or ancillary thereto or extensions, developments or expansions thereof.

"Related Person" means in relation to any specified person, any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For the purposes of this definition only, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise.

"Representative" means any trustee, agent or representative (if any) for an issue of Indebtedness of the Issuer or any Restricted Subsidiary.

"Restricted Payment Transaction" means any Restricted Payment permitted pursuant to the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*", any Permitted Payment, any Permitted Investment, or any transaction specifically excluded from the definition of the term "Restricted Payment" (including pursuant to the exception contained in clause (i) and the parenthetical exclusions contained in clauses (ii) and (iii) of such definition).

"Restricted Subsidiary" means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

"Revolving Credit Facility" means the revolving loan facility under the Senior Facilities Agreement.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc., and its successors.

"SEC" means the U.S. Securities and Exchange Commission.

"Secured Indebtedness" means, as of any date of determination, the principal amount of Indebtedness that is secured by Liens on property or assets of the Issuer or any of its Restricted Subsidiaries.

"Securities Act" means the U.S. Securities Act of 1933, as amended.

"Security Agent" means Deutsche Bank AG, London Branch in its capacity as security agent for the Trustee and the Holders or any successor thereto appointed in accordance with the Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement.

"Security Documents" means the English Law Debentures, Luxembourg Bank Account Pledges, Luxembourg Share Pledges, the Luxembourg Security Confirmation and any other instrument and document executed and delivered pursuant to the Indenture or any of the foregoing, and in each case pursuant to which the Collateral is pledged, assigned or granted to or on behalf of the Security Agent for the benefit of the holders of the Notes and the Trustee or notice of such pledge, assignment or grant is given, in each case as the same may be amended, supplemented or otherwise modified from time to time.

"Senior Credit Facilities" means the facilities under the Senior Facilities Agreement.

"Senior Facilities Agreement" means the senior facilities agreement, dated 21 March 2023 (as amended pursuant to an amendment agreement dated 20 April 2023), among, *inter alios*, B&M European Value Retail S.A., as the parent, the original borrower and original guarantors named therein, BNP Paribas, London Branch, HSBC UK Bank Plc, Coöperatieve Rabobank U.A. trading as Rabobank London, Lloyds Bank Plc and National Westminster Bank Plc, as the mandated lead arrangers, Bank of America Designated Activity Company and The Governor and Company of the Bank of Ireland, as the arrangers, HSBC Bank Plc, as the agent, Deutsche Bank AG, London Branch, as security agent, and the lenders party thereto from time to time, as the same may be amended, waived, supplemented or otherwise modified from time to time in compliance with the Indenture or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior Facilities Agreement or other credit agreements or otherwise).

"Senior Indebtedness" means any Indebtedness of the Issuer or any Restricted Subsidiary other than, (x) in the case of the Issuer, Subordinated Obligations and (y) in the case of any Guarantor, Guarantor Subordinated Obligations.

"Significant Subsidiary" means any Restricted Subsidiary that would be a "significant subsidiary" of the Issuer within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC, as in effect on the Issue Date. For purposes of the caption "*—Certain Covenants—Future Guarantors*" only, such determination shall be made by substituting 5% for 10% in such Rule.

"Special Purpose Entity" means (x) any Special Purpose Subsidiary or (y) any other Person that is engaged in the business of (i) acquiring, selling, collecting, financing or refinancing Receivables, accounts, commissions and/or other receivables, revenue streams from contractual arrangements, and/or related assets, and/or (ii) financing or refinancing in respect of Capital Stock of any Special Purpose Subsidiary.

"Special Purpose Financing" means any financing or refinancing of assets consisting of or including Receivables, commissions and/or revenue streams from contractual arrangements (the "Subject Assets") of the Issuer or any Restricted Subsidiary that have been transferred to a Special Purpose Entity, prepaid or made subject to a Lien in a Financing Disposition (including any financing or refinancing in respect of Capital Stock of a Special Purpose Subsidiary held by another Special Purpose Subsidiary) that is non-recourse to the Issuer or any Restricted Subsidiary that is not a Special Purpose Subsidiary except for Special Purpose Financing Undertakings, and recourse against the Subject Assets and any assets related thereto including, without limitation, all collateral securing the rights deriving from the Subject Assets, all contracts and all guarantees or other obligations in respect of such Subject Assets, proceeds of such Subject Assets, Cash Equivalents and other assets which are customarily transferred or in respect of which security interests are

customarily granted in connection with asset securitisation transactions involving Subject Assets and any Hedging Obligations entered into in connection with such Subject Assets or transactions.

"Special Purpose Financing Fees" means distributions or Payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Special Purpose Financing.

"Special Purpose Financing Undertakings" means representations, warranties, covenants, indemnities, guarantees of performance and (subject to clause (y) of the proviso below) other agreements and undertakings entered into or provided by the Issuer or any of its Restricted Subsidiaries that the Issuer determines in good faith (which determination shall be conclusive) are customary or otherwise necessary or advisable in connection with a Special Purpose Financing or a Financing Disposition; *provided* that (x) it is understood that Special Purpose Financing Undertakings may consist of or include (i) reimbursement and other obligations in respect of notes, letters of credit, surety bonds and similar instruments provided for credit enhancement purposes, or (ii) Hedging Obligations, or other obligations relating to Interest Rate Agreements, Currency Agreements or Commodities Agreements entered into by the Issuer or any Restricted Subsidiary, in respect of any Special Purpose Financing or Financing Disposition, and (y) subject to the preceding clause (x), any such other agreements and undertakings shall not include any Guarantee of Indebtedness of a Special Purpose Subsidiary by the Issuer or a Restricted Subsidiary that is not a Special Purpose Subsidiary.

"Special Purpose Subsidiary" means any Subsidiary of the Issuer that (a) is engaged solely in (x) the business of (i) acquiring, selling, collecting, financing or refinancing Receivables, accounts and receivables (including any thereof constituting or evidenced by chattel paper, instruments or general intangibles), revenue streams from contractual arrangements, all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto, and/or (ii) owning or holding Capital Stock of any Special Purpose Subsidiary and/or engaging in any financing or refinancing in respect thereof, and (y) any business or activities incidental or related to such business, and (b) is designated as a "Special Purpose Subsidiary" by the Issuer.

"Specified Asset Sale" means any Asset Disposition necessary or advisable (as determined by the Issuer in good faith) in order to consummate any acquisition of any Person, business or assets or pursuant to buy/sell arrangements under any joint venture or similar agreement or arrangement or of non-core assets acquired in connection with any acquisition of any Person, business or assets.

"Stated Maturity" means, with respect to any security or indebtedness, the date specified in such security or indebtedness as the fixed date on which the payment of principal of such Indebtedness is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase or repayment of such security or indebtedness at the option of the holder thereof upon the happening of any contingency).

"Sterling Equivalent" means, with respect to any monetary amount in a currency other than sterling, at any time of determination thereof by the Issuer or the Trustee, the amount of sterling obtained by converting such foreign currency involved in such computation into sterling at the spot rate for the purchase of sterling with the applicable foreign currency as published in The Financial Times in the "Currencies" section (or, if The Financial Times is no longer published, or if such information is no longer available in The Financial Times, such source as may be selected in good faith by the Issuer) on the date of such determination.

"Subordinated Obligations" means any Indebtedness of the Issuer (whether outstanding on the date of the Indenture or thereafter Incurred) that is expressly subordinated in right of payment to Indebtedness under the Notes pursuant to a written agreement.

"Subsidiary" of any Person means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other equity interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person or (ii) one or more Subsidiaries of such Person.

"Successor Issuer" has the meaning assigned thereto in clause (b)(i) under the caption "—*Certain Covenants—Merger and Consolidation*".

"Tax Sharing Agreement" means any tax consolidation agreement or any similar arrangements in respect of any consolidated, combined, affiliated or unitary tax group or an arrangement relating to the surrender of group relief to which the Issuer or any of its Restricted Subsidiaries is a party.

"Taxes" means all present and future taxes, levies, imposts, deductions, charges, duties and withholdings and any charges of a similar nature (including interest, penalties and other liabilities with respect thereto) that are imposed by any government or other taxing authority.

"Temporary Cash Investments" means any of the following: (i) any investment in (x) direct obligations of the United States of America, the United Kingdom, a member state of the European Union, Switzerland or Canada or any country in whose currency funds are being held pending their application in the making of an investment or capital expenditure by the Issuer or a Restricted Subsidiary in that country or with such funds, or any agency or instrumentality of any thereof, or obligations guaranteed by the United States of America, the United Kingdom or a member state of the European Union, Switzerland or Canada or any country in whose currency funds are being held pending their application in the making of an investment or capital expenditure by the Issuer or a Restricted Subsidiary in that country or with such funds, or any agency or instrumentality of any of the foregoing, or obligations guaranteed by any of the foregoing or (y) direct obligations of any country recognised by the United States of America rated at least "A" by S&P or "A-1" by Moody's (or, in either case, the equivalent of such rating by such organisation or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognised rating organisation), (ii) overnight bank deposits, and investments in time deposit accounts, certificates of deposit, bankers' acceptances and money market deposits (or, with respect to foreign banks, similar instruments) maturing not more than one year after the date of acquisition thereof issued by (x) any lender under the Senior Facilities Agreement or any affiliate thereof (y) a bank or trust company that is organised under the laws of the United States of America, any state thereof or any country recognised by the United States of America having capital and surplus aggregating in excess of $250 million (or the equivalent thereof in a currency other than Dollars) and whose long term debt is rated at least "A" by S&P or "A-1" by Moody's (or, in either case, the equivalent of such rating by such organisation or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognised rating organisation) at the time such Investment is made, (iii) repurchase obligations with a term of not more than 30 days for underlying securities or instruments of the types described in clause (i) or (ii) above entered into with a bank meeting the qualifications described in clause (ii) above, (iv) Investments in commercial paper, maturing not more than 270 days after the date of acquisition, issued by a Person (other than that of the Issuer or any of its Subsidiaries), with a rating at the time as of which any Investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P (or, in either case, the equivalent of such rating by such organisation or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognised rating organisation), (v) Investments in securities maturing not more than one year after the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or "A" by Moody's (or, in either case, the equivalent of such rating by such organisation or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognised rating organisation), (vi) Preferred Stock (other than of the Issuer or any of its Subsidiaries) having a rating of "A" or higher by S&P or "A2" or higher by Moody's (or, in either case, the equivalent of such rating by such organisation or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognised rating organisation), (vii) investment funds investing 95% of their assets in securities of the type described in clauses (i) through (vi) above (which funds may also hold reasonable amounts of cash pending investment and/or distribution), (viii) any money market deposit accounts issued or offered by a commercial bank organised and located in a country recognised by the United States of America, in each case, having capital and surplus in excess of $250 million (or the equivalent thereof in a currency other than Dollars), or investments in money market funds subject to the risk limiting conditions of Rule 2a-7 (or any successor rule) of the SEC under the Investment Company Act, and (ix) similar investments approved by the Board of Directors in the ordinary course of business.

"TIA" means the U.S. Trust Indenture Act of 1939 (15 U.S.C. §§77aaa-77bbbb) as in effect on the date of the Indenture, except as otherwise provided therein.

"Trade Payables" means, with respect to any Person, any accounts payable or any indebtedness or monetary obligation to trade creditors created, assumed or guaranteed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services.

"Transactions" means the offering of the Notes, the use of proceeds therefrom and the payment of all fees costs and expenses relating thereto.

"Trust Officer" means any officer or assistant officer of the Trustee assigned by the Trustee to administer its corporate trust matters.

"Trustee" means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

"U.K. Government Securities" means direct obligations of, or obligations guaranteed by, the United Kingdom, and the payment for which the United Kingdom pledges its full faith and credit.

"Unrestricted Subsidiary" means (i) any Subsidiary of the Issuer that at the time of determination is an Unrestricted Subsidiary, as designated by the Board of Directors in the manner provided below, and (ii) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate any Subsidiary of the Issuer other than the Issuer (including any newly acquired or newly formed Subsidiary of the Issuer) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, the Issuer or any other Restricted Subsidiary of the Issuer that is not a Subsidiary of the Subsidiary to be so designated; *provided* that (A) the Subsidiary to be so designated has total consolidated assets of £1,000 or less or (B) if such Subsidiary has consolidated assets greater than £1,000, then such designation would be permitted under the covenant described under the caption "*—Certain Covenants—Limitation on Restricted Payments*". The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that immediately after giving effect to such designation either (x) the Issuer could Incur at least £1.00 of additional Indebtedness pursuant to paragraph (a) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*" or (y) the Consolidated Coverage Ratio would be greater than it was immediately prior to giving effect to such designation or (z) such Subsidiary shall be a Special Purpose Subsidiary with no Indebtedness outstanding other than Indebtedness that can be Incurred (and upon such designation shall be deemed to be Incurred and outstanding) pursuant to paragraph (b) of the covenant described under the caption "*—Certain Covenants—Limitation on Indebtedness*". Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Issuer's Board of Directors giving effect to such designation and an Officer's Certificate of the Issuer certifying that such designation complied with the foregoing provisions.

"Voting Stock" of an entity means all classes of Capital Stock of such entity then outstanding and normally entitled to vote in the election of members of the directors or all interests in such entity with the ability to control the management or actions of such entity.

## BOOK-ENTRY; DELIVERY AND FORM

### General

The Notes will be sold outside the United States pursuant to Regulation S and will initially be represented by a global note in registered form without interest coupons attached (the "**Global Note**").

The Global Note will be deposited, on the Issue Date, with a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Note (the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream, or persons that may hold interests through such participants. Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and/or Clearstream and their participants. The Book-Entry Interests in the Global Note will be issued only in minimum denominations of £100,000 and in integral multiples of £1,000 in excess thereof. Euroclear and Clearstream will hold interests in the Global Note on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries.

Book-Entry Interests will not be held in definitive certificated form. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not have the Notes registered in their names, will not receive physical delivery of the Notes in certificated form (subject to very limited exceptions) and will not be considered the owners or "holders" of the Notes for any purpose.

So long as the Notes are held in global form, the common depositary for the accounts of Euroclear and/or Clearstream, as applicable, or their respective nominees, will be considered the sole holder of the Global Note for all purposes under the Indenture. In addition, participants must rely on the procedures of Euroclear and/or Clearstream, and indirect participants must rely on the procedures of Euroclear and/or Clearstream, as applicable, and the participants through which they own Book-Entry Interests to transfer their interests or to exercise any rights of holders of the Notes under the Indenture.

None of the Issuer, the Guarantors, the Registrar, the Transfer Agent, the Paying Agent or the Trustee will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

### Redemption of Global Note

In the event that any Global Note, or any portion thereof, is redeemed, Euroclear and/or Clearstream, as applicable, will distribute the amount received by it in respect of the Global Note so redeemed to the holders of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and/or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Issuer understands that, under the existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and/or Clearstream, as applicable, will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; provided, however, that no Book-Entry Interest of less than £100,000 principal amount may be redeemed in part.

### Payments on Global Note

The Issuer will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, interest, and any additional interest and Additional Amounts) to the Paying Agent. The Paying Agent will, in turn, make such payments to Euroclear and/or Clearstream, as applicable, which will distribute such payments to participants in accordance with their respective procedures. The Issuer will make payments of all such amounts without deduction or withholding for, or on account of, any Tax imposed or levied by or on

behalf of the government of Luxembourg or the United Kingdom, except as may be required by law. If any such deduction or withholding is required to be made, then, to the extent described under "*Description of the Notes—Additional Amounts*", the Issuer will pay additional amounts as may be necessary in order that the net amounts received by any holder of the Global Note after such deduction or withholding will equal the net amounts that such holder would have otherwise received in respect of such Global Note, as the case may be, absent such withholding or deduction. The Issuer expects that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of the Indenture, the Issuer, the Trustee, the Paying Agent, the Transfer Agent, the Registrar and any of their respective agents will treat the registered holder of the Global Note (e.g., the common depositary (or its nominee)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Paying Agent, the Transfer Agent, the Registrar or any of its or their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest; or
- maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of subscribers registered in "*street name*."

**Currency of Payment for the Global Note**

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Note will be paid in pounds sterling.

**Action by Owners of Book-Entry Interests**

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Note are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Note. However, if there is an event of default under the Notes, Euroclear and Clearstream each reserve the right to exchange the Global Note for definitive registered Notes in certificated form ("**Definitive Registered Notes**"), and to distribute Definitive Registered Notes to their respective participants.

**Transfers**

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream rules and will be settled in immediately available funds. If a holder requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states which require physical delivery of securities or to pledge such securities, such holder must transfer its interests in the Global Note in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the procedures set forth in the Indenture.

The Global Note will bear a legend to the effect set forth under "*Notice to Investors*". Book-Entry Interests in the Global Note will be subject to the restrictions on transfers discussed under "*Notice to Investors*".

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only as described under "*Description of the Notes—Transfer and Exchange*" and, if required, only if the

transferor first delivers to the Trustee and the Registrar a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such notes. See "*Notice to Investors*."

**Definitive Registered Notes**

Under the terms of the Indenture, owners of the Book-Entry Interests will receive Definitive Registered Notes:

(1) if Euroclear or Clearstream notifies the Issuer that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by the Issuer within 120 days;

(2) if Euroclear or Clearstream so requests following an Event of Default under the Indenture; or

(3) if the owner of a Book-Entry Interest requests such an exchange in writing delivered through Euroclear or Clearstream following an Event of Default under the Indenture.

Euroclear and Clearstream have advised us that upon request by an owner of a Book-Entry Interest described in the immediately preceding clause (3), their current procedure is to request that we issue or cause to be issued Notes in definitive registered form to all owners of Book-Entry Interests.

In such an event, the Issuer will issue Definitive Registered Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend as provided in the Indenture, unless that legend is not required by the Indenture or applicable law.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such note by surrendering it to the Registrar. In the event of a partial transfer or a partial redemption of one Definitive Registered Note, a new Definitive Registered Note will be issued to the transferee in respect of the part transferred, and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; *provided* that a Definitive Registered Note will only be issued in denominations of £100,000 and in integral multiples of £1,000 in excess thereof. The Issuer will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

The Issuer will not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (i) the record date for any payment of interest on the Notes, (ii) any date fixed for redemption of the Notes or (iii) the date fixed for selection of the Notes to be redeemed in part. Also, the Issuer is not required to register the transfer or exchange of any Notes selected for redemption or which the holder has tendered (and not withdrawn) for repurchase in connection with a change of control offer or asset sale offer. In the event of the transfer of any Definitive Registered Note, the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the Indenture. The Issuer may require a holder to pay any transfer taxes and fees required by law and permitted by the Indenture.

If Definitive Registered Notes are issued and a holder thereof claims that such a Definitive Registered Note has been lost, destroyed or wrongfully taken, or if such Definitive Registered Note is mutilated and is surrendered to the Registrar or at the office of the Transfer Agent, the Issuer will issue and the Trustee or an authenticating agent appointed by the Trustee will authenticate a replacement Definitive Registered Note if the requirements of the Trustee and the Issuer are met. The Issuer or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect the Issuer, the Trustee and the Paying Agent appointed pursuant to the Indenture from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer and/or the Trustee may charge for any expenses incurred by it in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions of the Indenture, the Issuer, in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests only in accordance with the Indenture and, if required, only after the transferor first delivers to the Transfer Agent a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Notes. See "*Notice to Certain Investors*" and "*Notice to Investors*".

To the extent permitted by law, we, the Trustee, the Paying Agent, the Transfer Agent, the Registrar and any of their respective agents shall be entitled to treat the registered holder of the Global Note as the absolute owner thereof and no person will be liable for treating the registered holder as such. Ownership of the Global Note will be evidenced through registration from time to time at the registered office of the Issuer, and such registration is a means of evidencing title to the Notes.

Owners of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and/or Clearstream, as applicable.

For so long as the Notes are listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market, the Issuer will publish a notice of any issuance of Definitive Registered Notes on the official website of the LuxSE (www.luxse.com).

**Information Concerning Euroclear and Clearstream**

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. The Issuer provides the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither the Issuer nor any Initial Purchaser nor the Trustee nor the Paying Agent is responsible for those operations or procedures.

The Issuer understands as follows with respect to Euroclear and Clearstream. Euroclear and Clearstream hold securities for participating organisations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions, such as underwriters, securities brokers and dealers, banks, trust companies and certain other organisations. Indirect access to Euroclear and Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can act only on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definite certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited.

**Global Clearance and Settlement Under the Book-Entry System**

The Notes represented by the Global Note are expected to be listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market. Transfers of interests in the Global Note between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Note among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the Trustee, the Registrar, the Transfer Agent, the Paying Agent or any of their respective agents will have any responsibility for the performance by Euroclear, Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

**Initial Settlement**

Initial settlement for the Notes will be made in pounds sterling. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

**Secondary Market Trading**

The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

**Special Timing Considerations**

You should be aware that investors will be able to make and receive deliveries, payments and other communications involving the Notes through Euroclear or Clearstream only on days when those systems are open for business.

## CERTAIN TAX CONSIDERATIONS

### Certain Luxembourg Tax Considerations

This summary solely addresses the principal Luxembourg tax consequences of the acquisition, ownership and disposal of the Notes and does not purport to describe every aspect of taxation that may be relevant to a particular holder. Tax matters are complex, and the tax consequences of the Offering to a particular holder of Notes will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult their own tax advisor for a full understanding of the tax consequences of the Offering to such holder, including the applicability and effect of Luxembourg tax laws.

Where in this summary English terms and expressions are used to refer to Luxembourg concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Luxembourg concepts under Luxembourg tax law.

This summary is based on the tax law of Luxembourg (unpublished case law not included) as it stands at the date of this Offering Circular. The tax law upon which this summary is based, is subject to change, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

This overview assumes that each transaction with respect to the Notes is at arm's length.

The summary in this Luxembourg taxation paragraph does not address the Luxembourg tax consequences for a noteholder who:

i. is an investor as defined in a specific law (such as the law on family wealth management companies of 11 May 2007, as amended, the law on undertakings for collective investment of 17 December 2010, as amended, the law on specialised investment funds of 13 February 2007, as amended, the law on reserved alternative investment funds of 23 July 2016, the law on securitisation of 22 March 2004, as amended, the law on venture capital vehicles of 15 June 2004, as amended and the law on pension saving companies and associations of 13 July 2005);

ii. is, in whole or in part, exempt from tax;

iii. acquires, owns or disposes of Notes in connection with a membership of a management board, a supervisory board, an employment relationship, a deemed employment relationship or management role; or

iv. has a substantial interest in an Issuer or a deemed substantial interest in an Issuer for Luxembourg tax purposes. Generally, a person holds a substantial interest if such person owns or is deemed to own, directly or indirectly, more than 10% of the shares or interest in an entity.

***Withholding Tax***

*Non-resident holders of Notes*

All payments of interest, premium and principal under the Notes made to non-resident holders of Luxembourg may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by Luxembourg or any political subdivision or taxing authority of or in Luxembourg.

*Luxembourg resident individual holder of Notes*

Under the law of 23 December 2005 as amended (the "**Relibi Law**"), payments of interest and similar income made or deemed to be made to an individual beneficial owner who is resident in Luxembourg may be subject to a withholding tax of 20% of the payment.

***Taxes on Income and Capital Gains***

Non-resident noteholders that do not have a permanent establishment or permanent representative in Luxembourg to which the Notes or income thereon are attributable to, are not subject to Luxembourg income taxes in respect of any benefits derived or deemed to be derived in connection with the Notes.

*Resident holders of Notes*

*Individuals*. Any benefits derived or deemed to be derived from or in connection with Notes that are attributable to an enterprise from which a resident individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net value of an enterprise, are generally subject to Luxembourg income tax. If applicable, the tax levied in accordance with the Relibi Law will be credited against his/her final tax liability. A resident individual who invests in Notes as part of such person's private wealth management, is subject to Luxembourg income tax at progressive rates in respect of interest and similar income (such as premiums or issue discounts) derived from the Notes, except if tax is levied on such income in accordance with the Relibi Law. A gain realised by a resident individual, acting in the course of the management of that person's private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal takes place more than six months after the Notes are acquired. However, any portion of such gain corresponding to accrued and unpaid interest is subject to Luxembourg income tax, except if tax is levied on such interest in accordance with the Relibi Law. Any benefit derived by a resident individual from the disposal of Notes prior to their acquisition is subject to income tax as well.

*Corporations*. A corporate resident noteholder must include any benefits derived or deemed to be derived from or in connection with the Notes, such as interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax purposes.

*General*

If a noteholder is neither resident nor deemed to be resident in Luxembourg, such holder will for Luxembourg tax purposes not carry on or be deemed to carry on an enterprise, in whole or in part, through a permanent establishment or a permanent representative in Luxembourg by reason only of the execution of the documents relating to the issue of Notes or the performance by the Issuers of their obligations under such documents or under the Notes.

***Net Wealth Tax***

Corporate noteholders resident in Luxembourg and non-resident corporate noteholders that maintain a permanent establishment in Luxembourg to which or to whom such Notes are attributable are subject to annual net wealth tax on their unitary value (i.e., non-exempt assets minus liabilities and certain provisions as valued according to the Luxembourg valuation rules), levied at a rate of 0.5% if the unitary value does not exceed €500,000,000.

Individuals are not subject to Luxembourg net wealth tax.

***Inheritance and Gift Tax***

Where the Notes are transferred for no consideration:

a) no Luxembourg inheritance tax is levied on the transfer of the Notes upon the death of a Noteholder in cases where the deceased was not a resident or a deemed resident of Luxembourg for inheritance tax purposes;

b) by way of gift, Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or presented for registration, directly or indirectly, before the Registration Duties, Estates and VAT Authorities.

***Other Taxes and Duties***

It is not compulsory that the Notes be filed, recorded or enrolled with any court or other authority in Luxembourg. No registration tax, stamp duty or any other similar documentary tax or duty is due in respect of or in connection with the issue of Notes, the performance by the Issuers of their obligations under the Notes, or the transfer of the Notes.

A fixed or ad valorem registration duty in Luxembourg may however apply (i) upon the registration of the Notes before the Registration Duties, Estates and VAT Authorities in Luxembourg where this registration is not required by law (*présentation à l'enregistrement*), or (ii) if the Notes are (a) enclosed to a compulsory registrable deed under Luxembourg law (*acte obligatoirement enregistrable*), or (b) deposited with the official records of a notary (*déposé au rang des minutes d'un notaire*).

***Common Reporting Standard***

The Organisation for Economic Co-operation and Development has developed a new global standard for the automatic exchange of financial information between tax authorities (the "**CRS**"). Luxembourg is a signatory jurisdiction to the CRS and has conducted its first exchange of information with tax authorities of other signatory jurisdictions in September 2017, as regards reportable financial information gathered in relation to fiscal year 2016. The CRS has been implemented in Luxembourg via the law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU.

The regulations may impose obligations on the Issuers and the noteholders, if the Issuers are considered as a Reporting Financial Institution (e.g., an Investment Entity) under the CRS, so that the latter could be required to conduct due diligence and obtain (among other things) confirmation of the tax residency, tax identification number and CRS classification of noteholders in order to fulfil its own legal obligations.

**DAC 6 and Exchange of Information on Reportable Cross-Border Arrangements**

In 2018, the EU introduced the 6th Directive on Administrative Cooperation (2018/822/EU), amending Directive 2011/16/EU ("**DAC 6**"), which is the latest effort by the EU to increase tax transparency and information exchange as well as combat what the EU perceives as aggressive tax planning and tax avoidance by means of mandatory disclosures to EU member states' tax authorities and the creation of a central database of transactions.

DAC 6 requires intermediaries and, in some cases, taxpayers to report certain cross border arrangements to the competent authorities in relevant EU member state(s), and the reported information may be automatically exchanged among the competent authorities of all other EU member states. A reportable cross border arrangement must involve at least one EU member state and meet one or more hallmarks which can be either "generic" or "specific" hallmarks. From 1 January 2021, all "reportable arrangements" must be reported within 30 days as from when the transaction is available, ready, or implemented (whichever is sooner).

Luxembourg published its law of 25 March 2020 for the transposition of the 6th Directive on Administrative Cooperation (2018/822/EU), amending DAC 6, which is the latest effort by the EU to increase tax transparency and information exchange as well as combat what the EU perceives as aggressive tax planning and tax avoidance by means of mandatory disclosures to EU member states' tax authorities and the creation of a central database of transactions.

DAC 6 requires intermediaries and, in some cases, taxpayers to report certain cross border arrangements to the competent authorities in relevant EU member state(s), and the reported information may be automatically exchanged among the competent authorities of all other EU member states. A reportable cross border arrangement must involve at least one EU member state and meet one or more hallmarks which can be either "generic" or "specific" hallmarks. It is possible that certain cross-border arrangements which may be entered into by the Issuer will be reportable to the Luxembourg and/or other tax authorities in EU member states under DAC 6.

From 1 January 2021, all "reportable arrangements" must be reported within 30 days as from when the transaction is available, ready, or implemented (whichever is sooner).

Failure to comply with the reporting obligations laid down by DAC 6 can, under Luxembourg law, result in penalties up to EUR 250,000. Other penalties apply under the national laws of other EU member states transposing DAC 6. Non-exhaustive possible causes of failure to comply include non-reporting, late, inaccurate or incomplete reporting, and failure of lawyers to timely notify intermediaries or taxpayers of the obligation to report (where lawyers are prevented from disclosing information to a competent authority themselves under a duty of professional confidentiality).

The UK has introduced its own mandatory disclosure regime ("**UK MDR**") that is similar to DAC 6 in many respects, with the notable exception that the hallmarks are limited to those relating to obscuring beneficial ownership and undermining reporting obligations under CRS. Failure to comply with the requirements in UK MDR can, under English law, result in penalties.

Each Investor should consult its own tax adviser regarding the application of DAC 6 or UK MDR to a purchase of the Notes.

**Certain United Kingdom Tax Considerations**

The following is a general summary of certain United Kingdom tax considerations relating to the purchase, ownership and disposition of the Notes. It is based upon UK tax law as applied in England and published H.M. Revenue & Customs ("**HMRC**") practice as of the date of this Offering Circular. Such laws may be repealed, revoked or modified and such practice may not bind HMRC and/or may change, so as to result in UK tax consequences different from those discussed below.

Except where noted, the discussion relates only to the position of persons who are the absolute beneficial owners of the Notes, which hold the Notes as investments (and, therefore, do not hold the Notes in connection with any trade) and may not apply to persons in special situations, such as financial institutions, investment funds, trustees and persons who are or become connected with the Issuer other than through their holding of the Notes. The discussion does not constitute legal or tax advice and, accordingly, persons considering the purchase, ownership or disposition of the Notes should consult their own tax advisers concerning the UK tax consequences in the light of their particular situations as well as any consequences arising under the law of any other relevant tax jurisdiction. No representations with respect to the UK tax consequences of any particular holder of Notes are made in this section. This summary does not purport to describe all of the tax considerations that may be relevant to a prospective holder of the Notes.

References in this discussion to Notes owned, held or disposed of by holders of Notes include references to the Book-Entry Interests held by purchasers in the Notes in global form deposited with, and registered in the name of a common depositary for, Euroclear and Clearstream, Luxembourg.

**Payments on the Notes—withholding tax**

Certain of the Guarantors are UK resident for UK tax purposes. In addition, a substantial proportion of the Group's activities, along with a commensurate proportion of its profits, are generated in the UK. These factors may result in the Notes being regarded as having a UK source for UK tax purposes and, as such, may be subject to UK income tax by direct assessment even where paid without withholding.

In the event that interest on the Notes is regarded as having a UK source, such interest will generally be paid after deduction of UK income tax at the basic rate (currently 20%). However, no withholding or deduction of UK income tax at source will be required from payments of interest where:

- the Notes are listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the Euro MTF Market of the LuxSE being such a recognised stock exchange for these purposes) or admitted to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange; or

- the Issuer reasonably believes that the person beneficially entitled to such interest is:

    a) a company resident in the UK; or

    b) a company not resident in the UK which carries on a trade in the UK through a permanent establishment and which is required to bring into account the interest in computing its UK taxable profits; or

    c) a partnership each member of which is a company referred to in (a) or (b) above or a combination of companies referred to in (a) and (b) above,

and (in any such case) HMRC has not given a direction that the interest should be paid under deduction of tax.

Section 1005 of the Income Tax Act 2007 provides that securities will be treated as listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in EEA states, in a country outside the United Kingdom in which there is a recognised stock exchange. Under current HMRC practice, the listing on the Official List of the LuxSE and admission of the Notes to trading on the Euro MTF Market fulfil these requirements.

Furthermore, the Issuer may be able, by virtue of other exemptions under UK domestic law or the provisions of an applicable double tax treaty, to pay interest on a holding of Notes free of deduction or subject to a reduced rate of deduction, subject to completion of certain procedural requirements.

**Payments by the Guarantor**

If the Guarantor makes any payment in respect of interest on the Notes issued by the Issuer (or any other amounts due under such Notes that are treated as interest under UK tax laws) such payment may be subject to UK withholding tax at the basic rate (currently 20%), whether or not the Notes are listed on a "recognised stock exchange" (as defined above) or admitted to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange, and may not be eligible for the exemptions from UK withholding tax described above.

**Taxation of interest and other returns**

*UK Resident Individuals*

A holder of Notes who is a UK resident individual for tax purposes will generally be subject to UK income tax at the applicable rate on any interest received on the Notes (grossed up where deduction at source applies), but subject to credit for (or, if no liability arises, repayment of) any UK income tax deducted at source.

*UK Resident Companies*

In general, a holder of Notes which is a UK resident company will be liable to, or entitled to relief from, UK corporation tax on all profits, gains and losses arising to it from the Notes, generally computed in accordance with UK GAAP or International Accounting Standards and will be subject to corporation tax on income in respect of all profits, gains and losses on, and fluctuations in value of, the Notes measured and recognised in each accounting period in accordance with their accounting treatment.

*Non-UK Residents*

Except for any income tax deducted at source as described above, a holder of Notes who is not resident in the United Kingdom (other than certain trustees) will not be liable or assessable to UK tax on interest received on the Notes, unless that holder carries on a trade, profession or vocation through a UK branch or agency or, in the case of a company, a permanent establishment, in connection with which the interest is

received or the Notes are held. In certain cases, a UK broker or investment manager is not treated as a UK branch, agency or permanent establishment for these purposes.

If a non-UK resident holder is liable to UK tax on any interest received on the Notes, the holder will receive credit for (and if no liability for UK tax arises, repayment of) any income tax deducted at source.

As noted above, where there is an applicable double tax treaty between the United Kingdom and the country in which the holder of Notes is resident, any liability of the holder of Notes to UK tax on interest received on the Notes may be reduced or eliminated by the treaty.

**Accrued Income Scheme**

On a transfer of Notes by a holder who is liable to UK income tax, such as a UK resident individual, any interest which has accrued since the last interest payment date may be chargeable to UK income tax as income of that holder.

The accrued income scheme will not, however, generally apply in the case of a holder of Notes who is not resident in the United Kingdom, unless that holder carries on a trade through a UK branch or agency in connection with which the Notes are held.

**Taxation of chargeable gains**

The Notes should be treated as "qualifying corporate bonds" within the meaning of section 117 of the Taxation of Chargeable Gains Act 1992 for the purposes of UK capital gains tax. Accordingly, a disposal (including a redemption) of Notes by an individual holder of Notes resident in the United Kingdom, or who carries on a trade, profession or vocation in the UK through a branch or agency to which the Note is attributable, should not give rise to a chargeable gain or an allowable loss for the purposes of the UK capital gains tax.

**Inheritance tax**

A gift, or transfer at an undervalue of any Notes by a holder who is an individual or the death of such a holder may give rise to a liability to UK inheritance tax.

**Stamp duty and stamp duty reserve tax**

No UK stamp duty or stamp duty reserve tax will be payable on the issue or on a transfer of, or agreement to transfer, the Notes.

**FATCA**

Under the Foreign Account Tax Compliance Act provisions of the Code and related U.S. Treasury guidance ("**FATCA**"), a withholding tax of 30% will be imposed in certain circumstances on (i) payments of certain U.S. source income (including interest and dividends) ("**withholdable payments**") and (ii) payments by certain foreign financial institutions (such as banks, brokers, investment funds or certain holding companies) ("**FFIs**") that agree to comply with FATCA that are attributable to withholdable payments ("***foreign passthru payments***"). It is uncertain at present when payments will be treated as "attributable" to withholdable payments. FATCA withholding on foreign passthru payments generally will not apply to debt obligations that are issued on or before the date that is six months after the date on which the final U.S. Treasury regulations that define "foreign passthru payments" ("**passthru payment regulations**") are filed in the Federal Register unless such obligations are materially modified after that date or are treated as equity for U.S. federal income tax purposes.

It is possible that, in order to comply with FATCA, we (or if the Notes are held through an FFI, such FFI) may be required, pursuant to an agreement with the United States (an "**FFI Agreement**") or under applicable non-U.S. law enacted in connection with an intergovernmental agreement between the United States and another jurisdiction (an "**IGA**") to request certain information and documentation from the holders or beneficial

owners of the Notes, which may be provided to the IRS. In addition, if the terms of the Notes are materially modified on a date more than six months after the date on which the passthru payment regulations are filed, then it is possible that we or a financial institution through which the Notes are held may be required to apply the FATCA withholding tax to any payment with respect to the Notes treated as a foreign passthru payment made on or after the date that is two years after the date on which the passthru payment regulations are published in the Federal Register if any required information or documentation is not provided or if payments are made to certain FFIs that have not agreed to comply with an FFI Agreement (and are not subject to similar requirements under applicable non-U.S. law enacted in connection with an IGA).

We will not have any obligation to gross up or otherwise pay additional amounts for any withholding or deduction required with respect to payments on the Notes under or in connection with FATCA.

Each person considering an investment in the Notes should consult its own tax advisor regarding the application of FATCA to the Notes.

## LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF GUARANTEES AND SECURITY AND CERTAIN INSOLVENCY LAW CONSIDERATIONS

*Set out below is a summary of certain limitations on the enforceability of the rights under the Notes and/or the Guarantees and the Security Documents in each of the jurisdictions in which the Guarantors (as of the date hereof) are organised. It is a summary only. Bankruptcy or insolvency proceedings or a similar event could be initiated in any of these jurisdictions and/or in the jurisdiction of organisation of a future guarantor of the Notes. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect your ability to enforce your rights and to collect payment in full under the Notes, the Guarantees and any security.*

### European Union

#### *Main insolvency proceedings*

The Issuer and certain of the Guarantors are organised under the laws of the Luxembourg, which is a member state of the European Union (a "**Member State**").

Pursuant to Regulation (EU) no. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (which applies to insolvency proceedings opened on or after 26 June 2017), (the "**Recast Insolvency Regulation**"), which applies within the European Union, other than Denmark, the courts of the Member State in which a company's "centre of main interests" ("**COMI**") is situated have jurisdiction to open main insolvency proceedings.

Article 3(1) of the Recast Insolvency Regulation states that a company's COMI "shall be the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties" and that in the case of a company or legal person, COMI is presumed to be located in the country of the registered office in the absence of proof to the contrary, though that presumption shall only apply if the registered office has not been moved to another Member State within the three-month period prior to the request for the opening of insolvency proceedings.

Recital 30 of the Recast Insolvency Regulation contains a number of examples of where a presumption as to COMI may be rebutted: for instance, if the company's central administration is located in a Member State other than the one where it has its registered office, and where a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the company's actual centre of management and supervision and the centre of the management of its interests is located in that other Member State. In that respect, the factors that courts may take into consideration when determining the COMI of a debtor can include where board meetings are held, the location where the debtor conducts the majority of its business or has its head office and the location where the majority of the debtor's creditors are established.

This means that a company's COMI is not a static concept and may change from time to time as the determination of where a company has its COMI is depends on the facts and circumstances as at the date the company enters an insolvency proceeding and on which the courts of the different Member States may have differing and even conflicting views.

The courts of all Member States (other than Denmark) must recognise the judgment of the court commencing main proceedings, which will be given the same effect in the other Member States so long as no secondary insolvency proceedings or territorial insolvency proceedings have been commenced there. The insolvency practitioner appointed by a court in the Member State (in which the debtor's COMI is situated) which has jurisdiction to commence main proceedings may exercise the powers conferred on it by the laws of that Member State in another Member State (other than Denmark) (such as to remove assets of the debtor from that other Member State).

These powers are subject to certain limitations (e.g., the powers are available provided that no insolvency proceedings have been commenced in that other Member State nor any preservation measure to the contrary has been taken there further to a request to commence secondary proceedings in that other Member State where the debtor has assets).

***Secondary insolvency proceedings***

If the COMI of a company is in one Member State (other than Denmark), under Articles 3(2) to Article 3(4) of the Recast Insolvency Regulation, the courts of another Member State (other than Denmark) only have jurisdiction to open insolvency proceedings against that company if such company has an establishment in the territory of such other Member State, and such insolvency proceedings shall be secondary proceedings. Secondary proceedings may be any insolvency proceeding listed in Annex A of the Recast Insolvency Regulation and for the avoidance of doubt, are not limited to winding-up proceedings.

An establishment is defined in Article 2(10) of the Recast Insolvency Regulation to mean, any place of operations where a debtor carries out or has carried out in the 3-month period prior to the request to open main insolvency proceedings a non-transitory economic activity with human means and assets. Accordingly, the opening of secondary insolvency proceedings in another Member State (other than Denmark) will only be possible if the debtor had an establishment in such Member State in the 3-month period prior to the request for opening of main insolvency proceedings.

The effects of those secondary insolvency proceedings opened in that other Member State are restricted to the assets of the company situated in such other Member State. Where main proceedings in the Member State in which the debtor has its COMI have not yet been commenced, territorial insolvency proceedings may only be commenced in another Member State (other than Denmark) where the debtor has an establishment where either (i) insolvency proceedings cannot be commenced in the Member State in which the debtor's COMI is situated because of the conditions laid down by that Member State's law; or (ii) the opening of territorial insolvency proceedings is requested by (a) a creditor whose claim arises from or is in connection with the operation of an establishment situated within the territory of the Member State where the opening of territorial proceedings is requested, or (b) a public authority which, under the law of the Member State within the territory of which the establishment is situated, has the right to request the opening of insolvency proceedings. When main insolvency proceedings are opened, territorial insolvency proceedings become secondary insolvency proceedings. Irrespective of whether the insolvency proceedings are main, secondary, or territorial insolvency proceedings, such proceedings will, subject to certain exceptions, be governed by the local insolvency law of the court that has assumed jurisdiction over the insolvency proceedings of the debtor.

***Insolvency proceedings involving members of a group of companies***

In addition, the concept of group coordination proceedings has been introduced in the Recast Insolvency Regulation with the aim of bolstering efficiency in the insolvency of several members of a group of companies. Under Article 61 of the Recast Insolvency Regulation, group coordination proceedings may be requested before any court having jurisdiction over the insolvency proceedings of a member of the group, by an insolvency practitioner appointed in insolvency proceedings opened in relation to a member of the group. Participation by the insolvency practitioner of the relevant member of the group in the group coordination proceedings and adherence to the coordinating insolvency practitioner's recommendations or plan however is voluntary.

In the event that any of the Issuers or Guarantors experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations and the security of the Issuers or Guarantors.

***Cross-border insolvency and Brexit***

The United Kingdom ceased to be a member of the EU on 31 January 2020, 11.00 p.m. and therefore is no longer a Member State. The EUWA (as amended by the European Union (Withdrawal Agreement) Act 2020) provides that direct EU legislation (which term includes any EU regulation as it had effect in EU law immediately before exit day (subject to certain exceptions)) converts directly applicable EU law (which includes regulations) as it stood at the end of the transition period into UK domestic law. However, while direct EU legislation has continued to form a part of domestic law of the United Kingdom after the end of the transition period, in many cases it has been subject to a number of amendments. The Insolvency (Amendment) (EU Exit) Regulations 2019 (SI 2019/146) amends a number of provisions of the Recast Insolvency Regulation, as it

applies in the United Kingdom after the end of the transition period, and to the Insolvency Act 1986, as amended (the "**Insolvency Act**") and the Insolvency (England and Wales Rules) 2016 (the "**Insolvency Rules**").

EU insolvency proceedings and judgments may still be recognised under the Cross Border Insolvency Regulations 2006 (SI 2006/1030) (the "**CBIR**") which implements the United Nations Commission on International Trade Law Model Law on Cross Border Insolvency (the "**UNCITRAL Model Law**"). The CBIR provide that if certain criteria are satisfied, an English court must recognise foreign insolvency proceedings. The criteria include (a) that the debtor is subject to foreign proceedings, as defined in Schedule 1 of CBIR; and (b) that an application is made by the representative appointed in respect of those foreign proceedings. For 'foreign main proceedings' (i.e., where the debtor company has its COMI in such foreign jurisdiction), a stay in respect of certain actions will automatically come into force on recognition. For 'foreign non-main proceedings' (i.e., where the proceedings are taking place in a jurisdiction in which the debtor has an 'establishment' but not its COMI—establishment being any place of operations in such foreign jurisdiction, where it carries out a non-transitory economic activity with human means and assets or services), there is no automatic stay but the English court can grant discretionary relief with the same effect. The UK Government has also stated that it intends to implement the UNICTRAL Model Law regarding enterprise group insolvency and is considering further its stated intention to partially implement the UNCITRAL Model Law on Recognition and Enforcement of Insolvency-Related Judgments. The Insolvency Act also requires the English courts to provide assistance to the courts of certain other "relevant territories" having parallel jurisdiction in relation to insolvency law. The courts have held that the purpose of this legislation, which is broadly drafted, is to prevent a foreign insolvency officer or a debtor's creditors from needing to open separate proceedings in England and Wales and to give them the remedies that they would have been entitled to if the equivalent proceedings had been opened there. Apart from the statutory regimes, there is a broad remit for the English courts to provide assistance under the common law to a foreign court or insolvency officer, where requested to do so by such foreign court or insolvency officer.

Regulation (EU) No. 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) (the "**Judgments Regulation**") continues to apply where the UK or foreign court was informed of proceedings before 31 December 2020. For proceedings commenced after 31 December 2020 the Judgments Regulation does not apply meaning that the mutual recognition and enforcement of judgments in Member States from 1 January 2021 has ended. This is particularly relevant in respect of schemes of arrangement where, if the scheme involved a scheme creditor domiciled outside of the U.K. in another Member State, scheme companies have historically pointed to the Judgments Regulation as one potential basis for recognition of an English scheme throughout the EU.

In respect of alternative bases of recognition, there are a number of potential options. The UK applied to join the Lugano Convention on 8 April 2020, which would allow the UK and the Member States to retain the benefits of mutual recognition and enforcement of judgments. Accession to the Lugano Convention requires agreement of all other contracting parties and Denmark. To date, unanimous agreement has not been obtained and so the UK has not been readmitted to the Lugano Convention regime. The Rome I Regulation continues to apply post 1 January 2021 (subject to amendments) in respect of contracts and finance documents governed by English law. This may provide a basis for recognition for schemes and restructuring plans in respect of English law documents throughout the EU, subject to the approach taken by each Member State. Scheme / restructuring plan companies may also otherwise continue to look to the principles of international private law for a basis of recognition, which will need to be approached on a jurisdiction by jurisdiction basis.

Note also that the Retained EU Law (Revocation and Reform) Act 2023 (the "**Act**") received Royal Assent on 29 June 2023. If all provisions come into force, the Act provides for substantial changes to the content and operation of retained EU law including with respect to the approach to EU judgments. The UK Government is given wide powers regarding the restatement, replacement, revocation or amendment of secondary retained EU law. Many of the changes to be implemented by the Act will not occur until the end of 2023 albeit that much of the Act is already in force.

**England and Wales**

***Insolvency Proceedings***

Certain of the Guarantors are companies incorporated under the laws of England and Wales (the "**English Obligors**"). Therefore, any insolvency proceedings by or against the English Obligors would likely, but may not necessarily, be based on English insolvency law. However, as discussed in the "*—European Union*" section above, pursuant to the Recast Insolvency Regulation, and, where a company incorporated under English law has its COMI in a Member State of the European Union (other than Denmark), any main insolvency proceedings for that company could, subject to certain exceptions, be opened in the Member State in which its COMI is located and be, subject to certain exceptions set out in Articles 8 to 18 of the Recast Insolvency Regulation, subject to the laws of that Member State.

Similarly, the CBIR, which implement the UNCITRAL Model Law in England and Wales, provide that a foreign court may have jurisdiction where any English company has its COMI in such foreign jurisdiction, or where it has an "establishment" (being a place of operations in such foreign jurisdiction, where it carries out non-transitory economic activities with human means and assets or services).

English insolvency law is different from the laws of the United States and other jurisdictions with which investors may be familiar. In the event that an English Obligor experiences financial difficulty, it is not possible to predict with certainty the outcome of insolvency or similar proceedings.

Formal insolvency proceedings under the laws of England and Wales may be initiated in a number of ways, including: by the company or its directors or a creditor making an application for administration in court; or by the company, its directors or the holder of a "qualifying floating charge" filing for administration out of court; or by a creditor filing a petition to wind up the company. A company may be wound up if it is unable to pay its debts, and may be placed into administration if it is, or is likely, to become unable to pay its debts, and the administration is reasonably likely to achieve one of three statutory objectives.

The following is a brief description of certain aspects of English insolvency law relating to certain limitations on the English Guarantees and the security interests over the Collateral. The application of these laws could adversely affect investors, their ability to enforce their rights under the English Guarantees and/or the Collateral securing the Notes and the English Guarantees and therefore may limit the amounts that investors may receive in an insolvency of any English Obligor.

***The Insolvency Test***

The Insolvency Act has no test for or definition of insolvency per se but instead relies on the concept of a company's 'inability to pay its debts' as the keystone for many of its provisions. Pursuant to section 123 of the Insolvency Act, the circumstances in which a company is deemed unable to pay its debts include, among others, the following: (i) if it fails to satisfy a creditor's statutory demand for a debt exceeding £750 within 21 days of service or if it fails to satisfy in full or in part a judgment debt (or similar court order); (ii) if it is proved to the satisfaction of the court that the company is unable to pay its debts as they fall due; or (iii) if it is proved to the satisfaction of the court that the value of the company's assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities.

***Fixed and floating charges***

Fixed charge security has a number of advantages over floating charge security, save as provided under the Financial Collateral Arrangements (No. 2) Regulations 2003 (as amended and subject to the Financial Services and Markets Act 2023) (the "**Financial Collateral Arrangements Regulations**"): (a) an administrator appointed to the company which granted the floating charge can dispose of floating charge assets for cash or collect receivables charged by way of floating charge and use the proceeds and/or cash subject to a floating charge, to meet administration expenses (which can include the costs of continuing to operate the charging company's business while in administration) in priority to the claims of the floating charge holder; (b) a fixed charge over assets, even if created after the date of a floating charge over the assets, may rank prior to the floating charge over certain assets provided that the floating charge has not crystallised at the time the fixed

charge is granted; (c) general costs and expenses (including the insolvency officeholder's remuneration) properly incurred in a winding-up or administration are payable out of floating charge assets to the extent the assets of the company available for creditors generally are otherwise insufficient to meet them (subject to certain restrictions for the costs of litigation) in priority to floating charge claims; (d) until the floating charge security crystallises, a company is entitled to deal with assets that are subject to floating charge security in the ordinary course of its business, meaning that such assets can be effectively disposed of by the charging company so as to give a third party good title to the assets free of the floating charge; (e) floating charge security is subject to certain challenges under English insolvency law (for further information, please see "—*Grant of floating charge*"); and (f) floating charge security is subject to the claims of preferential creditors (such as occupational pension scheme contributions and salaries owed to employees (subject to a cap per employee) and holiday pay owed to employees) and, where the floating charge is not a security financial collateral arrangement, to the claims of unsecured creditors in respect of a ring-fenced amount of the proceeds (for further information, please see "—*Moratoria and other considerations*").

Under English law there is a possibility that a court could recharacterise as floating charges any security interests expressed to be created by a security document as fixed charges where (among other things) the chargee does not have the requisite degree of control over the relevant chargor's ability to deal with the relevant assets and the proceeds thereof or does not exercise such control in practice as the description given to the charges in the relevant security document as fixed charges is not determinative. Where the chargor is free to deal with the secured assets without the consent of the chargee, the court is likely to hold that the security interest in question constitutes a floating charge, notwithstanding that it may be described as a fixed charge.

***Moratoria and other considerations***

The English courts are empowered to make an administration order in respect of an English company in certain circumstances on the application of, among others, the company itself, its directors or one or more of its creditors (including contingent and prospective creditors), plus companies incorporated under the laws of an EEA State, companies not incorporated in an EEA State but having their COMI in a Member State (other than Denmark), and companies (wherever incorporated) having their COMI in the UK, or a company in respect of which the English courts have any other grounds for the assumption of jurisdiction under English law. An administration order can be made if the court is satisfied that the relevant company is or is likely to become "unable to pay its debts" and that the administration order is reasonably likely to achieve the purpose of administration.

An administrator can also be appointed (subject to specific conditions) out of court by a company, its directors or the holder of a qualifying floating charge and different procedures apply according to the identity of the appointer. The purpose of an administration is comprised of three objectives that must be looked at successively: rescuing the company as a going concern or, if that is not reasonably practicable, achieving a better result for the company's creditors as a whole than if the company were wound up (without first being in administration) or, if neither of those objectives is reasonably practicable, and the interests of the creditors as a whole are not unnecessarily harmed thereby, realising property to make a distribution to one or more secured or preferential creditors. During the administration, in general, creditors cannot exercise their rights against a company, such that, among other things, no proceedings or other legal process may be commenced or continued against such company, or security enforced over such company's property, except with leave of the court or the consent of the administrator. This moratorium does not, however, apply to a "security financial collateral arrangement" (such as a charge over cash or financial instruments such as shares, bonds or tradable capital market debt instruments) under the Financial Collateral Arrangements Regulations (subject to the Financial Services and Markets Act 2023). During the administration of a company, a creditor would not be able to enforce any security interest (other than a valid security financial collateral arrangement) or guarantee granted by the company (although a demand for payment could be made under such guarantee) without the consent of the administrator or the permission of the court. In addition, a secured creditor cannot appoint an administrative receiver while an administrator is in office although, in certain circumstances (principally where one of the exceptions to the general prohibition on the appointment of an administrative receiver applies as set out in the Insolvency Act, or pursuant to a debenture dated earlier than 15 September 2003), the holder of a floating charge can block the appointment of an administrator where it can appoint an administrative receiver.

In order to empower the Security Agent to appoint an administrative receiver or an administrator to the company out of court, the floating charge granted by the relevant Obligor must constitute a "qualifying floating charge" for the purposes of English insolvency law and, in the case of the ability to appoint an administrative receiver, the qualifying floating charge must, unless the security document pre-dates 15 September 2003, fall within one of the exceptions in the Insolvency Act as amended by the Enterprise Act 2002 to the prohibition on the appointment of administrative receivers. In order to constitute a qualifying floating charge for these purposes, the floating charge must be created by an instrument which: (a) states that the relevant statutory provision applies to it; (b) purports to empower the holder to appoint an administrator of the company; or (c) purports to empower the holder to appoint an administrative receiver within the meaning given in Section 29(2) of the Insolvency Act. A party will be the holder of a qualifying floating charge if they hold one or more debentures secured by: (i) a qualifying floating charge which relates to the whole or substantially the whole of the company's property; (ii) a number of qualifying floating charges which together relates to the whole or substantially the whole of the company's property; or (iii) charges and other forms of security which together relate to the whole or substantially the whole of the company's property and at least one such security interest is a qualifying floating charge. The most relevant exception to the prohibition on the appointment of an administrative receiver is the exception relating to "capital market arrangements" (as defined in the Insolvency Act), which may apply if the issue of the Notes creates a debt of at least £50.0 million for the relevant English Obligor during the life of the arrangement and the arrangement involves the issue of a "capital markets investment" (which is defined in the Insolvency Act, and is generally a rated, listed or traded debt instrument).

If an administrative receiver has been appointed, an administrator can only be appointed by the court (and not by the company, its directors or the holder of a qualifying floating charge using the out of court procedure) and then only if the person who appointed the administrative receiver consents or the court considers that the security pursuant to which the administrative receiver was appointed is capable of challenge as a transaction at an undervalue, a preference or an invalid floating charge. If an administrator is appointed, any administrative receiver will vacate office, and any receiver of part of the company's property must resign if required to do so by the administrator.

***Filings***

The prescribed particulars in respect of a security document under which an English company purports to create security, together with a certified copy of the security document, should be delivered to the Registrar of Companies within 21 days after the date of the security document in accordance with Chapter A1 of Part 25 of the Companies Act 2006 (the "**CA06**"). Failing this, the security created by the security document will (subject as mentioned in the above Chapter) be void against a liquidator or administrator and any creditor of the charging company. The application of the above Chapter to a security interest is subject to the application of the Financial Collateral Arrangements Regulations (subject to the Financial Services and Markets Act 2023). Under the above Chapter, when security becomes so void, the debt which was intended to be secured by such security is deemed to become immediately payable. In limited circumstances, it may be possible to apply to the English courts for an order to rectify a failure to register and allow the relevant charge to be registered after the 21 day registration period has expired. In addition, the following categories of charge are not registrable under the above Chapter (as set out in section 859A(6) of the CA06): (a) a charge in favour of a landlord on a cash deposit given as a security in connection with the lease of land; (b) a charge created by a member of Lloyd's (within the meaning of the Lloyd's Act 1982) to secure its obligations in connection with its underwriting business at Lloyd's; and (c) a charge excluded from the application of section 859A of the CA06 by or under any other Act (such as charges that are exempted from registration under the Banking Act 2009). Security created by overseas companies over assets in England and Wales similarly does not need to be registered with the Registrar of Companies, although registration with applicable asset registries may still be required depending on the nature of the collateral assets. Registration may also determine the order of priority of registrable security interests and may provide notice of a pre-existing security interest for the purpose of priorities.

***Corporate authorisations, maintenance of capital and corporate benefit***

The legality, validity and enforceability of the obligations of an English Obligor under the Notes, the Guarantees and the Collateral are subject to matters affecting companies generally, including that: (a) its entry into and performance of such obligations: (i) are not prohibited by its constitutional documents (or contracts to

which it is party); and (ii) have been duly authorised and do not breach or result in inconsistency with applicable laws or regulations; and (b) the documents evidencing such obligations have been duly executed and delivered in accordance with all applicable procedures and laws. In addition, the granting of upstream (or cross-stream) guarantees or security by an English company could be subject to challenge if it results in a reduction in that company's net assets as properly recorded in its books or, to the extent that it does, the company does not have sufficient distributable reserves to cover that reduction. Further, corporate benefit must be established for each English Obligor in question with respect to its entry into the proposed transaction. Section 172 of the CA06 provides that a director must act in a way that he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. If the directors enter into a transaction where there is no or insufficient commercial benefit, they may be found to be abusing their powers as directors and such a transaction may be vulnerable to being set aside by a court. Section 172(3) of the CA06 additionally provides that, in certain circumstances, the directors need to consider or act in the interests of the creditors of the company. While the statutory provisions do not prescribe when this shift arises, the English courts have held that it takes place when the directors know, or should know, that the company in question is or is likely to become insolvent, with "likely" in this context meaning "probable". Security and/or guarantees granted by an English Obligor may also be subject to potential limitations to the extent they would result in unlawful financial assistance contrary to English company law.

***Enforcement***

Enforcement of security and guarantees may be affected by general legal and equitable principles regarding the legality, validity and enforceability of contractual provisions and contractual obligations and liabilities (including guarantees and security).

***Assignments***

Any assignment of a debt or other chose in action, including by way of security, can only take effect as a legal assignment under section 136 of the Law of Property Act 1925 if it meets the requirements of that provision, which are that: (a) the assignment must be in writing; (b) the assignment must be absolute and not purporting to be by way of charge only; and (c) notice of the assignment must be given to the underlying obligor. If any of these requirements is not satisfied, the assignment may still constitute a valid equitable assignment. Equitable assignments, including by way of security, are subject to certain limitations, including, without limitation: (a) where an equitable interest is followed by a legal interest, the subsequent legal interest will take priority if the holder acquired it for value without notice of the equitable interest; and (b) the priority of dealings in most equitable interests is determined by the time at which notice of such interest is given to the underlying obligor or to the person in control of that equitable interest. The first to give notice will take priority, if that person does not have actual or constructive notice of the prior interest and has given consideration for his or her interest.

***Account Banks' Right to Set-off***

With respect to English law governed charges over cash deposits (each, an "**Account Charge**") granted by an English Obligor over any of its bank accounts, the banks with which some of those accounts are held (each, an "**Account Bank**") may have reserved their right at any time (whether prior to or upon a crystallisation event under the Account Charge) to exercise the rights of netting or set-off to which they are entitled under their cash pooling or other arrangement with that chargor. As a result, and if the security granted over those accounts is merely a floating (rather than fixed) charge, the collateral constituted by those bank accounts will be subject to the relevant Account Bank's netting and set-off rights with respect to the bank accounts charged under the relevant Account Charge. Once the floating charge has crystallised and converted into a fixed charge (as it would on enforcement or the occurrence of certain insolvency events with respect to the relevant chargor) the Account Bank will no longer be entitled to exercise its netting and set-off rights in relation to the account, except where the Account Banks have expressly reserved set-off rights.

***Equitable Share Security***

Security over shares in an English company granted by an English Obligor, or over the shares of an English Obligor, typically takes effect as an equitable charge, not a legal mortgage or pledge. An equitable charge

arises where a chargor creates an encumbrance over the property in favour of the chargee but the chargor retains legal title to the property. Remedies in relation to equitable charges may be subject to equitable considerations or are otherwise at the discretion of the court.

The validity of share security and the ability of secured parties to enforce security interests over shares may additionally be affected by a failure of the charging company or related parties or (in certain circumstances) the secured parties to comply within the relevant timeframes with the disclosure and notification obligations under English company statutes in respect of persons with significant control and relevant legal entities (see below).

***PSC regime***

Pursuant to Part 21A of the CA06 (and related Schedules 1A and 1B to the CA06), certain English incorporated companies and limited liability partnerships (for the purposes of this paragraph, each a "**relevant company**") must keep a register of certain registrable individuals and legal entities that have significant control over them. Failure of such registrable individuals or legal entities or other persons specified in Part 21A of (and Schedule 1B to) the CA06 (for the purposes of this paragraph, each a "**notifying party**") to comply with the requirements of that Part may give relevant companies the right to issue a restrictions notice to such notifying party for the purposes of Schedule 1B to the CA06. Subject to certain exceptions, the effect of a restrictions notice is that in respect of any relevant interest in the relevant company (as defined in Schedule 1B to the CA06, for example, a share in the relevant company): (a) any transfer of (or agreement to transfer) the interest is void; (b) no rights are exercisable in respect of the interest; (c) no shares may be issued in right of the interest or in pursuance of an offer made to the interest-holder; and (d) except in a liquidation, no payment may be made of sums due from the relevant company in respect of the interest, whether in respect of capital or otherwise. Such restrictions could adversely affect the validity of the security interests over the security and the ability of the Security Agent to enforce its rights under the English Security Documents.

***Application of proceeds***

The enforceability of a provision in a security document that relates to the application of proceeds will be subject to any obligations mandatorily preferred by applicable law.

***Ranking***

The description given by the parties to the ranking of security interests is not determinative of the ranking of those security interests.

***Liquidation/winding-up***

Liquidation is a winding-up procedure under which the assets of a company are realised and distributed by the liquidator to creditors and (if applicable) members in the statutory order of priority prescribed by the Insolvency Act. At the end of the liquidation process, the company will be dissolved.

There are two forms of winding-up: (i) compulsory liquidation, by order of the court; and (ii) voluntary liquidation, by resolution of the company's members, and which is in turn divided into members' voluntary liquidation ("**MVL**") and creditors' voluntary liquidation ("**CVL**"). The primary ground for the compulsory winding-up of an insolvent company is that it is unable to pay its debts (as described above).

The effect of a compulsory winding-up differs in a number of respects from that of a voluntary winding-up. In a compulsory liquidation, no proceedings or other actions may be commenced or continued against the company except with leave of the court and subject to such terms as the court may impose (although security enforcement is not affected). In proceedings where the company or its directors have resolved to place the company into liquidation, the liquidator (or creditor or shareholder) can apply to the court for an order that no proceedings or other actions may be commenced or continued against the company. There is no automatic stay in the case of a voluntary winding up. Further, under Section 127 of the Insolvency Act, any disposition of the relevant company's property made after the commencement of the winding-up is, unless sanctioned by the court, void. The compulsory winding-up of a company is deemed to start when a winding-up petition is

presented by a creditor against the company, rather than the date that the court makes the winding-up order (if any). However, this will not apply to any property or security interest subject to a disposition or otherwise arising under a security financial collateral arrangement under the Financial Collateral Arrangements Regulations (subject to the Financial Services and Markets Act 2023) and will not prevent a close-out netting provision from taking effect in accordance with its terms.

In the context of a voluntary winding-up, however, there is no equivalent to the retrospective effect of a winding-up order; the winding-up commences on the passing of the resolution to wind up. As a result, there is no equivalent of Section 127 of the Insolvency Act for a voluntary winding-up. There is also no automatic stay in the case of a voluntary winding-up – it is for the liquidator, or any creditor or shareholder of the company, to apply for a stay. This means, in the absence of a stay being obtained, secured creditors for example can go ahead and enforce their security.

A MVL is a solvent liquidation that is controlled by the shareholders. It commences when the shareholders pass a special resolution to place the company into liquidation and there is no involvement by the court. Not more than five weeks prior to the making of the winding-up resolution, the directors must swear a statutory declaration of solvency stating that, after having made full enquiry into the company's affairs, they have formed the opinion that it will be able to pay its debts, including interest and the costs of the MVL process, within a stated period not exceeding 12 months from the start of the liquidation.

A CVL is also commenced by the shareholders resolving to place the company into liquidation and has no court involvement. In contrast to an MVL, however, the directors do not swear a statutory declaration of solvency for a CVL (meaning the company can be solvent or insolvent). If the creditors choose a different person to act as liquidator from the shareholders, the creditors' choice will prevail.

A liquidator has the power to bring or defend legal proceedings on behalf of a company to which they are appointed; to carry on the business of the company as far as it is necessary for its beneficial winding up; to sell the company's property and execute documents in the name of the company; and to challenge antecedent transactions.

Under English insolvency law, a liquidator has the power to disclaim any onerous property by serving the prescribed notice on the relevant party. Onerous property, for these purposes, is any unprofitable contract and any other property of the company that cannot be sold, readily sold or may give rise to a liability to pay money or perform any other onerous act. A contract may be unprofitable if it gives rise to prospective liabilities and imposes continuing financial obligations on the company that may be detrimental to creditors. A contract will not be unprofitable merely because it is financially disadvantageous, or because the company could have made, or could make, a better bargain. However, this power does not apply to a contract where all the obligations under it have been performed nor can it be used to disturb accrued rights and liabilities. A person sustaining loss or damage as a result of the disclaimer is deemed to be a creditor of the company to the extent of the loss or damage and may prove for the loss or damage in the winding-up.

One of the primary functions of liquidation (and, where the company cannot be rescued as a going concern, one of the possible functions of administration) under English law is to realise the assets of the insolvent company and to distribute the realisations made from those assets to its creditors. Under the Insolvency Act and the Insolvency Rules (England and Wales) 2016, creditors are placed into different classes, with the proceeds from the realisation of the insolvent company's property applied in descending order of priority, as set out below. With the exception of the Prescribed Part (as defined and described below), distributions cannot be made to a class of creditors until the claims of the creditors in a prior ranking class have been paid in full. Unless creditors have agreed otherwise, distributions are made on a *pari passu* basis, that is, the assets are distributed in proportion to the debts due to each creditor within a class.

Contractual setting-off arrangements entered into after a company enters liquidation or administration are only respected to the extent they fall within the definition of "mutual dealing" as applied by the mandatory insolvency set-off regime. This regime sees an account being taken of what is due from each party to the other in respect of their mutual dealings, and only the resulting net balance is either provable by the creditor in the administration or liquidation of the company (if amounts remain due to the creditor) or, conversely, is payable by the creditor to the company (if amounts remain due to the company).

The general priority of claims on insolvency, in summary, is as follows (in descending order of priority):

*First ranking claims*: holders of fixed charge security and creditors with a proprietary interest in specific assets in the possession (but not full legal and beneficial ownership) of the debtor, but only to the extent of the realisations from those secured assets or with respect to the assets in which they have a proprietary interest;

*Second ranking claims*: expenses of the insolvent estate (there are statutory provisions setting out the order of priority in which expenses are paid);

*Third ranking claims*: first, ordinary preferential debts, being contributions to occupational pension schemes, employment claims (wages and salaries of employees for work done in the four months before the insolvency date, up to a maximum of £800 per person and holiday pay due to any employee whose contract has been terminated, whether the termination takes place before or after the insolvency date) and bank and building society deposits eligible for compensation under the Financial Services Compensation Scheme ("**FSCS**") up to the statutory limit; and secondly, secondary preferential debts, being bank and building society deposits eligible for compensation under the FSCS to the extent that the claims exceed the statutory limit. Secondary preferential debts also include claims by HMRC in respect of taxes including VAT, PAYE income tax (including student loan repayments), employee NI contributions and Construction Industry Scheme deductions (but excluding corporation tax and employer NI contributions) which are held by the company on behalf of employees and customers. As between one another, secondary preferential debts rank equally;

*Fourth ranking claims*: holders of any floating charge security, according to the priority of their security. This would include any security interest that was stated to be a fixed charge in the document that created it but which, on proper interpretation by the court, was rendered a floating charge. However, before distributing asset realisations to the holders of floating charges, the Prescribed Part must be set aside for distribution to unsecured creditors;

*Fifth ranking claims*: firstly, (a) provable debts of unsecured creditors and secured creditors to the extent of any unsecured shortfall (these rank equally among themselves unless there are subordination agreements in place between any of them); secondly, (b) statutory interest that arises on debts after the insolvency at either the contractual or a statutory rate; and finally (c) non-provable liabilities, being liabilities that do not fall within any of the categories above and which are therefore only recovered in the (unusual) event that all categories above are fully paid. To pay a shortfall, the insolvency officeholder can only use realisations from unsecured assets, as secured creditors are not entitled to any distribution from the Prescribed Part in respect of a shortfall unless the Prescribed Part is sufficient to pay out all unsecured creditors or the secured creditor elects to surrender its security; and

*Sixth ranking claims*: shareholders. If after the repayment of all unsecured creditors in full, any remaining funds exist, these will be distributed to the shareholders of the insolvent company.

Subject to the above order of priority, subordinated creditors will be ranked according to the terms of the subordination.

An insolvency practitioner of a company (e.g. an administrator, administrative receiver or liquidator) will generally be required to ring-fence a certain percentage of the proceeds of enforcement of any floating charge security for the benefit of unsecured creditors (the "**Prescribed Part**"). This applies to 50% of the first £10,000 of the relevant company's net property subject to floating charges, and 20% of the remainder over £10,000, with a maximum aggregate cap of £800,000. The Prescribed Part will not apply if cost of making a distribution to unsecured creditors would be disproportionate to the benefits. Where the company's net property is worth less than £10,000 the administrator, receiver (including administrative receiver) or liquidator the company has the power to decide unilaterally whether the cost would be disproportionate to the benefit. Where the company's net property is with more than £10,000 a court order is needed in order to disapply the Prescribed Part on this basis. The Prescribed Part also does not apply where certain types of insolvency arrangements (such as a company voluntary arrangement) are implemented. The Prescribed Part can also be disapplied by a compromise or arrangement agreed under Part 26 or 26A of the CA06 (described in further detail below).

***Challenges to guarantees and security***

There are circumstances under English insolvency law in which the granting by a company of security and guarantees can be challenged. In most cases this will only arise if an administrator or liquidator is appointed to the company within a specified period (as set out in more detail below) of the granting of the guarantee or security. Therefore, if during the specified period an administrator or liquidator is appointed to the company, the administrator or liquidator may challenge the validity of the security or guarantee given by such company. If any Guarantee or Collateral granted by an English Obligor is challenged under the laws of England and Wales, and the court makes certain findings (as described further below), it may be permitted to: (a) avoid or invalidate all or a portion of an English Obligor's obligations under the Note Guarantee and/or Collateral provided by such English Obligor; (b) direct that the holders of the Notes return any amounts paid by or realised from an English Obligor under a Guarantee or Collateral to the relevant English Obligor or to a fund for the benefit of the English Obligor's creditors; and/or (c) take other action that is detrimental to the holders of the Notes.

The Issuer cannot be certain that, in the event of the onset of an English Obligor's insolvency that is within any of the requisite time periods set forth below, the grant of any Collateral or Guarantee will not be challenged or that a court would uphold the transaction as valid.

***Onset of insolvency***

The date of the onset of insolvency, for the purposes of transactions at an undervalue, preferences and invalid floating charges, depends on the insolvency procedure in question. In administration the onset of insolvency is the date on which (a) the court application for an administration order is issued, (b) the notice of intention to appoint an administrator is filed at court, or (c) otherwise, the date on which the appointment of an administrator takes effect. In a compulsory liquidation the onset of insolvency is the date the winding-up petition is presented to court, whereas in a voluntary liquidation it is the date the company passes a winding-up resolution. Where liquidation follows administration, the onset of insolvency will be the same as the initial administration.

***Transaction at an undervalue***

Under English insolvency law (pursuant to section 238 of the Insolvency Act), a liquidator or administrator of a company could apply to the court for an order to set aside a security interest (in certain cases) or a guarantee granted by the company (or give other relief) on the grounds that the creation of such security interest or guarantee constituted a transaction at an undervalue. The grant of a security interest or guarantee will only be a transaction at an undervalue if, at the time of the transaction or as a consequence of the transaction, the transaction constitutes a gift or is made on terms that provide that the company receives no consideration or if the company receives consideration of significantly less value, in money or in money's worth, than the consideration given by such company and the company is unable to pay its debts or becomes unable to pay its debts (as defined in section 123 of the Insolvency Act). For a challenge to be made, the guarantee or security must be granted within a period of two years ending with the onset of insolvency (as defined in section 240 of the Insolvency Act; see "*Onset of insolvency*" above). A court will not make an order in respect of a transaction at an undervalue if it is satisfied that the company entered into the transaction in good faith and for the purpose of carrying on its business and that, at the time it did so, there were reasonable grounds for believing the transaction would benefit the company. Subject to this, if the court determines that the transaction was a transaction at an undervalue the court can make such order as it thinks fit to restore the position to what it would have been if the transaction had not been entered into (which could include reducing payments under the guarantees or setting aside any security interests granted or guarantees although there is protection for a third party that benefits from the transaction and has acted in good faith and for value). An order by the court for a transaction at an undervalue may affect the property of, or impose any obligation on, any person whether or not they are the person with whom the company entered into the transaction, but such an order will not prejudice any interest in property which was acquired from a person other than the company in good faith and for value or prejudice any interest deriving from such an interest, and will not require a person who received a benefit from the transaction in good faith and for value to pay a sum to the liquidator or administrator of the company, except where the person was a party to the transaction. In any challenge proceedings, it is for the administrator or liquidator to demonstrate that the company was unable to pay its

debts unless a beneficiary of the transaction was a "connected person" (as defined in the Insolvency Act; see "*Connected persons*" below), in which case there is a presumption that the company was unable to pay its debts and the connected person must demonstrate that the company was not unable to pay its debts at the time of the transaction. The company's administrator or liquidator also has the power to assign the claim challenging such a transaction to a third party.

***Preference***

Under English insolvency law (pursuant to section 239 of the Insolvency Act), a liquidator or administrator of a company could apply to the court for an order to set aside a security interest or a guarantee granted by such company (or give other relief) on the grounds such security interest or such guarantee constituted a preference. The grant of a security interest or guarantee is a preference if it has the effect of placing a creditor (or a surety or guarantor of the company) in a better position in the event of the company's insolvent liquidation than if the security interest or guarantee had not been granted. For a challenge to be made, the preference must occur within the period of six months ending with the onset of insolvency (as defined in section 240 of the Insolvency Act) if the beneficiary of the preference is not a connected person or two years if the beneficiary is a connected person. In addition, the company must have been "unable to pay its debts" at the time it gave the preference or become "unable to pay its debts" as a result. A company's "inability to pay its debts" in this scenario has the same meaning as in the case of a transaction at an undervalue save that, in the case of a preference, there is no presumption of insolvency if the parties are connected. A court will not make an order in respect of a preference of a person unless it is satisfied that the company in deciding to give the preference was influenced by a desire to put that person in a better position. If the court determines that the transaction was a preference, the court can make such order as it thinks fit to restore the position to what it would have been if that preference had not been given (which could include reducing payments under the guarantees or setting aside the security interests or guarantees). An order by the court for a preference may affect the property of, or impose any obligation on, any person whether or not he is the person to whom the preference was given, but such an order will not prejudice any interest in property which was acquired from a person other than the company in good faith and for value, or prejudice any interest deriving from such an interest, and will not require a person who received a benefit from the preference in good faith and for value to pay a sum to the liquidator or administrator of the company, except where the payment is to be in respect of a preference given to that person at a time when he was a creditor of the company. In any proceedings, it is for the administrator or liquidator to demonstrate that the company was unable to pay its debts and that the company was influenced by a desire to produce the preferential effect, unless the beneficiary of the transaction was a connected person, in which case there is a presumption that the company was influenced by a desire to produce the preferential effect and the connected person must demonstrate in such proceedings that there was no such influence. The company's administrator or liquidator also has the power to assign the claim challenging such transaction to a third party.

***Transaction defrauding creditors***

Under English insolvency law, a liquidator or an administrator of a company, or a person who is a "victim" of the relevant transaction including the UK Financial Conduct Authority and the UK Pensions Regulator (with leave of the court if the company is in liquidation or administration) can apply to the court pursuant to section 423 of the Insolvency Act for an order to set aside a security interest or guarantee granted by that company on the grounds the security interest or guarantee was a transaction defrauding creditors.

A transaction will constitute a transaction defrauding creditors if it is a transaction at an undervalue (as outlined above) and the court is satisfied the substantial purpose of a party to the transaction was to put assets beyond the reach of actual or potential claimants against it or to prejudice the interest of such persons.

If the court determines that the transaction was a transaction defrauding creditors, then it may make such order as it may deem fit to restore the position to what it was prior to the transaction or protect the victims of the transaction (including reducing payments under the guarantee or setting aside the security interest or guarantees). However, such an order: (a) cannot prejudice any interest in property which was acquired from a person other than the debtor in good faith, for value and without notice of the relevant circumstances; and (b) cannot require a person who received a benefit from the transaction in good faith, for value and without notice of the relevant circumstances, to pay any sum unless such person was a party to the transaction. The relevant

company does not need to have been unable to pay its debts at the time of the transaction nor in insolvency proceedings for such action to be commenced. There is no statutory time limit within which the challenge must be made (although general statutory limitation periods will apply).

***Extortionate credit transaction***

An administrator or a liquidator can apply to court to set aside an extortionate credit transaction pursuant to section 244 of the Insolvency Act. The court can review extortionate credit transactions entered into by a company up to three years before the day on which the company entered into administration or went into liquidation. A transaction is "extortionate" if, having regard to the risk accepted by the person providing the credit, the terms of it are (or were) such as to require grossly exorbitant payments to be made (whether unconditionally or in certain contingencies) in respect of the provision of the credit or it otherwise grossly contravened ordinary principles of fair dealing. The company's administrator or liquidator also has the power to assign the claim challenging such transaction to a third party.

***Grant of a voidable floating charge***

Under English insolvency law, if a company is unable to pay its debts at the time of (or as a result of) granting a floating charge then such floating charge will be automatically invalid by operation of law if it was granted in the period of one year ending with the onset of insolvency (as defined in section 245 of the Insolvency Act). The floating charge, however, will be valid to the extent of the value of the consideration provided for the creation of the charge in the form of money paid to, or goods or services supplied to, or any discharge or reduction of any debt of, the relevant company at the same time as or after the creation of the floating charge plus interest payable on such amounts. Where the floating charge is granted to a "connected person," the relevant period is extended to two years before the onset of insolvency and the requirement that the company was unable to pay its debts does not apply. However, if the floating charge qualifies as a "security financial collateral arrangement" under the Financial Collateral Arrangements Regulations, the floating charge will not be subject to the provisions as described in this paragraph.

***Connected persons***

If the given transaction at an undervalue, preference or floating charge has been entered into by the company with a "connected person", then particular specified time periods and presumptions will apply (as set out more particularly above).

A "connected person" of a company granting a guarantee or security interest for the purposes of transactions at an undervalue and preferences includes (among others):

- a party who is (i) a director of the company; (ii) a shadow director; (iii) an associate of such director or shadow director; or (iv) an associate of the relevant company;
- a party is associated with an individual if they are (i) a relative of the individual; (ii) the individual's husband, wife or civil partner; (iii) a relative of the individual's husband, wife or civil partner; or (iv) the husband, wife or civil partner of a relative of the individual;
- a party is associated with a company if they are employed by that company;
- a company is associated with another company if the same person has control of both companies, or a person has control of one and persons who are his associates, or he and persons who are his associates have control of the other, or if a group of two or more persons has control of each company, and the groups either consist of the same persons or could be regarded as consisting of the same person by treating (in one or more cases) a member of either group as replaced by a person of whom he is an associate; and
- a person is to be taken as having control of a company if the directors of the company or of another company which has control of it (or any of them) are accustomed to act in accordance with his directions or instructions, or he is entitled to exercise, or control the exercise of, one third or more of the voting power at any general meeting of the company or of another company which has control of

it. Where two or more persons together satisfy either of these conditions, they are to be taken as having control of the company.

***Post-petition interest***

Any interest accruing under or in respect of amounts due under the Guarantee or the Collateral to which an English Obligor is a party in respect of any period after the commencement of administration or liquidation proceedings would only be recoverable by the holders of the Notes from any surplus remaining after payment of all other debts proved in the proceedings and accrued and unpaid interest up to the date of the commencement of the proceedings provided that such interest may, if there are sufficient realisations from the secured assets, be discharged out of such security recoveries.

***Foreign currency***

Under English insolvency law, where creditors are asked to submit formal proofs of claim for their debts, any debt of a company payable in a currency other than British pounds sterling must be converted by the office-holder into British pounds sterling at a single rate for each currency determined by the office-holder by reference to the exchange rates prevailing on the relevant date. This provision overrides any agreement between the parties.

Accordingly, in the event that an English Obligor goes into liquidation or administration, holders of the Notes may be subject to exchange rate risk between the date on which such English Obligor goes into liquidation or administration and receipt of any amounts to which such holders of the Notes may become entitled. Any losses resulting from currency fluctuations are not recoverable from the insolvent estate.

***Schemes of arrangement and restructuring plan***

Under Parts 26 and 26A of the CA06, the English courts have jurisdiction to sanction a scheme of arrangement or a restructuring plan pursuant to which a company can reach a compromise or arrangement between itself and its members or creditors (or any class of them). Both processes can be used by a company for debt adjustment or reorganisation. The Part 26 scheme of arrangement is technically not an insolvency procedure, but the Part 26A restructuring plan, for which it is a requirement that the company be suffering from financial difficulties that are affecting or will or may affect its ability to carry on business as a going concern, is an insolvency proceeding. In addition, a foreign company which is liable to be wound up under the Insolvency Act and has a "sufficient connection" to the English jurisdiction could also pursue a Part 26 scheme or a Part 26A restructuring plan. In practice, a foreign company is likely to satisfy the first limb of this test and the second limb has been found to be satisfied where, amongst other things, the company's COMI is in England, the company's finance documents are English law governed, or the company's finance documents have been amended in accordance with their terms to be governed by English law. Ultimately, each case will be considered on its particular facts and circumstances so previous cases will not necessarily determine whether or not any of the grounds of the second limb are satisfied in the present case.

Before the court considers the sanction of a Part 26 scheme of arrangement or Part 26A restructuring plan at a hearing where the fairness and reasonableness of the scheme or restructuring plan will be considered, affected creditors (and potentially members) will vote on the proposed compromise or arrangement in respect of their claims in a single class or in a number of classes, depending on the rights of such creditors and members that will be affected by the proposed scheme or restructuring plan and any new rights that such creditors are given under the scheme or restructuring plan. Such compromise can be proposed by the company or its creditors, although creditor proposals are in practice extremely rare. In the case of a Part 26 scheme, if a majority in number representing 75% or more by value of the those creditors present and voting at the meeting(s) of each class of creditors vote in favour of the proposed scheme, irrespective of the terms and approved thresholds contained in the finance documents, then that scheme will (subject to the sanction of the court) be binding on all affected creditors, including those affected creditors who did not participate in the vote and those who voted against the scheme. In the case of a Part 26A restructuring plan, each class is deemed to approve the plan if 75% or more by value of that class vote in favour. However, unlike a Part 26 scheme, dissenting classes that do not meet this threshold can be bound by a Part 26A restructuring plan if (a) the court is satisfied that no dissenting class is worse off than in the "relevant alternative" (i.e., the most likely outcome

if the Part 26A restructuring plan is not sanctioned by the court) and (b) the Part 26A restructuring plan has been approved by 75% or more by value of at least one class of creditors/members that would receive a payment or have a genuine economic interest in the company in the event of the "relevant alternative" referred to above.

The Part 26 scheme or Part 26A restructuring plan, as relevant, then needs to be sanctioned by the court at a sanction hearing where the court will review the fairness of the Part 26 scheme or Part 26A restructuring plan and consider whether it should be sanctioned. The court has the discretion as to whether to sanction the Part 26 scheme or Part 26A restructuring plan as approved, make an order conditional upon modifications being made or reject the Part 26 scheme or Part 26A restructuring plan.

Unlike an administration proceeding, a Part 26 scheme and Part 26A restructuring plan does not automatically trigger a moratorium of claims or proceedings. However, under the Civil Procedure Rules 1998 the courts of England and Wales have the discretionary power to stay proceedings against a debtor company on the grounds that the debtor company is attempting to implement a Part 26 or Part 26A restructuring plan and there is a reasonable prospect that the restructuring plan will go ahead.

***Foreign laws***

If, and to the extent that, an asset subject to security under a security document (or the obligor of any debt or other right against any person, which debt or right constitutes all or part of the property or rights subject to that security) is located in any jurisdiction other than England and Wales or is not governed by English law, the validity and priority of that security may be affected by any applicable foreign laws.

***Third party rights***

Security granted over debts from, or other rights against, third parties (including contracts and insurance policies) may be subject to any rights of those third parties.

***Amendments***

An English court may interpret restrictively any provision purporting to allow the beneficiary of a guarantee or other suretyship to make a material amendment to the obligations to which the guarantee or suretyship relates without further reference to the guarantor or surety.

***Restriction on the operation and exercise of ipso facto provisions***

Provisions of the Insolvency Act restrict the operation and exercise of ipso facto clauses in order to preserve the continuity of the provision of goods and services to companies undergoing insolvency procedures. In general terms, ipso facto clauses are provisions in supply of goods or services contracts which allow suppliers to terminate the contract or supply or take any other action, or provide for the automatic termination of the contract or supply or the occurrence of any other event, upon the counterparty entering into an insolvency procedure. To the extent that the trigger event is the counterparty's entry into a 'relevant insolvency procedure' (i.e., an administration, administrative receivership, company voluntary arrangement, liquidation and/or a restructuring plan), such clauses will be deemed void and suppliers will be unable to terminate the relevant contracts unless the company or the relevant office-holder consents to the termination or the court grants permission on the basis that it is satisfied that the continuation of the contract would cause the supplier hardship.

The restrictions do not apply to a range of contracts involving financial services or entities involved in the provision of financial services, including contracts for the provision of lending, financial leasing or guarantees, contracts for the purchase, sale or loan of securities or commodities and agreements which are, or form part of, arrangements involving the issue of a capital market investment (as defined in the Insolvency Act).

**Luxembourg**

***Insolvency Proceedings***

The following is a brief description of certain aspects of insolvency law in Luxembourg. In the event that the Issuer and certain of its Guarantors, experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. The insolvency laws of the Luxembourg may not be as favourable to the interests of holders as creditors as the laws of the United States or other jurisdictions with which any such holder may be familiar.

The Issuer and certain of its Guarantors are incorporated under the laws of Luxembourg and have their registered office in the Luxembourg (under this section, the "**Luxembourg Entities**" and each of them, a "**Luxembourg Entity**"). Consequently, in the event of an insolvency of the Luxembourg Entity, insolvency proceedings may be initiated in the Luxembourg and Luxembourg courts should in principle have jurisdiction to open main insolvency proceedings with respect to this Luxembourg Entity. Indeed, for entities having their registered office, central administration (*administration centrale*) and COMI (*centre of main interests*) (as used in article 3(1) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast), as amended (the "**EU Insolvency Regulation**")) in the Luxembourg, such proceedings should be governed by Luxembourg insolvency laws. According to the EU Insolvency Regulation, there is a rebuttable presumption that a company has its COMI in the jurisdiction in which its registered office is located (except if the registered office has been moved to another member state within the 3-month period prior to the request to open insolvency proceedings). As a result, there is a rebuttable presumption that the COMI of the Luxembourg Entity is located in the Luxembourg and consequently that any "main insolvency proceedings" (as defined in the EU Insolvency Regulation) would be opened by a Luxembourg court and be governed by Luxembourg law.

This presumption can notably be rebutted where the company's central administration (*administration centrale*) is located in an EU member state other than that of its registered office, and where a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the company's actual centre of management and supervision and the management of its interests is located in that other EU member state. The determination of where the Luxembourg Entity has its respective COMI is indeed a question of fact, which may change from time to time. Article 3, paragraph 1 of the EU Insolvency Regulation states that the COMI of a debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and "is therefore ascertainable by third parties."

***Luxembourg Bankruptcy Proceedings***

Bankruptcy proceedings (*faillite*) as set forth in articles 437 and *seq.* of the Luxembourg Commercial Code (*Code de commerce*) may be opened against or by the Luxembourg Entity.

The opening of bankruptcy proceedings is initiated either by the Luxembourg Entity, the managers or directors (as applicable) on behalf of the Luxembourg Entity (*aveu de faillite*), by any of its creditors, by the Luxembourg public prosecutor or by the Luxembourg court *ex officio* (*faillite déclarée d'office*)). The managers or directors (as applicable) of the Luxembourg Entity must file for bankruptcy within one month of the cessation of payments (*cessation de paiements*).

Following such a request, the competent Luxembourg courts may open bankruptcy proceedings if the relevant Luxembourg Entity (i) has ceased its payments (*cessation des paiements*) (i.e., the Luxembourg Entity is unable to pay its debts as they fall due (*dettes certaines, liquides et exigibles*)), and (ii) has lost its creditworthiness (*ébranlement de crédit*).

If a court finds that these conditions are satisfied, it may also open *ex officio* bankruptcy proceedings, absent a request made by the Luxembourg Entity.

***Luxembourg Bankruptcy Proceedings Effects***

The main effects of such proceedings are (i) the appointment of a bankruptcy receiver (*curateur*); (ii) the suspension of all enforcement measures against the Luxembourg Entity, except, subject to certain limited exceptions and excluding financial collateral arrangements subject to the Luxembourg law of 5 August 2005 on financial collateral arrangements (as amended) (the "**Luxembourg Collateral Law**"), for secured creditors, and (ii) the payment of the Luxembourg Entity's creditors in accordance with their ranking upon the liquidation of the Luxembourg Entity' assets.

In addition to bankruptcy proceedings, the ability of the holders of the Notes to receive payment on the Notes may be affected by a decision of a Luxembourg court to grant a stay on payments (*sursis de paiement*) or to put the Luxembourg Entity into judicial liquidation (*liquidation judiciaire*). Judicial liquidation proceedings may be opened at the request of the public prosecutor against Luxembourg companies pursuing criminal activities or seriously contravening the Luxembourg Commercial Code (*Code de commerce*) or the laws governing commercial companies (including *inter alia*, the Luxembourg law of 10 August 1915 on commercial companies, as amended, the "**Luxembourg Companies Law**" and Luxembourg laws governing business licences). The management of such liquidation proceedings will generally follow similar rules as those applicable to bankruptcy proceedings.

A bankruptcy order rendered by a Luxembourg court does not result in automatic termination of contracts except for *intuitu personae contracts*, that is, contracts for which the identity of the company or its solvency were crucial. The contracts, therefore, subsist after the bankruptcy order. However, the bankruptcy receiver may choose to terminate certain contracts as to avoid worsening the financial situation of the company. As of the date of adjudication of bankruptcy, no interest on any unsecured claim will accrue *vis-à-vis* the bankruptcy estate. Insolvency proceedings may hence have a material adverse effect on a Luxembourg company's business and assets and the Luxembourg company's respective obligations under the Notes. The bankruptcy receiver decides whether or not to continue performance under ongoing contracts (i.e., contracts existing before the bankruptcy order). The bankruptcy receiver may elect to continue the business of the debtor, provided the bankruptcy receiver obtains the authorisation of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply:

- the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an early termination or acceleration event; and
- *intuitu personae* contracts are automatically terminated as of the bankruptcy judgment since the debtor is no longer responsible for the management of the company. Parties can nevertheless agree to continue to perform under such contracts.

The bankruptcy receiver may elect not to perform the obligations of the bankrupt party which are still to be performed after the bankruptcy under any agreement validly entered into by the bankrupt party prior to the bankruptcy. The counterparty to that agreement may make a claim for damages in the bankruptcy and such claim will rank *pari passu* with claims of all other unsecured creditors and/or seek a court order to have the relevant contract dissolved. The counterparty may not require specific performance of the contract.

Furthermore and in accordance with the Luxembourg law of 28 October 2022, an administrative dissolution without liquidation may be initiated by the public prosecutor if the following three cumulative conditions are met: (i) the Luxembourg Entity pursues criminal activities or seriously contravenes the Luxembourg Commercial Code (*Code de commerce*) or of the laws governing commercial companies (including *inter alia*, the Luxembourg Companies Law and Luxembourg laws governing business licences); (ii) the Luxembourg Entity has no assets; and (iii) the Luxembourg Entity has no employees.

***Priority***

The Luxembourg Entity's liabilities in respect of the Notes will, in the event of a liquidation of the Luxembourg Entity following bankruptcy or judicial liquidation proceedings, rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and those of the concerned obligor's debts that are entitled to priority under Luxembourg law.

For example, preferential debts under Luxembourg law include, among others, (i) certain amounts owed to the Luxembourg tax authorities, including value added tax and other taxes and duties owed to the Luxembourg Customs and Excise, (ii) social security contributions, and (iii) remuneration owed to employees (last six months' wages amounting to a maximum of six times the minimum wage).

For the avoidance of doubt, the above list is not exhaustive.

***Enforceability of Security Interests and Limitations on the Validity and Enforceability of Security Interests in Luxembourg during Bankruptcy Proceedings***

During bankruptcy proceedings, all enforcement measures by privileged and unsecured creditors are suspended. Certain secured creditors, such as beneficiaries of a security interest under the Luxembourg Collateral Law, are however not subject in principle to ordinary distribution and priority rules and can therefore freely take any enforcement action regardless of the bankruptcy proceedings.

Assets in the form of shares or receivables over which a security interest has been granted and perfected pursuant to the Luxembourg Collateral Law will in principle not be available for distribution to unsecured creditors (except after enforcement and to the extent a surplus is realised), and subject to application of the relevant priority rule and liens and privileges arising mandatorily by law.

***Suspect Period***

Luxembourg insolvency laws may also affect transactions entered into or payments made by the Luxembourg Entity during the period before bankruptcy, i.e., the so-called "suspect period" (*période suspecte*), which is a maximum of six months, as from the date on which the commercial court formally adjudicates a company bankrupt, and, as for specific payments and transactions, during an additional period of ten days before the commencement of such period preceding the judgment declaring bankruptcy, except that in certain specific situations the court may set the start of the suspect period at an earlier date, if the bankruptcy judgment was preceded by a suspension of payments under Luxembourg law.

In particular:

- pursuant to article 445 of the Luxembourg Commercial Code (*Code de commerce*), specified transactions (such as, in particular, the granting of a security interest for antecedent debts; the payment of debts which have not fallen due, whether payment is made in cash or by way of assignment, sale, set off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange; the sale of assets or entering into transactions generally without consideration or with substantially inadequate consideration) entered into during the suspect period (or the ten days preceding it) will be set aside or declared null and void, if so requested by the bankruptcy receiver; article 445 does not apply to financial collateral arrangements and set-off arrangements subject to the Luxembourg Collateral Law, such as Luxembourg law pledges over shares, accounts or receivables;
- pursuant to article 446 of the Luxembourg Commercial Code (*Code de commerce*), payments made for matured debts for considerations, as well as other transactions concluded during the suspect period, are subject to cancellation by the court upon proceedings instituted by the bankruptcy receiver if they were concluded with the knowledge of the bankrupt's cessation of payments (*cessation de paiements*). Article 446 of the Luxembourg Commercial Code (*Code de commerce*) does not apply to financial collateral arrangements and set-off arrangements subject to the Luxembourg Collateral Law, such as Luxembourg law pledges over shares, accounts or receivables; and
- regardless of the suspect period, article 448 of the Luxembourg Commercial Code (*Code de commerce*) and article 1167 of the Luxembourg Civil Code (*code civil*) (*action paulienne*) give any creditor the right to challenge any fraudulent payments and transactions made prior to the bankruptcy.

After having converted all available assets of the company into cash and after having determined all the company's liabilities, the bankruptcy receiver will distribute the proceeds of the sale to the creditors further to

their priority ranking as set forth by law, after deduction of the bankruptcy receiver's fees and the bankruptcy administration costs.

Any international aspects of Luxembourg bankruptcy proceedings may be subject to the EU Insolvency Regulation. Bankruptcy proceedings may hence have a material adverse effect on the Luxembourg Entity obligations under the Notes.

***Reorganisation Proceedings***

The Luxembourg law of 7 August 2023 on business preservation and modernising bankruptcy law, implementing Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt (the "**Reorganisation Law**"), provides for various conservatory measures, a voluntary out-of-court reorganisation by amicable agreement and in-court reorganisation proceedings (the "**Reorganisation Proceedings**").

It should be noted that the Reorganisation Law currently contains a number of ambiguities and uncertainties and, at this stage, it remains untested, so it is difficult to predict how (or if) it will be used and implemented in practice.

***Conservatory Measures***

*Conciliation (conciliation) (out-of-court proceedings)*

The Luxembourg Minister for the Economy (*Ministre de l'Economie*) or the Luxembourg Minister for Small and Medium-Sized Businesses (*Ministre des Classes Moyennes*), according to their respective attributions (collectively referred to as the "**Competent Ministers**"), may, at the request of the Luxembourg Entity, appoint a company conciliator (*conciliateur d'entreprise*) to facilitate the reorganisation of all or part of the Luxembourg Entity's assets or activities.

The mission of the company conciliator, whether outside or within the framework of judicial reorganisation proceedings, is to prepare and promote, either the conclusion and implementation of an amicable agreement (*accord amiable*) or the obtaining of creditors' agreement to a reorganisation plan, or the obtaining of a transfer by court order to one more third parties of all or part of the Luxembourg Entity's assets or activities.

The Luxembourg Entity may propose the name of a company conciliator.

The company conciliator is chosen among the sworn experts appointed as company conciliators under the Luxembourg law of 7 July 1971 on sworn in experts, translators and interpreters, company conciliators and court officers, in criminal and administrative matters, as amended (the "**1971 Law**").

The company conciliator's mission ends when the Luxembourg Entity or the company conciliator so decides and informs the Competent Ministers. A Luxembourg court may also decide to terminate a company conciliator's mission (in whole or in part), if it appoints (i) one or more court officers (*mandataires de justice*) outside the framework of a judicial reorganisation proceeding or a temporary administrator (*administrateur provisoire*) in the context of a judicial reorganisation procedure, in case of serious and well-founded breaches committed by the Luxembourg Entity or one of its bodies (see "—*Judicial appointment of one or more court officers (mandataires de justice) (outside judicial reorganisation proceedings)*" and "—*Judicial Reorganisation*" below) or (ii) a court officer (*mandataire de justice*) to assist the debtor in the judicial reorganisation (see *Judicial Reorganisation* below). The conciliator's mission also ends (in whole or in part) if the judgment ordering the transfer of the Luxembourg Entity appoints a court officer (*mandataire de justice*) (see—"*Judicial Reorganisation*" below).

*Judicial appointment of one or more court officers (mandataires de justice) (outside judicial reorganisation proceedings)*

At the request of the public prosecutor or any interested party, the judge presiding the district court sitting in commercial matters may appoint (in summary proceedings) one or more court officer(s) *(mandataires de justice*) provided that the following cumulative conditions are met: (i) serious and well-founded breaches (*manquements graves et caractérisés*) have been committed by the Luxembourg Entity or one of its bodies; (ii) these breaches threaten the continuity of the Luxembourg Entity's business; and (iii) the requested measure is likely to preserve such continuity.

When a company conciliator has previously been appointed, the Luxembourg court may decide to terminate (in whole or in part) the company conciliator's mission.

Furthermore, the opening of judicial reorganisation proceedings (*procédure de réorganisation judiciaire*) (see *Judicial Reorganisation Proceedings* below) does not in itself put an end to the court officers' mission; the judgment opening a judicial reorganisation or a subsequent judgment will determine if the court officers' mission is to be maintained, modified or terminated.

***Reorganisation by Amicable Agreement (réorganisation par accord amiable) (out-of-court proceedings)***

The Luxembourg Entity may negotiate with all its creditors, or at least two of them, an amicable agreement (*accord amiable*) to reorganise (all or part of) its assets or activities.

To this end, the Luxembourg Entity may request the appointment of a company conciliator (*conciliateur d'entreprise*), whose mission may extend beyond the conclusion and approval of the amicable agreement to facilitate its implementation.

Upon agreement amongst the parties, the Luxembourg court will approve (*homologuer*) the amicable agreement and make it enforceable and binding (*exécutoire*). Before doing so, the Luxembourg court examines whether the amicable agreement serves the purpose of reorganisation and does not constitute a backdoor means of privileging certain creditors over others.

Creditors participating in the amicable agreement may not be held liable even if the agreement does not effectively preserve the continuity of (all or part) of the Luxembourg Entity's business.

Furthermore, both the approved amicable agreement and any acts performed to execute such an agreement will not be subject to claw-back provisions if subsequent bankruptcy proceedings are opened (i.e., articles 445(2) and 446 of the Luxembourg Commercial Code (*Code de commerce*) will not apply).

***Judicial Reorganisation Proceedings***

*Objectives*

The opening of judicial reorganisation proceedings can follow one or more of the following objectives and the objectives may differ for the various activities for each business or part thereof:

- obtain a stay (*sursis*) to enable an out-of-court settlement (*accord amiable*) to be reached, under the conditions set out in article 11 of the Reorganisation Law (See "*—Reorganisation by Amicable Agreement*" above); or
- obtain the agreement of the creditors on a reorganisation plan, in accordance with articles 38 to 54 of the Reorganisation Law (judicial reorganisation by collective agreement (*réorganisation judiciaire par accord collectif*)); or
- enable the transfer by court order, to one or more third parties, of all or part of the Luxembourg Entity's assets or activities, in accordance with articles 55 to 64 of the Reorganisation Law (judicial

reorganisation through a transfer by court order (*réorganisation judiciaire par transfert par décision de justice*)).

The Luxembourg Entity may ask the court to change the objective of the judicial reorganisation proceeding at any time during the stay granted by the court.

*Procedure*

*Request to open a judicial reorganisation proceeding*

The Luxembourg Entity requesting the opening of judicial reorganisation proceedings must submit a reasoned request, together with supporting documents, to the competent Luxembourg court and establish that the continuity of its business is threatened in the short or long term.

As long as the Luxembourg court has not ruled on the petition:

- the Luxembourg Entity cannot be declared bankrupt, nor be judicially dissolved (subject to article 1200-1 of the Luxembourg Companies Law and article 35 of the Luxembourg Criminal Code (*Code pénal*)), nor be the subject of administrative dissolution proceedings without liquidation (*procédure de dissolution administrative sans liquidation*); and
- in principle no enforcement may take place over movable or immovable assets of the Luxembourg Entity.

*Conditions for initiating judicial reorganisation proceedings*

The judicial reorganisation proceeding is opened when the continuity of the Luxembourg Entity's business is in danger (*mise en péril*), either in the short or in the long term, and as soon as the request to open such proceeding has been filed with the court by the Luxembourg Entity. The fact that the debtor meets the bankruptcy criteria at the time of its request to the court is not, per se, an obstacle to opening or pursuing judicial reorganisation proceedings.

*Judgment on the request and its effects*

The Luxembourg court examines the request to open a judicial reorganisation proceeding within fifteen days of its filing with the clerk's office. If the above-mentioned conditions appear to be met, the Luxembourg court opens a judicial reorganisation proceeding and determines the duration of the stay (*sursis*) which cannot exceed four months (subject to possible extensions as set out below). If the abovementioned conditions are not met, the Luxembourg court will reject the request.

In principle, the Luxembourg Entity remains in control of its business ('debtor in possession') during the judicial reorganisation proceeding. However, in the event of serious and well-founded breaches (*manquements graves et caractérisés*) of the Luxembourg Entity or any of its bodies, the Luxembourg court may, in the judgment opening the judicial reorganisation proceedings or in a subsequent judgment, appoint a provisional administrator (*administrateur provisoire*) who will then manage the Luxembourg Entity's business during the stay. Such request can be initiated by the public prosecutor or any interested person. If a company conciliator has been appointed in accordance with article 9 of the Reorganisation Law (see "—*Conciliation*"), the Luxembourg court may decide to terminate the company conciliator's mission in whole or in part.

Furthermore, the Luxembourg Entity or an interested third party can ask the court to appoint a court officer (*mandataire de justice*) to assist the Luxembourg Entity in the judicial reorganisation proceeding.

During the stay, no enforcement may in principle take place over the Luxembourg Entity's movable or immovable assets (subject to the caveat that Luxembourg Collateral Law securities are outside the scope of the Reorganisation Law). During the same period, the Luxembourg Entity cannot be declared bankrupt (subject to its own declaration), dissolved by court order or be subject to an administrative dissolution without liquidation procedure. Specific provisions apply to attachments that have already taken place. Furthermore, the obligation

to file for bankruptcy within one month of the cessation of payments (*cessation des paiements*) is suspended as of the filing of a request for judicial reorganisation proceedings and for the entire duration of the stay.

The Luxembourg Entity may voluntarily settle claims subject to the stay (*créances sursitaires*) during the stay if this is necessary for the continuity of its business (claw-back provisions, i.e., articles 445(2) and 446 of the Luxembourg Commercial Code (*Code de commerce*) are not applicable in such case).

Without prejudice to the provisions of the Luxembourg Collateral Law, set-offs between claims subject to the stay (*créances sursitaires*) and claims arising during the stay are permitted only if these claims are related (*connexes*).

Notwithstanding any contractual provisions to the contrary, the request or opening of judicial reorganisation proceedings does not automatically terminate the existing contracts of the Luxembourg Entity nor the terms and conditions of their execution.

Moreover, any contractual breach by the Luxembourg Entity before the stay was granted does not constitute a termination event if the Luxembourg Entity has remedied the breach within fifteen days of notification of default by its creditor, after the granting of the stay.

Once the reorganisation proceedings are opened, the Luxembourg Entity may unilaterally decide to suspend its contractual obligations for the duration of the stay, if this is imperatively required for the reorganisation of its business (except for employment contracts). Any claim for damages which could become due to the co-contractor as a result of this suspension is subject to the stay.

In this case, the other party is entitled to suspend its own contractual obligations but cannot however terminate the contract simply because the Luxembourg Entity has unilaterally suspended its execution.

Penalty clauses (*clauses pénales*) intended to cover potential damages suffered as a result of non-performance of the main contractual obligation remain ineffective during the stay and until full implementation of the reorganisation plan as far as the creditors included in the plan are concerned. A creditor may, however, include the actual loss suffered as a result of non-compliance with the main undertaking in its claim covered by the stay (*créance sursitaire*).

The stay does not apply to claims arising from contracts involving multiple successive performances (*contrats en cours à execution successives*) insofar as they relate to services rendered after the judgment opening of the judicial reorganisation proceedings.

Claims arising during the judicial reorganisation proceedings are considered as debts of the insolvency estate (*dettes de la masse*) in a subsequent bankruptcy or liquidation, provided that there is a close link between the end of the judicial reorganisation proceedings and the collective proceedings. Such a close link exists in particular if the collective proceedings are opened within twelve months of the end of the reorganisation proceedings.

*Extension of the stay*

At the request of the Luxembourg Entity (or of the court officer in the case of a transfer by court order proceeding (see "—*Judicial Reorganisation Through a Transfer by Court Order*"), and based on the report of the delegated judge, the Luxembourg court may extend the stay for such period it shall determine. The maximum duration of the stay thus extended may not exceed twelve months from the judgment granting the stay.

However, in exceptional circumstances (e.g., the size of the Luxembourg Entity, the complexity of the case or the importance of employment positions that can be safeguarded) and if the interests of the creditors so permit, the maximum duration of the above-mentioned stay may be extended by a maximum of six months, without the total duration of the stay exceeding twelve months from the judgment granting the stay.

*Judicial Reorganisation by Amicable Agreement*

An amicable agreement (see "—*Reorganisation by Amicable Agreement*" above) may be concluded within the framework of the judicial reorganisation proceedings, but in this case, the Luxembourg Entity benefits from a stay granted by the court to reach an agreement with all its creditors or at least two of them.

*Judicial Reorganisation by Collective Agreement*

When the objective of a reorganisation proceeding is to obtain the agreement of the creditors on a reorganisation plan, the Luxembourg Entity draws up during the stay a reorganisation plan, which indicates *inter alia*, the allocation of creditors into classes. Creditors are assigned to their class based on the nature of their claim and the related security (if any).

There are two classes of creditors: (i) a class of ordinary creditors (*créanciers sursitaires ordinaires*), and (ii) a class of extraordinary creditors (*créanciers sursitaires extraodinaires*), *inter alios*, creditors who benefit from claims secured by a special lien (*privilège spécial*) or a mortgage, claims of owner-creditors (*créanciers-propriétaires*) as well as claims from tax and social security authorities.

Ordinary creditors subject to the stay are holders of claims other than "extraordinary" claims.

Any creditor who disagrees with the amount or qualification of its claim (i.e., ordinary or extraordinary) may seize the court which opened the procedure. Any interested party claiming to be a creditor may also seize the court. The court can amend the amount and qualification of a claim, including the class to which the creditor has been initially allocated by the Luxembourg Entity.

Only ordinary creditors subject to the stay and extraordinary creditors subject by the stay, whose rights are affected by the reorganisation plan, may take part in the vote of the reorganisation plan. When certain categories of claims are treated differently, the relevant creditors must be treated equally within these categories and in proportion to the amount of their claim (with a limited exception for small claims whose inclusion in the plan would constitute an administrative and financial burden as opposed to their immediate settlement).

The reorganisation plan is deemed approved if it gets a positive vote in each class of creditors, from the majority of creditors in each class, who represent by their claims, half of the total principal owed.

Once adopted by the creditors, the reorganisation plan is submitted to the Luxembourg court for its approval. The Luxembourg court (i) verifies if all new financings foreseen in the plan are necessary to implement the reorganisation plan, (ii) ensures that the plan does not cause an excessive prejudice to the creditors' interests, and (iii) in the event of a challenge by creditors who voted against the adoption of the plan, verifies whether the plan satisfies the best interests of creditors test (i.e., no creditor should be more disadvantaged with the reorganisation plan than it would have been had the normal order of priorities been applied, either in a bankruptcy, a judicial liquidation or in the case of a more suitable alternative, if the reorganisation plan had not been approved).

If the plan has not been approved by the affected parties in each class authorised to vote, it may nevertheless be approved (further to the Luxembourg Entity's proposal or with the latter's agreement) and imposed on the dissenting classes of creditors authorised to vote, if it was approved by one of the classes of creditors authorised to vote and if the reorganisation plan meets at least the following conditions:

- new financings foreseen in the plan are necessary to implement the reorganisation plan and do not excessively prejudice the creditors' interests and the plan satisfies the best interests of creditors test;
- if the plan was approved by the class of ordinary creditors (*créanciers sursitaires ordinaires*) only, that extraordinary creditors (*créanciers sursitaires extraordinaires*) are treated more favourably than ordinary creditors; and

- under the plan, no class of creditors receives or retains more than the total amount of their claims or interests as part of the plan.

The approval of the reorganisation plan by the court makes the plan binding on all creditors (*créanciers sursitaires*) subject to the stay.

The approval of the reorganisation plan may be refused by the court only in the following cases:

- if the legal formalities detailed in the Reorganisation Law have not been complied with;
- new financings foreseen under the plan are not necessary to implement the reorganisation plan and have an excessive adverse impact on the creditors' interests;
- the plan does not satisfy the best interests of creditors test;
- if the plan does not offer a reasonable prospect of avoiding the Luxembourg Entity's insolvency or guaranteeing the viability of the business; or
- if it violates Luxembourg public policy.

The plan must be implemented within five years from the date of its approval by the court.

*Judicial Reorganisation through Transfer by Court Order*

The Luxembourg court may order the transfer of all or part of the Luxembourg Entity's business or activities in order to ensure their continuity, where the Luxembourg Entity consents to this in its request for judicial reorganisation or subsequently during the course of the judicial reorganisation proceedings. The same transfer may be ordered at the request of the public prosecutor, a creditor or any other person with an interest in acquiring all or part of the Luxembourg Entity's business:

- when the Luxembourg Entity fulfils the conditions for bankruptcy, set out in article 437 of the Luxembourg Commercial Code (*Code de commerce*) without having requested the opening of judicial reorganisation proceedings;
- when the Luxembourg court rejects the application to initiate judicial reorganisation proceedings pursuant to article 19 of the Reorganisation Law, orders their early termination pursuant to article 36 of the Reorganisation Law or revokes the reorganisation plan pursuant to article 54 of the Reorganisation Law;
- when the creditors do not approve the reorganisation plan in accordance with of article 49 of the Reorganisation Law; and
- when the court refuses to approve the reorganisation plan pursuant to article 50 of the Reorganisation Law.

The transferor's rights and obligations arising from employment contracts existing at the time of the transfer of the business are, as a result of this transfer, transferred to the transferee, subject to article L. 127-5 of the Luxembourg Labour Code (*Code du travail*).

The judgment ordering the transfer appoints a court officer (*mandataire de justice*), chosen among the sworn experts appointed as court officers further to the 1971 Law, in order to carry out the transfer.

The court officer (*mandataire de justice*) organises and carries out the court-ordered transfer through the sale or assignment of the movable or immovable assets necessary or useful to maintain all or part of the Luxembourg Entity's economic activity, or in the form of a merger in accordance with Title X, Chapter II, of Luxembourg Companies Law. It seeks and solicits offers, giving priority to maintaining all or part of the Luxembourg Entity's business, while taking into account the rights of creditors. The court officer (*mandataire de justice*) chooses whether to proceed with the sale or assignment, publicly or by (private) amicable

agreement (*de gré à gré*), in which case it defines the procedure to be followed by bidders in its invitation to tender.

For a bid to be taken into consideration, the price offered for all the assets sold or assigned must be equal to or higher than the presumed forced enforcement value in the event of bankruptcy or liquidation.

The court officer (*mandataire de justice*) draws up one or more concomitant or successive sales proposals, setting out its due diligence, the conditions of the proposed sale and the justification for its proposals, and attaches a draft deed for each sale. The court officer (*mandataire de justice*) communicates her/his plans to the delegated judge and, by petition notified to the Luxembourg Entity at least two days before the hearing, asks the court for authorisation to proceed with the proposed sale.

The Luxembourg court authorises the transfer based on the report of the delegated judge. If there is more than one comparable offer, the Luxembourg court will give priority to the offer that guarantees continued employment by means of a social agreement (*accord social*).

***Security Interests Considerations***

The Notes are secured, among others, by several security rights governed by Luxembourg law, including Luxembourg law pledges over shares and cash accounts. The granting of security rights over movable or immovable, tangible or intangible, assets may be subject to validity and/or enforceability conditions. The breach of any of such conditions may render such security interests invalid or unenforceable. The foreclosure of security interests may be subject to formalities (including judicial or non-judicial consent) and may be time-consuming in the event that the foreclosure takes place under judicial control or in the event of a legal dispute. Courts may condition the enforcement of a security interest and/or guarantee upon the evidence that the creditor has a final and undisputed claim triggering the foreclosure of the security interest and/or guarantee. Enforcement of security interests and/or guarantees may be hindered by conflict of law and/or conflict of jurisdiction issues and may not breach any public policy provision and/or mandatory legal provisions.

According to Luxembourg conflict of law rules, the courts in Luxembourg will generally apply the *lex rei sitae* or *lex situs* (the law of the place where the assets or subject matter of the pledge or security interest is situated) in relation to the creation, perfection and enforcement of security interests over such assets.

As a consequence, Luxembourg law will apply in relation to the creation, perfection and enforcement of security interests over assets located or deemed to be located in Luxembourg, such as registered shares in Luxembourg companies, bank accounts held with a Luxembourg bank, receivables/claims governed by Luxembourg law and/or having debtors located in Luxembourg, tangible assets located in Luxembourg, securities which are held through an account located in Luxembourg, bearer securities held with a depository in Luxembourg, etc.

If there are assets located or deemed to be located in Luxembourg, the security interests over such assets will be governed by Luxembourg law and must be created, perfected and enforced in accordance with Luxembourg law. The Luxembourg Collateral Law governs the creation, validity, perfection and enforcement of pledges over shares, bank accounts and receivables located or deemed to be located in Luxembourg. Under the Luxembourg Collateral Law, the perfection of security interests depends on certain registration, notification and acceptance requirements. A share pledge agreement must be (i) notified to or acknowledged and accepted by the company which has issued the shares (subject to the security interest) and (ii) registered in the shareholders' register of such company. If future shares are pledged, the perfection of such pledge will require additional registration in the shareholders' register of such company. A pledge over receivables becomes enforceable against the debtor of the receivables and third parties from the moment when the agreement pursuant to which the pledge was created is entered into between the pledgor and the pledgee. However, if the debtor has not been notified of the pledge or if he did not otherwise acquire knowledge of the pledge, he will be validly discharged if he pays the pledgor. In addition, the account bank has to waive any pre-existing security interests and other rights in respect of the relevant account. If (future) bank accounts are pledged, the creation and perfection of such pledge will require additional acceptance and waiver by the account bank. Until such registrations, notifications and acceptances occur, the pledge agreements are not effective and perfected against the debtors, the account banks and other third parties.

According to article 11 of the Luxembourg Collateral Law and upon the occurrence of an enforcement event, the pledgee may, unless otherwise provided for, without prior notice:

- appropriate the pledged collateral, or cause the appropriation by a third party, at a price determined by the agreed upon valuation method;
- assign or cause to be assigned the pledged collateral by a private sale under normal commercial conditions, on a trading venue on which it is admitted to trading or by public auction;
- cause a judgement to be issued ordering that the pledgee retain the pledged collateral as payment up to the amount of the claims, in accordance with an expert valuation (*attribution judiciaire*); or
- proceed with netting in accordance with Part V of the Luxembourg Collateral Law.

As the Luxembourg Collateral Law does not provide any specific time periods and depending on (i) the enforcement method chosen, (ii) the valuation of the pledged assets, (iii) any possible recourses, and (iv) the possible need to involve third parties, such as, for example, courts, trading venues and appraisers, the enforcement of the security interests might be substantially delayed.

Foreign law governed security interests and the powers of any receivers/administrators may not be enforceable in respect of assets located or deemed to be located in Luxembourg. Security interests/ arrangements, which are not expressly recognised under Luxembourg law and the powers of any receivers/administrators might not be recognised or enforced by the Luxembourg courts, even over assets located outside of Luxembourg, in particular where a Luxembourg Entity becomes subject to Luxembourg Insolvency Proceedings or where the Luxembourg courts otherwise have jurisdiction because of the actual or deemed location of the relevant rights or assets, except if "main insolvency proceedings" (as defined in the Recast Insolvency Regulation) are opened under Luxembourg law and such security interests/arrangements constitute rights in rem over assets located in another Member State in which the Recast Insolvency Regulation (as applicable) applies, and in accordance with article 5 of the Recast Insolvency Regulation.

The perfection of the security interests created pursuant to pledge agreements does not prevent any third party creditor from seeking attachment or execution against the assets, which are subject to the security interests created under the pledge agreements, to satisfy their unpaid claims against the pledgor. Such creditor may seek the forced sale of the assets of the pledgors through court proceedings, although the beneficiaries of the pledges will in principle remain entitled to priority over the proceeds of such sale (subject to preferred rights by operation of law).

Under Luxembourg law, certain creditors of an insolvent party have rights to preferred payments arising by operation of law, some of which may, under certain circumstances, supersede the rights to payment of secured or unsecured creditors, and most of which are undisclosed preferences (*privilèges occultes*). This includes, in particular, the rights relating to fees and costs of the insolvency official as well as any legal costs, the rights of employees to certain amounts of salary, and the rights of the Treasury and certain assimilated parties (namely social security bodies), which preferences may extend to all or part of the assets of the insolvent party. This general privilege takes in principle precedence over the privilege of a pledgee in respect of pledged assets.

***Continuance of Ongoing Contracts***

The bankruptcy receiver decides whether or not to continue performance under ongoing contracts (i.e., contracts existing before the bankruptcy order). The bankruptcy receiver may elect to continue the business of the debtor, provided the bankruptcy receiver obtains the authorisation of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply:

- the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an early termination or acceleration event; and
- *intuitu personae* contracts (i.e., contracts whereby the identity of the other party constitutes an essential element upon the signing of the contract) are automatically terminated as of the bankruptcy

judgment since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts.

The bankruptcy receiver may elect not to perform the obligations of the bankrupt party that are still to be performed after the bankruptcy under any agreement validly entered into by the bankrupt party prior to the bankruptcy. The counterparty to that agreement may make a claim for damages in the bankruptcy and such claim will rank *pari passu* with the claims of all of the other unsecured creditors and/or seek a court order to have the relevant contract dissolved. The counterparty may not require specific performance of the contract.

***Limitation on Validity and Enforceability of Guarantees***

Guarantees executed by a Luxembourg company may be subject to limitations. The Luxembourg Companies Law, does not provide for rules governing the ability of a Luxembourg company to guarantee the indebtedness of another entity of the same group. It is generally held that within a group of companies, the corporate interest (*intérêt social*) of each individual corporate entity should, to a certain extent, be tempered by, and subordinated to, the interest of the group. Luxembourg companies may only enter into transactions which are in their individual corporate interest (*intérêt social*).

A reciprocal assistance from one group company to another does not necessarily conflict with the interest of the assisting company. However, this assistance must be temporary, in proportion with the real financial means of the assisting company or have a reciprocal character. A company may give a guarantee provided the giving of the guarantee is covered by the company's corporate objects (*objet social*) and is in the corporate interest (*intérêt social*) of the assisting company. The test regarding the guarantor company's corporate interest is whether the companies involved form part of a genuine group operating under a common strategy aimed at a common objective, whether the company that provides the guarantee receives some consideration in return (such as an economic or commercial benefit) or there is a balance between the respective commitments of the relevant members of the group, and whether the benefit is proportional to the burden of the assistance.

A guarantee that substantially exceeds the guarantor company's ability to meet its obligations to the beneficiary of the guarantee and to its other creditors would expose its directors or managers to personal liability. Furthermore, under certain circumstances, the directors or managers of the Luxembourg company might incur criminal penalties based on the concept of misappropriation of corporate assets (article 1500-11 of the Luxembourg Companies Law). It cannot be excluded ultimately that, if the relevant transaction were to be considered as a misappropriation of corporate assets by a Luxembourg court or if it could be evidenced that the other parties to the transaction were aware of the fact that the transaction was not for the corporate benefit of the Luxembourg company, the transaction might be declared void or ineffective based on the concept of illegal cause (*cause illicite*). To mitigate these risks, the up-stream / cross-stream guarantees granted by a Luxembourg guarantor will be limited to a certain percentage of, among others, the relevant company's net worth (*capitaux propres*) and intragroup liabilities as reflected in the financial statement of the relevant Luxembourg guarantor.

A guarantee granted by a Luxembourg company could, if submitted to a Luxembourg court, depending on the terms of such guarantee, possibly be construed by such court as a suretyship (*cautionnement*) and not as a first demand guarantee or an independent guarantee. Article 2012 of the Luxembourg Civil Code provides that the validity and the enforceability of a suretyship (which constitutes an accessory obligation) are subject to the validity of the underlying obligation. It follows that if the underlying obligations were invalid or challenged, it cannot be exceeded.

***Financial Assistance***

Pursuant to article 430-19 of the Luxembourg Companies Law, a Luxembourg company may not, directly or indirectly, advance funds, grant loans or provide security interests with a view to the acquisition of its own shares by a third party. A breach of this provision may result in the security interests being void and trigger the civil and criminal liability of the Luxembourg company's directors or managers (as the case may be).

***Registration in Luxembourg***

The registration of the Notes, the Security Documents and the Indenture (and any other document in connection therewith) with the *Administration de l'Enregistrement, des Domaines et de la TVA* in Luxembourg may be required in the case of legal proceedings before Luxembourg courts or in the case that the Notes, the Security Documents and the Indenture (and any other document in connection therewith) are produced before an official Luxembourg authority (*autorité constituée*) as a main document or as an annex to the main document being registered or produced. In such case, either a nominal registration duty or an ad valorem duty (or, for instance, 0.24% of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered. No ad valorem duty is payable in respect of the Security Documents that are subject to the Luxembourg Collateral Law.

The Luxembourg courts or the official Luxembourg authority may require that the Notes, the Security Documents, the Indenture (and any other document in connection therewith) and any judgment obtained in a foreign court be translated into French, German or Luxemburgish.

## PLAN OF DISTRIBUTION

The Issuer and the Initial Purchasers will enter into a purchase agreement to be dated on or about 2023 (the "**Purchase Agreement**"), pursuant to which, subject to certain conditions contained therein, the Issuer will have agreed to sell to the Initial Purchasers, and the Initial Purchasers will have agreed, severally and not jointly, to purchase from the Issuer, the entire principal amount of the Notes.

The obligations of the Initial Purchasers under the Purchase Agreement, including their agreement to purchase Notes from the Issuer, are several and not joint. The Purchase Agreement provides that the obligations of the Initial Purchasers to purchase the Notes are subject to, among other conditions, the delivery of certain legal opinions by counsel.

Under the Purchase Agreement, the Issuer and Guarantors have agreed that:

- during a period of 90 days from the date hereof (if the sale of the Securities by the Issuer and the Guarantors to the Initial Purchasers shall have occurred), the Issuer will not, and will not allow its subsidiaries or Affiliates over which it exercises management or voting control, or any other person acting on its behalf, without the prior written consent of the Representatives, to sell, offer to sell, contract to sell, or otherwise dispose of any other securities issued or guaranteed by the Issuer or any of its subsidiaries that are substantially identical to the Securities or that are convertible or exchangeable into securities issued or guaranteed by the Issuer or any of its subsidiaries that are substantially identical to the Securities; and
- the Issuers and the Guarantors will indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or contribute to payments that the Initial Purchasers may be required to make in respect of those liabilities.

The Initial Purchasers initially propose to offer the Notes at the offering price that appears on the cover page of this Offering Circular. After the initial offerings, the Initial Purchasers may change the offering price and any other selling terms. Depending on market conditions, certain of the Initial Purchasers may decide to initially purchase and hold a portion of the Notes for their own accounts. The Initial Purchasers may offer and sell the Notes through certain of their affiliates or through registered broker dealers. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

### United States

Each purchaser of Notes offered by this Offering Circular, in making its purchase, will be deemed to have made the acknowledgements, representations and agreements as described under "*Notice to Investors*".

The Notes and Guarantees have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For a description of certain further restrictions on resale or transfer of the Notes, see "*Notice to Investors*".

The Notes may not be offered to the public within any jurisdiction. By accepting delivery of this Offering Circular, you agree not to offer, sell, resell, transfer or deliver, directly or indirectly, any Note to the public.

The Initial Purchasers have agreed that they will not offer, sell or deliver the Notes within the United States. The Initial Purchasers will send to each dealer to whom they sell such Notes a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States substantially to the following effect:

"The securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered and sold within the United States except in accordance with Regulation S or any other available exemption from registration under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in the four paragraphs above have the meanings given to them by Regulation S under the Securities Act.

**United Kingdom**

***UK PRIIPS Regulation / Prohibition of Sales to UK Retail Investors***

Each Initial Purchaser has severally represented and agreed in the Purchase Agreement that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR.

Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPS Regulation.

The expression "offer" includes communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

***Other UK Regulatory Restrictions***

Each Initial Purchaser has severally further represented, warranted and agreed in the Purchase Agreement that:

(i) it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and

(ii) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK.

**EU PRIIPS Regulation / Prohibition of Sales to EEA Retail Investors**

Each Initial Purchaser has severally represented, warranted and agreed in the Purchase Agreement that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Consequently, no key information document required by the EU PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore

offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPS Regulation.

The expression "offer" includes communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

No action has been taken in any jurisdiction, including the United States and the United Kingdom, by the Group or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Circular or any other material relating to the Group or the Notes in any jurisdiction where action for this purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Notes may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction. This Offering Circular does not constitute an offer to sell or a solicitation of an offer to purchase in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this Offering Circular comes are advised to inform themselves about and to observe any restrictions relating to the Offering, the distribution of this Offering Circular and resale of the Notes. See "*Notice to Investors*".

**General**

The Notes are a new issue of securities, and there is currently no established trading market for the Notes. In addition, the Notes are subject to certain restrictions on resale and transfer as described under "*Notice to Investors*". The Issuer will apply to list the Notes on the Official List of the LuxSE and for the admission to trading on the Euro MTF Market thereof. However, there can be no assurance that the Notes will be approved for listing or that such listing will be maintained.

Certain of the Initial Purchasers (or persons acting on their behalf) have advised the Issuer that they intend to make a market in the Notes, but they are not obligated to do so. The Initial Purchasers may discontinue any market-making activities with respect to the Notes at any time in their sole discretion without notice. Accordingly, the Issuer cannot assure you that a liquid trading market will develop for the Notes, that you will be able to sell your Notes at a particular time or that the prices that you receive when you sell will be favourable. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes—The Notes may not become, or remain, listed on the LuxSE, and there may not be an active trading market for the Notes, and the trading price of the Notes may be volatile, in which case your ability to sell the Notes will be limited.*"

If a jurisdiction requires that the Offering be made by a licensed broker or dealer and the Initial Purchasers or any affiliate of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by the Initial Purchasers or such affiliate on behalf of the Issuer in such jurisdiction.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchases of securities.

We expect that delivery of the Notes will be made against payment on the Notes on or about the date specified on the cover page of this Offering Circular, which will be business days (as such term is used for purposes of Rule 15c6-1 of the U.S. Exchange Act) following the date of pricing of the Notes (this settlement cycle is being referred to as "T+ "). Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), trades in the secondary market are required to settle in two business days (until the end of the period of transition to a settlement cycle of T+1 on 28 May 2024), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of this Offering Circular or the next succeeding business days will be required, by virtue of the fact that the Notes initially settle on T+ , to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors.

In connection with the offering of the Notes, HSBC Bank plc (the "**Stabilising Manager**"), or persons acting on its behalf, may purchase and sell the Notes in the open market. These transactions may include overallotment, stabilising transactions, syndicate covering transactions in accordance with Regulation M under

the Exchange Act and applicable rules of the UK Financial Conduct Authority and penalty bids. Overallotment involves sales in excess of the offering size, which creates a syndicate short position. Stabilising transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the Initial Purchasers to reclaim a selling concession from a broker/dealer when the Notes originally sold by such broker/dealer are purchased in a stabilising or covering transaction to cover short positions. These activities may stabilise, maintain or otherwise affect the market price of the Notes. As a result, these transactions may cause the price of the Notes to be higher than than the prices that otherwise might exist in the open market.

Neither the Issuer nor the Initial Purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, there is no obligation on the Stabilising Manager to engage in such transactions and neither we nor the Initial Purchasers make any representation that the Stabilising Manager will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes.

**Certain Relationships**

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the Initial Purchasers and/or their affiliates have engaged, and/or may in the future engage, in investment banking (including Merrill Lynch International acting as sponsor under applicable listing rules), commercial banking and/or hedging transactions (including hedging and/or other bilateral business and banking activities) with and may perform services for the Issuer, the Guarantors and their respective affiliates in the ordinary course of business for which they have received and/or expect to receive customary fees and reimbursement of expenses.

In addition, certain of the Initial Purchasers or their respective affiliates have arranged and made loans to the Issuer and/or the Guarantors in the past and received fees in relation to arranging such loans. Certain of the Initial Purchasers or their affiliates that have a lending relationship with the Issuer, the Guarantors or their respective affiliates routinely hedge, and certain other of the Initial Purchasers or their affiliates may hedge, their credit exposure to the Issuer, the Guarantors or their respective affiliates consistent with their customary risk management policies. Typically, the Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Issuer, the Guarantors or their respective affiliates, including potentially the Notes. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes. One or more of the Initial Purchasers may sell through affiliates or other appropriately-licensed entities the Notes in jurisdictions where such Initial Purchasers are otherwise not permitted.

In the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Guarantors or their respective affiliates. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Certain of the Initial Purchasers or their respective affiliates act as lead arrangers and/or facility agent under, and all of the Initial Purchasers or their respective affiliates are lenders under, the Existing Senior Facilities Agreement. Each has received and may receive customary fees for their services in such capacities.

SSA have agreed (subject to, *inter alia*, receipt by the Issuer of the sponsor confirmation that the terms of the proposed transactions are fair and reasonable as far as shareholders of the Issuer are concerned as

required by Listing Rule 11.1.10R of the Listing Rules, (i) to purchase from the Initial Purchasers £30 million in aggregate principal amount of the Notes in the Offering, and the Initial Purchasers have (subject to, *inter alia*, receipt by the Issuer of such sponsor confirmation) agreed to sell £30 million in aggregate principal amount of the Notes in the Offering to SSA and (ii) to tender at least £30 million in aggregate principal amount of the Existing 2025 Notes held by SSA in the Tender Offer. The Issuer is under no obligation to accept for purchase any Existing 2025 Notes tendered pursuant the Tender Offer, and the acceptance for purchase by the Issuer of any Existing 2025 Notes pursuant to the Tender Offer is at the sole and absolute discretion of the Issuer. See "*Risk Factors—Risks Related to Our Financial Profile and the Notes—The Notes may not become, or remain, listed on the LuxSE, and there may not be an active trading market for the Notes, and the trading price of the Notes may be volatile, in which case your ability to sell the Notes will be limited.*"

## NOTICE TO INVESTORS

*You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes.*

This Offering Circular does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Offering Circular and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular comes are required to inform themselves about and to observe any such restrictions.

No action has been taken in any jurisdiction that would permit a public offering of the Notes. No offer or sale of the Notes may be made in any jurisdiction except in compliance with the applicable laws thereof. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Notes or possess this Offering Circular.

For a description of certain restrictions relating to the offer and sale of the Notes, see "*Plan of Distribution*". The Issuer accepts no liability for any violation by any person, whether or not a prospective purchaser of the Notes, of any such restrictions.

The Notes and the Guarantees have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction, and may only be offered and sold outside the United States in "offshore transactions" as defined in, and in accordance with, Regulation S.

Accordingly, the offer is not being made in the United States and this document does not constitute an offer, or an invitation to apply for, or an offer or invitation to purchase or subscribe for, any Notes in the United States.

Each purchaser of the Notes (other than the Initial Purchasers), accepting delivery of this Offering Circular or delivery of the Notes, will be deemed to have acknowledged, represented to, warranted to and agreed with the Issuer, each Guarantor and the Initial Purchasers and their respective affiliates as follows:

(1) The purchaser understands and acknowledges that the Notes and the Guarantees have not been and will not be registered under the Securities Act or the securities laws of any other applicable jurisdiction, that the Notes are only being offered for resale in offshore transactions not requiring registration under the Securities Act or any other securities laws in reliance on Regulation S under the Securities Act, and, none of the Notes may be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities laws, pursuant to an exemption therefrom or in a transaction not subject to such laws and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) below;

(2) The purchaser is subscribing or acquiring the Notes in compliance with Rule 903 of Regulation S in an "offshore transaction" as defined in Regulation S;

(3) The purchaser acknowledges that none of the Issuer, the Guarantors, or the Initial Purchasers, nor any person representing any of them, has made any representation to it with respect to us or the offer or sale of any of the Notes, other than the information contained in this Offering Circular, which has been delivered to the purchaser and upon which it is relying in making its investment decision with respect to the Notes. It acknowledges that neither the Initial Purchasers nor any person representing the Initial Purchasers make any representation or warranty as to the accuracy, adequacy or completeness of this Offering Circular. It has had access to such financial and other information concerning us and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Issuer and the Initial Purchasers.

(4) The purchaser is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case, for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or the securities laws of any other jurisdiction, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Regulation S or any other exemption from registration available under the Securities Act, or in any transaction not subject to the Securities Act.

(5) The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree to offer, sell or otherwise transfer such Notes only (i) to us, (ii) pursuant to a registration statement that has been declared effective under the Securities Act, (iii) pursuant to offers and sales that occur in offshore transactions outside the United States in compliance with Regulation S under the Securities Act or (iv) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to our and the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clause (iv) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (II) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the reverse of the security is completed and delivered by the transferor to the Trustee.

(6) Each purchaser acknowledges that each Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ONLY (A) TO THE ISSUER, THE GUARANTORS AND ANY SUBSIDIARY THEREOF (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (D) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

If the purchaser purchases Notes, it will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(7) The purchaser agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on the transfer of such Notes.

(8) The purchaser acknowledges that the Registrar will not be required to accept for registration or transfer any Notes acquired by it except upon presentation of evidence satisfactory to the Issuer and the Registrar that the restrictions set forth therein have been complied with.

(9) The purchaser acknowledges that the Issuer, the Initial Purchasers and others will rely upon the truth and accuracy of its acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

(10) The purchaser: (a) is able to fend for itself in the Transactions contemplated by this Offering Circular; (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Notes and (c) has the ability to bear the economic risks of its prospective investment and can afford the complete loss of such investment.

(11) The purchaser understands that no action has been taken in any jurisdiction (including the United States) by the Issuer or the Initial Purchasers that would result in a public offering of the Notes or the possession, circulation or distribution of this Offering Circular or any other material relating to us or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Plan of Distribution*" and "*Notice to Investors*".

(12) You confirm that you, and any investor account or accounts for which you are purchasing the Notes, are not a retail investor. For the purposes of this paragraph, the expression "retail investor" means: (a) in relation to an EEA Member State, a person who is one (or more) of the following: (i) a "retail client" as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (b) in relation to the United Kingdom, a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA.

(13) You understand that: (i) the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor (as defined above) in the EEA or the UK, and (ii) no key information document required by the EU PRIIPs Regulation or the UK PRIIPS Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the EU PRIIPs Regulation or the UK PRIIPS Regulation.

Any person in the United States who obtains a copy of this Offering Circular is required to disregard it.

For the purposes of this notice, the Notes include interests or rights in the Notes, as applicable, held in Euroclear or Clearstream, Luxembourg or any other clearing system.

## LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for us by Debevoise & Plimpton LLP as to matters of U.S. federal and New York State law and English law and by Loyens & Loeff Luxembourg SARL on matters of Luxembourg law. Certain legal matters in connection with this offering will be passed upon for the Initial Purchasers by Latham & Watkins (London) LLP as to matters of U.S. federal and New York State law and English law and by NautaDutilh Avocats Luxembourg S.à r.l. on matters of Luxembourg law.

## STATUTORY AUDITORS

The Audited Financial Statements, incorporated by reference into this Offering Circular, have been audited by KPMG Audit S.à r.l. as stated in its report incorporated by reference herein.

## ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg. The Guarantors are private limited liability companies incorporated under the laws of England and Wales or Luxembourg. The Security Documents relating to the Collateral are governed by the laws of England and Wales or Luxembourg. The Indenture (including the Guarantees), the Notes and the Guarantees are governed by New York law. The Intercreditor Agreement is governed by English law. All of the directors, managers and executive officers of the Issuer and each of the Guarantors are non-residents of the United States. Since substantially all of the assets of the Issuer and each of the Guarantors, and its and their directors, managers and executive officers, are located outside the United States, any judgment obtained in the United States against the Issuer or a Guarantor or any such other person, including judgments with respect to the payment of principal, premium (if any) and interest on the Notes or any judgment of a U.S. court predicated upon civil liabilities under U.S. federal or state securities laws, may not be collectible in the United States. Furthermore, although the Issuer and each of the Guarantors will appoint an agent for service of process in the United States and will submit to the jurisdiction of New York courts, in each case, in connection with any action in relation to the Notes and the Indenture or under U.S. securities laws, it may not be possible for investors to effect service of process on us or on such other persons as mentioned above within the United States in any action, including actions predicated upon the civil liability provisions of U.S. federal securities laws.

If a judgment is obtained in a U.S. court against the Issuer or a Guarantor, investors will need to enforce such judgment in jurisdictions where the relevant company has assets. Even though the enforceability of U.S. court judgments outside the United States is described below for the countries in which each of the Issuer and the Guarantors is located, you should consult with your own advisors in any pertinent jurisdictions as needed to enforce a judgment in those countries or elsewhere outside the United States.

### England

The following discussion with respect to the enforceability of certain U.S. court judgments in England is based upon advice provided to us by our English counsel, Debevoise & Plimpton LLP.

A judgment obtained in the courts of New York in any suit, action or proceeding arising out of or in connection with the Notes would not automatically be recognised or enforceable in England because there is no treaty between the United States and the United Kingdom providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters (as opposed to arbitration awards). Such a judgment may, however, be enforced in England by way of a separate action initiated before a court of competent jurisdiction in England for the sum payable on the judgment and, subject to what is described below, the English court would not generally re-examine the merits and it would usually be possible to obtain summary judgment on such a claim (assuming that there is no good defence to it). Recognition and enforcement of a U.S. judgment by an English court in such an action is conditional upon (among other things) the following:

- the U.S. court having had, at the time when proceedings were served, jurisdiction over the original proceedings according to English rules on private international law;
- the U.S. judgment being final and conclusive on the merits in the sense of being final and unalterable in the court which pronounced it and being for a definite sum of money; and
- the U.S. judgment not being for a sum payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty or otherwise based on a U.S. law that an English court considers to relate to penal, revenue or other public law.

An English court may refuse to enforce such a judgment if the judgment debtor satisfied the court that:

- the U.S. judgment was obtained by fraud;
- the U.S. judgment contravenes English public policy;

- the U.S. judgment was obtained contrary to an agreement for the settlement of disputes under which the dispute in question was to be settled otherwise than by proceedings in a U.S. court (to whose jurisdiction the judgment debtor did not submit);
- the U.S. judgment was obtained in breach of English principles of natural or substantial justice;
- the U.S. judgment is (i) a judgment on a matter previously determined by an English court; (ii) another court whose judgment is entitled to recognition in England; or (iii) a judgment which conflicts with an earlier judgment of such court;
- the U.S. judgment has been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damages sustained, is otherwise specified in Section 5 of the Protection of Trading Interests Act 1980 or is based on measures designated by the Secretary of State under Section 1 of that Act; and
- the English enforcement proceedings were not instituted within the relevant limitation period.

Only subject to the foregoing may investors be able to enforce in England judgments that have been obtained from U.S. federal or state courts. Notwithstanding the preceding, we cannot assure you that those judgments will be recognised or enforceable in England. In addition, we cannot assure you whether an English court would accept jurisdiction and impose civil liability if the original action was commenced in England, instead of the United States, and predicated solely upon U.S. federal securities laws.

It may not be possible to obtain an English judgment or to enforce that judgment if the judgment debtor is subject to any insolvency or similar proceedings, or if the judgment debtor has any set off or counterclaim against the judgment creditor. Also note that, in any enforcement proceedings, the judgment debtor may raise any counterclaim that could have been brought if the action had been originally brought in England unless the subject of the counterclaim was in issue and denied in the U.S. proceedings.

**Luxembourg**

We have been advised by our Luxembourg counsel that, as there is no treaty in force governing the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and Luxembourg, courts in Luxembourg will not automatically recognise and enforce a final judgment rendered by a U.S. court. A valid final, non-appealable and conclusive judgment against an issuer incorporated in Luxembourg with respect to the notes obtained from a court of competent jurisdiction in the United States remains in full force and effect after all appeals as may be taken in the relevant state or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg, subject to compliance with the enforcement procedures (*exequatur*) set out in Article 678 *et seq.* of the Luxembourg New Code of Civil Procedure (*Nouveau Code de Procédure Civile*) and Luxembourg case law, being:

- the judgment rendered by the U.S. court is enforceable (*exécutoire*) in the United States;
- the U.S. court must not infringe the exclusive jurisdiction of the Luxemburg courts and there must be a real link (*lien caractérisé*) between the case and the U.S. court;
- the judgment of the U.S. court must not contain contradictions with an existing Luxembourg court order or order does not contravene overriding mandatory provisions of Luxembourg law;
- the decision of the foreign court must not have been obtained by fraud, but in compliance with the principles of natural justice and the decision must have been granted in compliance with the rights of the defendant to appear and the right to a fair trial, and if the defendant appeared, to present its defence; and
- the considerations of the foreign order or the judgment, do not contravene international public policy as understood under the laws of Luxembourg or have not been given proceedings of a penal, criminal or tax nature (which would include awards of damages made under civil liabilities provisions of the U.S. federal securities laws, or other laws, to the extent that the same would be classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages)) or

rendered subsequent to an evasion of Luxembourg law or jurisdiction (*fraude à la loi*). Ordinarily an award of monetary damages would not be considered as a penalty, but if the monetary damages include punitive damages such punitive damages may be considered as a penalty.

If an original action is brought in Luxembourg, Luxembourg courts may refuse to apply the designated law amongst others and notably (i) if the choice of such foreign law was not made in good faith (*bona fide*), (ii) if the foreign law was not pleaded and proved or (iii) if pleaded and proved, such foreign law was contrary to mandatory Luxembourg laws or incompatible with Luxembourg's international public policy. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought. Also, an exequatur may be refused in respect of a foreign judgment granting punitive damages.

In practice, Luxembourg courts presently tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review.

Further, in the event of any proceedings being brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than Euro, a Luxembourg court would have power to give judgment expressed as an order to pay a currency other than Euro. However, enforcement of the judgment against any party in Luxembourg would be available only in Euro and for such purposes all claims or debts would be converted into Euro.

Subject to the foregoing, purchasers of the Notes may be able to enforce judgments in civil and commercial matters obtained from U.S. federal or state courts in Luxembourg. We cannot, however, assure you that attempts to enforce judgments in Luxembourg will be successful.

## WHERE YOU CAN FIND MORE INFORMATION

Each purchaser of the Notes from the Initial Purchasers will be furnished with a copy of this Offering Circular and, to the extent provided to such Initial Purchasers by the Issuer, any related amendment or supplement to this Offering Circular. Each person receiving this Offering Circular and any related amendments or supplements to this Offering Circular acknowledges that:

(1) such person has been afforded an opportunity to request from us, and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;

(2) such person has not relied on any Initial Purchaser or any person affiliated with any Initial Purchaser in connection with its investigation of the accuracy of such information or its investment decisions; and

(3) except as provided pursuant to (1) above, no person has been authorised to give any information or to make any representation concerning the Notes offered hereby other than those contained herein, and, if given or made, such information or representation should not be relied upon as having been authorised by the Company or any Initial Purchaser.

Pursuant to the Indenture and so long as the Notes are outstanding, we will furnish periodic information to holders of the Notes. See "*Description of the Notes—Certain Covenants—Reports*".

For so long as the Notes are listed on the Official List of the LuxSE for trading on the Euro MTF Market, copies of the Issuer's articles of association, the Indenture, as applicable, and our most recent consolidated financial statements published by us may be inspected and obtained at the office of the Listing Agent in Luxembourg. See "*Listing and General Information*".

## LISTING AND GENERAL INFORMATION

### Listing

Application has been made to list the Notes on the Official List of the LuxSE and to trading on the Euro MTF Market in accordance with the rules and regulations of the LuxSE. The LuxSE takes no responsibility for the contents of this Offering Circular, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular. There can be no assurance that the Notes will be listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market, or that such listing will be maintained.

It is expected that the approval in connection with the listing of the Notes on the Official List of the LuxSE and the admission of the Notes to trading on the Euro MTF Market will be granted by the LuxSE after the issuance of the Notes, respectively. Transactions will normally be effected for settlements in pound sterling and for delivery on the third business day after the day of the transaction.

We have appointed GLAS Trust Company LLC as paying agent and GLAS USA LLC as transfer agent to make payments on, when applicable, and transfers of the Notes for as long as any of the Notes are listed on the Official List of the LuxSE to trading on the Euro MTF Market and Banque Internationale à Luxembourg S.A. as listing agent. We reserve the right to change this appointment on the official website of the LuxSE (www.luxse.com).

Notice of any optional redemption, change of control or any change in the rate of interest payable on the Notes will be posted on the official website of the LuxSE (www.luxse.com).

For so long as the Notes are listed on the Official List to the LuxSE to trading on the Euro MTF Market, copies of the following documents may be inspected and obtained at the specified office of the listing agent in Luxembourg during normal business hours on any weekday:

- the articles of association and/or bylaws of the Issuer and the Guarantors (the Issuer's articles of association may also be inspected at the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) during normal business hours );
- the Guarantees and Security Documents;
- our most recent audited consolidated financial statements, and any interim financial statements published by us on a quarterly basis;
- the Indenture (which includes the form of the Notes), as applicable; and
- the Offering Circular.

Application may be made to the LuxSE to have the Notes removed from listing on the Official List of the LuxSE to trading on the Euro MTF Market, including if necessary to avoid any new withholding taxes in connection with the listing.

So long as the Notes are listed on the Official List of the LuxSE and admitted to trading on the Euro MTF Market, the Notes will be freely transferable and negotiable.

### Clearing Information

The Notes have been accepted for clearance through the facilities of Euroclear and Clearstream.

| | ISIN | Common Code |
|---|---|---|
| **Regulation S Global Notes**..... | | |

## Legal Information

### *The Issuer*

The Issuer, B&M European Value Retail S.A., is a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg. On the date of this Offering Circular, the business address of the Issuer is at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg. The Issuer is registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 187275 (LEI 213800UK7ZRLY2K1X530).

The offering of the Notes by the Issuer was authorised by the board of directors of the Issuer on 7 November 2023. The yield on the Notes is % per year. The yield is calculated at the Issue Date on the basis of the issue price. It is not an indication of future yields.

### *Guarantors*

As of 23 September 2023, the Guarantors and the Issuer would have represented 86.5% (88.6% on a pre-IFRS 16 basis) of the total assets of the Group on a consolidated basis. All Guarantors are within the scope of consolidation of the Issuer.

The following is a description of the Guarantors:

**B&M European Value Retail 1 S.à r.l.** is a private limited liability company (*société à responsabilité limitée*) incorporated in Luxembourg registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 173461 with its registered office at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg;

**B&M European Value Retail 2 S.à r.l.** a private limited liability company (*société à responsabilité limitée*) incorporated in Luxembourg registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 171437 with its registered office at 68-70 boulevard de la Pétrusse, L-2320 Luxembourg;

**B&M European Value Retail Holdco 1 Ltd** is incorporated in England and Wales with company number 08338308 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ;

**B&M European Value Retail Holdco 2 Ltd** is incorporated in England and Wales with company number 08338614 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ;

**B&M European Value Retail Holdco 3 Ltd** is incorporated in England and Wales with company number 08309890 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ;

**B&M European Value Retail Holdco 4 Ltd** is incorporated in England and Wales with company number 08309974 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ;

**B & M Retail Limited** is incorporated in England and Wales with company number 01357507 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ;

**EV Retail Limited** is incorporated in England and Wales with company number 03244928 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ;

**Heron Food Group Limited** is incorporated in England and Wales with company number 04514523 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ; and

**Heron Foods Limited** is incorporated in England and Wales with company number 01392197 with its registered office at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool L24 8RJ.

**Significant Change**

Except as disclosed in this Offering Circular:

- there has been no significant change in the financial position of the Issuer since 23 September 2023, and there has been no material adverse change in the prospects of the Issuer since 25 March 2023;
- there has been no significant change in the financial or trading position of the Group since 23 September 2023, and there has been no material adverse change in the Group's financial position as set forth in the Audited Financial Statements; and
- the Issuer and the Guarantors have not been engaged in any litigation, administrative proceeding or arbitration, and the Issuer and the Guarantors are not aware of any such litigation, administrative proceeding or arbitration pending or threatened against the Issuer and the Guarantors, that may have or have had in the recent past (covering at least the previous 12 months) a significant effect on the financial position of the Issuer or the Group.

The Issuer accepts responsibility for the information contained in this Offering Circular.

**REGISTERED OFFICE OF THE ISSUER**

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**LEGAL ADVISORS**

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| TRUSTEE | SECURITY AGENT | PAYING AGENT | REGISTRAR AND TRANSFER AGENT | LISTING AGENT |
|---|---|---|---|---|
| **GLAS Trustees Limited**<br>55 Ludgate Hill<br>Level 1 West<br>London<br>EC4M 7JU | **Deutsche Bank AG, London Branch**<br>Winchester House<br>1 Great Winchester Street<br>London EC2N 2DB<br>United Kingdom | **GLAS Trust Company LLC**<br>3 Second Street<br>Suite 206<br>Jersey City NJ<br>07311<br>USA | **GLAS USA LLC**<br>3 Second Street<br>Suite 206<br>Jersey City NJ<br>07311<br>USA | **Banque Internationale à Luxembourg S.A.**<br>69 route d'Esch<br>L-2953<br>Luxembourg |

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