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12 April 2019

Bonmarché Holdings plc
("Bonmarché" or the "Group")

Response to the announcement of a mandatory cash offer by Spectre Holdings Limited

On 2 April 2019 Spectre Holdings Limited ("**Spectre**"), an entity wholly-owned by Mr. Philip Day, announced the acquisition of 26,213,390 Bonmarché shares at a price of 11.445 pence per share, taking its interest in the Group to 52.4 per cent. As a result of this acquisition, Spectre is required, under the City Code on Takeovers and Mergers, to make a mandatory cash offer for the Bonmarché shares not already owned by Spectre.

The Board of Bonmarché, having reviewed the announcement of 2 April 2019 concerning the mandatory cash offer of 11.445 pence per Bonmarché share (the "**Mandatory Cash Offer**"), considers that the Mandatory Cash Offer materially undervalues Bonmarché and its future prospects.

The Board would also like to take this opportunity to inform shareholders that, in light of trading in Q4 of the financial year ended 31 March 2019 and prior to the announcement of the Mandatory Cash Offer, it had been planning a number of cost reduction actions across the Group and anticipates starting the implementation of these shortly. Further detail on these actions will be announced in due course.

In view of Spectre's position as the majority shareholder in Bonmarché, the Board has sought to engage with Philip Day to discuss the future plans for the business for the benefits of all stakeholders. The Board continues to seek positive engagement with Philip Day and looks forward to discussions in due course.

The Board will be writing to shareholders with its formal response to the Mandatory Cash Offer once the offer document has been posted by Spectre. In the meantime, Bonmarche shareholders are strongly advised to take no action in relation to their Bonmarché shares. Further announcements will be made as and when appropriate.

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A copy of this announcement will be available at www.bonmarcheplc.co.uk (<http://www.bonmarcheplc.co.uk>). The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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

contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

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

Rule 26.1 disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at www.bonmarcheplc.co.uk (<http://www.bonmarcheplc.co.uk>) by no later than 12 noon (London time) on the Business Day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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