

Spectre Holdings Ltd

Closing of Offer

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Spectre Holdings Limited
27 June 2019

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MANDATORY UNCONDITIONAL CASH OFFER

by

Spectre Holdings Limited ("Spectre")

to acquire the entire issued share capital

of

Bonmarché Holdings plc ("Bonmarché")

CLOSING OF OFFER

On 2 April 2019, Spectre announced, pursuant to Rule 2.7 of the Takeover Code, that it had unconditionally acquired 26,213,390 Bonmarché Shares and as a result was required under Rule 9 of the Takeover Code to make a mandatory unconditional cash offer for the issued and to be issued share

capital of Bonmarché not already held by Spectre and persons acting in concert with it (the "Offer").

On 16 May 2019, Spectre announced that the Offer would remain open for acceptance until further notice, and that not less than 14 calendar days' notice will be given before the closing of the Offer.

Capitalised terms used in this announcement, unless otherwise defined, have the same meanings as set out in the Offer Document issued by Spectre on 25 April 2019.

Spectre's response to Bonmarché trading update dated 26 June 2019

Spectre has reviewed the announcement made by Bonmarché on 26 June 2019 giving the Bonmarché board's updated guidance on the company's trading performance and the board's change in recommendation in relation to the Offer. While Spectre welcomes the Bonmarché board's recommendation that Bonmarché Shareholders now accept the Offer, Spectre wishes today to announce its updated position.

Spectre notes the Bonmarché board's comments that trading for the company has been poor and that there is a significant degree of uncertainty attached to the company achieving its financial targets. Spectre further notes the Bonmarché board's comments that the risks for the business going forward are heavily weighted towards the downside and that the current clothing market is not following the patterns of previous years.

Since the announcement of the Offer, Spectre has believed that Bonmarché needs to reduce its cost base to a sustainable level and that a detailed review should be conducted of a number of elements of its business, including completing a store-by-store profitability assessment.

Spectre believes the Bonmarché board's latest trading update is a validation of Spectre's view, expressed in the announcement of the Offer on 2 April 2019, that these reforms were needed urgently at that time. On 16 May 2019 Spectre further expressed concern that the Bonmarché board's newly announced cost-cutting strategy was not sufficient to return Bonmarché to profitability.

In light of the Bonmarché board's latest trading update, Spectre now believes that the passage of time, and a further decline in the performance of Bonmarché, has eroded Spectre's ability to provide the advice, guidance and support needed to secure the long-term future of the Bonmarché business, its stores and employees.

Spectre is especially concerned by the suggestion that PwC, Bonmarché's auditor, may shortly express uncertainty about the company's ability to continue as a going concern in its FY19 accounts.

Spectre also notes Bonmarché's comments that the company has adequate liquidity only insofar as its bank continues to support it with a £5 million overdraft and other facilities. Against a background of negative trading updates and declining financial performance, Spectre is concerned Bonmarché may soon no longer have facilities available to it.

In light of this information, Spectre believes it is now forced to close the Offer. In accordance with the announcement made on 16 May 2019, Spectre must give not less than 14 calendar days' notice before closing the Offer. As a result, the Offer will close at 5.00p.m. on 12 July 2019.

The Offer, which remains subject to the terms set out in the Offer Document and, in respect of certificated Bonmarché Shares, the Form of Acceptance, will remain open for acceptance until that time.

Although Spectre is closing the Offer, Spectre expects the Bonmarché board to keep Bonmarché Shareholders updated on ongoing trading and on the outlook for the full year.

De-listing

If Spectre has:

(a) by virtue of its shareholding and acceptances of the Offer, increased its aggregate shareholding to not less than 75 per cent. of the share capital of Bonmarché and

(b) obtained acceptances of the Offer or acquired or agreed to acquire Bonmarché Shares (excluding the 26,213,390 Bonmarché Shares acquired by Spectre on 2 April 2019) from Bonmarché Shareholders that represent a majority of the voting rights held by Bonmarché Shareholders on 2 April 2019 (excluding the 26,213,390 Bonmarché Shares acquired by Spectre on 2 April 2019),

and subject to any applicable requirements of the Listing Rules, Spectre intends to procure that Bonmarché applies for the cancellation of the listing of Bonmarché Shares on the Official List of the UK Listing Authority and for the cancellation of trading of Bonmarché Shares on the Main Market of the London Stock Exchange. It is anticipated that such cancellations will take effect no earlier than 20 Business Days after Spectre has obtained the relevant shareholding and acceptances referred to in (a) and (b) above.

Enquiries:

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A copy of this announcement will be available at www.spectredxb.com. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Zeus Capital, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Spectre and no one else in connection with the Offer and will not be responsible to anyone other than Spectre for providing the protections afforded to its clients, nor for providing advice in relation to the Offer or in relation to the contents of this announcement or any transaction or arrangement referred to in this announcement.

The directors of Spectre and Philip Day accept responsibility for the information contained in this announcement. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this announcement (other

than any information relating to Bonmarché, Bonmarché's directors or their immediate families, related trusts and connected persons) for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement is not intended to and does not constitute, or form any part of, an offer or an invitation to purchase any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Bonmarché in any jurisdiction in contravention of applicable law. This announcement does not constitute a prospectus or equivalent document. The Offer is made solely through the Offer Document, which contains the full terms of the Offer, including details of how to accept the Offer. Any acceptance or other response to the Offer should be made only on the basis of the information contained in the Offer Document. The laws of relevant jurisdictions may affect the availability of the Offer to persons not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to the laws of any jurisdiction other than the United Kingdom, should inform themselves about and observe any applicable legal and regulatory requirements. The Offer Document is available for public inspection and is also available on the website of Spectre (www.spectredxb.com).

Unless otherwise determined by Spectre and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in or into the United States or by use of the mails of, or by any means (including, without limitation, facsimile or other electronic transmission, telex or telephone) or instrumentality of inter-state or foreign commerce of, or any facility of, a national, state or other securities exchange of, the United States, nor is it being made directly or indirectly in or into Canada, Australia or Japan and the Offer is not capable of acceptance by any such use, means, instrumentality or facility or from within the United States, Canada, Australia or Japan or any other such jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. Accordingly, unless otherwise determined by Spectre and permitted by applicable law and regulation, copies of this announcement are not being, will not be and must not be mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada, Australia or Japan or any other such jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and persons receiving this announcement (including without limitation custodians, nominees and trustees) must not mail, forward, distribute or send them in, into or from the United States, Canada, Australia or Japan or any other such jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction.

This announcement, including information included or incorporated by reference in this announcement, may contain "forward-looking statements" concerning Spectre and Bonmarché. All statements other than statements of historical fact may be forward-looking statements. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements, which speak only as of the date of this announcement. Spectre assumes no obligation and does not intend to update these forward-looking statements, except as required pursuant to applicable law.

Please be aware that addresses, electronic addresses and certain other information provided by Bonmarché Shareholders and other relevant

persons in connection with the receipt of communications from Bonmarché may be provided to Spectre during the offer period as required under Section 4 of Appendix 4 of the Takeover Code.

Publication on Website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement together with all information incorporated into this announcement by reference to another source will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Spectre's website (www.spectredxb.com) by no later than 12 noon (London time) on the Business Day following the publication of this announcement. For the avoidance of doubt, the contents of the website are not incorporated by reference and do not form part of this announcement.

You may request a hard copy of this announcement (and any information incorporated by reference in this announcement) by calling Zeus Capital on +44 (0) 161 831 1512. It is important that you note that unless you make a request, a hard copy of this announcement and any such information incorporated by reference in it will not be sent to you. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form

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