

LETTER FROM THE BOARD
BOOHOO GROUP PLC

Directors:

Tim Morris (*Non-Executive Chair*)
Dan Finley (*Chief Executive Officer*)
Mahmud Kamani (*Group Co-Founder and Executive Vice Chair*),
Alistair McGeorge (*SID and Non-Executive Director*)
Carol Kane (*Group Co-Founder and Executive Director*)
Stephen Morana (*Chief Financial Officer*)
Kirsty Britz (*Non-Executive Director*)
John Goold (*Non-Executive Director*)
Iain McDonald (*Non-Executive Director*)

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9 January 2025

The Independent Committee of the Board unanimously recommends that Shareholders VOTE AGAINST the Resolution at the General Meeting requisitioned by Frasers

Dear Shareholder,

We write to you today in connection with the General Meeting requisitioned by Frasers on 21 January 2025 (the "**General Meeting**"). The Independent Committee reiterates its recommendation from the Circular dated 11 December 2024 that Shareholders **VOTE AGAINST** the Resolution to be proposed at the General Meeting.

The notice convening the General Meeting (the "**Notice of General Meeting**") can be found at www.boohooplc.com/investors/agm/year/2024.htm and includes details of how to vote at the General Meeting, the Notice of General Meeting itself and additional information in respect of the Notice of General Meeting including in relation to the appointment of proxies.

By way of reminder, the General Meeting was convened by the Board following a demand made by Frasers Group plc ("**Frasers**") in November 2024 that Mahmud Kamani be removed from office as a director of the Company. In line with best governance practices, the Board has formed an independent committee comprising of all the directors other than Mr Kamani (the "**Independent Committee**"), for the purposes of considering its recommendation to Shareholders in relation to how they should vote on the Resolution. To ensure good governance Mahmud Kamani has not taken part in the Independent Committee's recommendation.

Frasers' latest demand pre-dated the first general meeting of the Company that was requisitioned by Frasers in October 2024 to consider Frasers' initial demands that Mike Ashley and Mike Lennon be appointed as directors of the Company. **In compliance with Jersey law that general meeting was duly held on 20 December 2024, at which Shareholders overwhelmingly voted against both resolutions proposed by Frasers.**

We are writing to you today to remind Shareholders why voting at the General Meeting matters and why the Independent Committee is unanimously recommending that Shareholders **VOTE AGAINST** the Resolution.

ISS recommends Shareholders VOTE AGAINST

As well as considering the recommendation of the Board and making an assessment of the true motivation behind Frasers' recent behaviour, Shareholders should note the position of the respected independent proxy adviser Institutional Shareholder Services Inc. ("**ISS**").

ISS has recommended that Shareholders vote "AGAINST" the Resolution to be proposed at the General Meeting, which seeks to remove Mahmud Kamani as a director of the Company, concluding that board change is not warranted.

This recommendation is in line with the unanimous recommendation of the Company's Independent Committee.

Frasers' demands and its prior form

Frasers' demands, including its current attempt to remove Mr Kamani as a director of the Company, form part of an ongoing campaign by Frasers which appears designed to destabilise boohoo and disrupt the Board's plans to unlock and maximise Shareholder value through the Business Review that it announced in October.

The Board is of the view that in pursuing this campaign, Frasers is acting solely in its own commercial self-interest. In its previous communications with Shareholders the Board has also highlighted a number of instances in which Frasers has behaved in similar ways in relation to other companies.

Shareholders overwhelmingly rejected Frasers' attempts to destabilise boohoo with over 99% of shareholders other than Frasers voting against Frasers' proposed resolutions at the general meeting on 20 December 2024. The Independent Committee is unanimously recommending that Shareholders **VOTE AGAINST** the Resolution at the General Meeting on 21 January 2025.

Mahmud Kamani's position

Frasers' latest demand, that Mahmud Kamani be removed from office as a director of the Company, was received after the Board had appointed Tim Morris as Independent Non-Executive Chair, replacing Mr Kamani in the role, at which point Mr Kamani became Executive Vice Chair.

The Board's decision to appoint Mr Morris as Non-Executive Chair, which was announced on 21 November 2024, reflected the changing needs of the business, the Board's commitment to Shareholders to uphold high standards of corporate governance and the importance of the Business Review in unlocking and maximising Shareholder value.

Mr Kamani is an integral part of the leadership team. His counsel, guidance and insight to Dan Finley, Group Chief Executive Officer, the rest of the Board, and the wider business remains invaluable. The question for Shareholders to consider ahead of voting at the General Meeting is not therefore whether Mr Kamani should remain as the Company's Chair, but whether he should remain as a director having already stepped down as Chair.

The Independent Committee is unanimous in its view that Mr Kamani should remain as a director of the Company given his critical role in the business. As a co-founder, Mr Kamani built the Company from the ground up, transforming it to a global leader in online fashion. His entrepreneurial spirit, industry expertise and unwavering commitment to boohoo has been and remains, a key asset for the business. In addition, as previously announced, Mahmud Kamani has agreed to waive his current salary from boohoo for the next 12 months.

Other actions taken by the Board

As well as appointing Mr. Morris as Non-Executive Chair, the Board has taken the following decisive action in recent months with the objective of unlocking and maximising value for the benefit of all Shareholders:

1. **Appointed Dan Finley as Group CEO.** Dan is one of the outstanding leaders in a new generation of digital retailers. He and his team have successfully transformed Debenhams from a high-street retailer into a successful high-growth online marketplace, creating a new business model that is capital and stock-light, and highly cash-generative. The Board is unanimous in its view that Dan is the right CEO to lead the Group through its Business Review to unlock and maximise value for the benefit of all Shareholders. Dan has taken decisive

steps already including identifying a further £30 million in cost savings that the Group will benefit from in the coming months.

2. **Identified immediate strategies to unlock Shareholder value.** We have expanded across the wider Group the successful capital-light, cash generative and highly profitable marketplace model that has made Debenhams such a success. We are also continuing to take steps to strengthen the balance sheet by exploring the sale of non-core assets as well as streamlining the Group's operating model to ensure a lean and agile business.
3. **Raised equity capital in an oversubscribed share placing.** Shareholders, including Frasers, were willing to pay a premium over the market price for new shares in the Company, underscoring their commitment to the Company and its future prospects.
4. **Reduced its debt facility from £325M to £125M.** The Group has reduced its debt facility using funds raised from the placing, the proceeds of the recent disposal of its London office in Soho and through the Group's initiative to reduce stock levels as it becomes a leaner and lighter business, focused on maximising value for all our Shareholders.

The Independent Committee considers that Frasers' demand that Mr Kamani be removed as a director of the Company is another tactical move on its part intended to distract the Board from the important work of its Business Review and to destabilise boohoo for Frasers' own benefit as a trade competitor, regardless of its impact on the Company's other Shareholders. Frasers has made no compelling case to warrant change, and there are no such compelling reasons.

Recommendation

In the interests of ALL Shareholders, the Independent Committee is **unanimously recommending that Shareholders VOTE AGAINST the Resolution at the General Meeting**, as those Directors on the Independent Committee who hold shares intend to do in respect of their own beneficial holdings of shares, which amount to approximately 1.58 per cent. of the Company's issued share capital.

On behalf of your Board, thank you for your continued support of boohoo.

Yours sincerely

Tim Morris
Non-Executive Chair