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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**Form 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 25, 2017

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**MICHAEL KORS HOLDINGS LIMITED**

(Exact Name of Registrant as Specified in Its Charter)

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British Virgin Islands  
(State or other jurisdiction of incorporation)

001-35368  
(Commission File Number)

Not applicable  
(IRS Employer Identification No.)

33 Kingsway  
London, United Kingdom  
WC2B 6UF  
(Address of principal executive offices)

44 207 632 8600  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 1.01. Entry into a Material Definitive Agreement**

On July 25, 2017, Michael Kors Holdings Limited (the “Company”) issued an announcement (the “Rule 2.7 Announcement”) under Rule 2.7 of the United Kingdom City Code on Takeovers and Mergers (the “Code”) disclosing the terms of a recommended cash offer for the entire issued and to be issued share capital of Jimmy Choo PLC, a public company organized under the laws of England and Wales (“Jimmy Choo”) (the “Transaction”). In connection with the Transaction, (i) the Company, JAG Acquisitions (UK) Limited (“Michael Kors Bidco”), a wholly-owned subsidiary of the Company, and Jimmy Choo entered into a cooperation agreement (the “Cooperation Agreement”), and (ii) the Company and certain of its subsidiaries, as loan parties, the lenders party thereto and J.P. Morgan Europe Limited (“JPMEL”), as administrative agent, entered into a Bridge Credit Agreement, dated as of July 25, 2017 (the “Bridge Credit Agreement”).

### *Rule 2.7 Announcement*

On July 25, 2017, the Company issued the Rule 2.7 Announcement disclosing the terms of the Transaction. Under the terms of the Transaction, Jimmy Choo shareholders will receive 230 pence in cash for each Jimmy Choo share, which values Jimmy Choo’s existing issued and to be issued share capital at approximately £896 million. The Company intends to implement the Transaction by way of a scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006 (“Scheme”).

The Transaction will be conditional upon (i) the receipt of certain competition authority clearances, (ii) approval of the Scheme by a majority in number of the Jimmy Choo shareholders present and voting (and entitled to vote) at the meeting of Jimmy Choo shareholders to be convened by order of the High Court of Justice of England and Wales (the “Court Meeting”) representing at least 75% of the issued share capital of Jimmy Choo and approval of related resolutions by Jimmy Choo shareholders holding at least 75% of the issued share capital of Jimmy Choo at a meeting of Jimmy Choo shareholders convened by Jimmy Choo (the “General Meeting”) and (iii) the sanction of the Scheme by the High Court of Justice of England and Wales. The conditions to the Transaction are set out in full in the Rule 2.7 Announcement. Subject to such conditions, it is expected that the Scheme will become effective in the fourth calendar quarter of 2017.

The Company reserves the right to implement the Transaction by way of a takeover offer (as defined in Part 28 of the United Kingdom Companies Act 2006), subject to the terms of the Cooperation Agreement and the consent of the Panel on Takeovers and Mergers in the United Kingdom (the “Panel”).

### *Cooperation Agreement*

On July 25, 2017, the Company, Michael Kors Bidco and Jimmy Choo entered into the Cooperation Agreement pursuant to which the Company and Michael Kors Bidco have undertaken, among other things, to use best endeavors to obtain regulatory clearances from the relevant authorities in respect of the Transaction. The Company, Michael Kors Bidco and Jimmy Choo have agreed to certain undertakings to cooperate and provide each other with reasonable information and assistance in relation to the filings, notifications and submissions to be made in relation to such regulatory clearances and authorizations. The Company and Michael Kors Bidco have also agreed to provide Jimmy Choo with reasonable information, assistance and access for the preparation of key shareholder and Scheme documentation.

The Cooperation Agreement shall terminate (subject to certain provisions surviving) (i) if the Company, Michael Kors Bidco and Jimmy Choo so agree in writing, (ii) upon service of written notice from the Company to Jimmy

Choo if the scheme document or offer document does not include an unanimous and unconditional recommendation from the board of directors of Jimmy Choo, or Jimmy Choo, prior to the publication of such document(s), announces that (a) the Jimmy Choo directors no longer intend to make such recommendation or intend to adversely modify or qualify such recommendation, (b) it will not convene the Court Meeting or the General Meeting or (c) it intends not to post the scheme document, (iii) upon service of written notice from the Company to Jimmy Choo if the Jimmy Choo directors withdraw, adversely modify or adversely qualify the unanimous and unconditional recommendation from the board of directors of Jimmy Choo, (iv) upon service of written notice from the Company to Jimmy Choo prior to January 31, 2017 (the “Longstop Date”) if (a) any condition which has not been waived is or becomes incapable of satisfaction by the Longstop Date and, notwithstanding that the Company and/or Michael Kors Bidco has the right to waive such condition, the Company and/or Michael Kors Bidco will not do so, or (b) any condition which is incapable of waiver is or becomes incapable of satisfaction by the Longstop Date (in each case, if invocation of the relevant condition is permitted by the Panel), (v) upon service of written notice from the Company to Jimmy Choo if the relevant resolutions are not passed at the Court Meeting or General Meeting, (vi) upon service of written notice from the Company to Jimmy Choo if the Jimmy Choo directors recommend a competing offer or a competing offer completes, becomes effective or is declared unconditional in all respects (each, an “Inducement Payment Event”), (vii) upon service of written notice by the Company to Jimmy Choo or by Jimmy Choo to the Company if a Break Payment Event (as defined below) or an Inducement Payment Event occurs, (viii) if the Transaction is, with the permission of the Panel, withdrawn or lapses in accordance with its terms prior to the Longstop Date (other than where (a) such lapse or withdrawal is as a result of the exercise of the Company’s right to effect a switch to a takeover offer or (b) it is otherwise to be followed within five business days by an announcement under Rule 2.7 of the Code made by the Company or a person acting in concert with the Company to implement the Transaction by a different offer or scheme on substantially the same or improved terms) or (ix) if the Scheme has not become effective on or before the Longstop Date.

The Company has agreed to pay a break fee to Jimmy Choo of £17.92 million if: (i) on or prior to the Longstop Date, the Company or Michael Kors Bidco invokes (and is permitted by the Panel to invoke) any of the regulatory conditions so as to cause the Transaction not to proceed, lapse or be withdrawn; (ii) certain events under Rule 12 of the Code occur on or prior to the Longstop Date; or (iii) any regulatory condition is not satisfied or waived by the Company or Michael Kors Bidco by 11:59 p.m. on the date which is 14 days prior to the Longstop Date (each, a “Break Payment Event”). However, no payment will be made if, in certain limited circumstances, Jimmy Choo or JAB Luxury fails to submit the notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, for which it is responsible at least 70 calendar days prior to the Longstop Date or Jimmy Choo breaches certain obligations where such breach has caused or substantially contributed to the Company’s inability to satisfy the regulatory conditions by no later than 14 days prior to the Longstop Date.

Jimmy Choo has agreed to pay an inducement fee to the Company of £8.96 million if a an Inducement Payment Event occurs.

The Company, Michael Kors Bidco and Jimmy Choo have also agreed to the implementation of certain matters relating to the treatment of awards and options under certain equity plans operated by Jimmy Choo and certain other employee-related arrangements.

The Company has agreed to provide a guarantee in respect of Michael Kors Bidco’s obligations under the Cooperation Agreement.

#### *Bridge Credit Facility*

To finance the Transaction, on July 25, 2017 (the “Effective Date”), the Company entered into the Bridge Credit Agreement with the lenders from time to time party thereto (the “Lenders”) and JPMEL as administrative agent. The Company and a U.S., Canadian, Dutch and Swiss subsidiary of the Company are the borrowers under the Bridge Credit Agreement, and the borrowers and certain material subsidiaries of the Company provide unsecured guaranties of the obligations under the Bridge Credit Agreement. The Bridge Credit Agreement provides for a term loan in the aggregate principal amount of £1.115 billion, which will be denominated in Pounds Sterling. The Bridge Credit Agreement expires on the date that is 364 days from the date of the borrowing under the Bridge Credit Agreement.

The borrowing under the Bridge Credit Agreement bears interest at the London Interbank Offered Rate for Pounds Sterling adjusted for statutory reserve requirements (“Adjusted LIBOR”), plus an applicable margin based on the Company’s public debt ratings. The Bridge Credit Agreement also provides for an annual administration fee and a commitment fee equal to 0.10% to 0.25% per annum, based on the Company’s public debt ratings, applied to the aggregate daily amount of the unused commitments until the commitments are terminated in full.

The Bridge Credit Agreement requires the Company to maintain a leverage ratio as at the end of each fiscal quarter of no greater than 3.5 to 1. Such leverage ratio is calculated as the ratio of the sum of total indebtedness as of the date of the measurement plus 6 times the consolidated rent expense for the last four consecutive fiscal quarters, to Consolidated EBITDAR (as defined below) for the last four consecutive fiscal quarters. Consolidated EBITDAR is defined as consolidated net income plus income tax expense, net interest expense, depreciation and amortization expense, consolidated rent expense and other non-cash charges, subject to certain deductions. The Bridge Credit Agreement also includes covenants that limit additional indebtedness, guarantees, liens, acquisitions and other investments and cash dividends that are customary for financings of this type.

The Bridge Credit Agreement contains events of default customary for financings of this type, including, but not limited to, payment defaults, material inaccuracy of representations and warranties, covenant defaults, cross-defaults to certain indebtedness, certain events of bankruptcy or insolvency, certain events under ERISA, material judgments, actual or asserted failure of any guaranty supporting the Bridge Credit Agreement to be in full force and effect and changes of control. If such an event of default occurs, the lenders under the Bridge Credit Agreement would be entitled to take various actions, including, but not limited to, accelerating amounts outstanding under the Bridge Credit Agreement .

The Company intends to obtain permanent financing for the Transaction prior to the Closing of the Transaction to replace in full or in part the commitments or the loans then outstanding under the Bridge Credit Agreement. The aggregate amount of the commitments and loans received from such permanent financing shall be applied to reduce, on a Pound Sterling-for-Pound Sterling basis, the commitments and loans under the Bridge Credit Agreement.

The foregoing summary of the Transaction, the Rule 2.7 Announcement and the Cooperation Agreement do not purport to be complete and are subject to, and qualified in their entirety by, the full text of the Rule 2.7 Announcement, which is attached as Exhibit 2.1 hereto and incorporated by reference herein and the full text of the Cooperation Agreement, which is attached as Exhibit 2.2 hereto and incorporated by reference herein.

The foregoing summary of the Bridge Credit Agreement is only a summary and is qualified in its entirety by reference to the Bridge Credit Agreement, a copy of which will be filed as an exhibit to our Quarterly Report on Form 10-Q for the quarter ended August 31, 2017.

The Rule 2.7 Announcement, Cooperation Agreement and Bridge Credit Agreement and the above descriptions have been included solely to provide investors and security holders with information regarding the terms of such documents. They are not intended to be a source of financial, business or operational information about the Company, Michael Kors Bidco, Jimmy Choo or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in such documents were made only for purposes of those agreements and as of specific dates; were solely for the benefit of the parties to such documents, as applicable; and may be subject to limitations agreed upon by the parties, including being qualified by confidential disclosures made by each contracting party to the others for the purposes of allocating contractual risk among them instead of establishing matters of fact; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Investors and security holders should not rely on the representations, warranties and covenants or any description thereof as characterizations of the actual state of facts or condition of the Company, Michael Kors Bidco, Jimmy Choo or their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of such documents, as applicable, which subsequent information may or may not be fully reflected in public disclosures. As to factual matters concerning the Company, Michael Kors Bidco and Jimmy Choo, you should not rely upon the representations and warranties in such documents, as applicable.

JP MEL and/or its affiliates have provided in the past, and may provide in the future, investment banking services to the Company. In addition, J.P. Morgan Securities LLC together with its affiliate J.P. Morgan Limited is acting as financial advisor to the Company in connection with the Transaction and J.P. Morgan Securities LLC has provided a fairness opinion to the Company that the aggregate cash consideration to be paid by the Company in the Transaction is fair, from a financial point of view, to the Company.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

On July 25, 2017, the Company entered into the Bridge Credit Agreement as described under Item 1.01 above. The description of the Bridge Credit Agreement set forth in Item 1.01 above is incorporated into this Item 2.03 by reference.

**Item 8.01. Other Events.**

On July 25, 2017, the Company issued an announcement in relation to the terms of a recommended cash offer by the Company for all of the issued and to be issued share capital of Jimmy Choo.

**Item 9.01. Financial Statements and Exhibits**

(d) *Exhibits* .

The Company hereby furnishes the following exhibits described above in Item 1.01, Item 2.03 and Item 8.01:

2.1 Rule 2.7 Announcement, dated as of July 25, 2017.

2.2 Cooperation Agreement, dated as of July 25, 2017, by and among Michael Kors Holdings Limited, JAG Acquisitions (UK) Limited and Jimmy Choo.

99.1 Press release issued by the Company, dated as of July 25, 2017.

**FURTHER INFORMATION**

This Current Report is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Transaction or otherwise nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable laws. The Transaction will be implemented solely pursuant to the terms of the Scheme Document, which will contain the full terms and conditions of the Transaction, including details of how to vote in respect of the Transaction. Any decision in respect of, or other response to, the Transaction should be made only on the basis of the information contained in the Scheme Document.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Current Report on Form 8-K (the “Current Report”) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. The forward-looking statements involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements. Although the Company believes that its forward-looking statements are based on reasonable assumptions, expected results may not be achieved, and actual results may differ materially from its expectations.

The Company’s forward-looking statements should not be relied upon except as statements of the Company’s present intentions and of the Company’s present expectations, which may or may not occur. Cautionary statements should be read as being applicable to all forward-looking statements wherever they appear. Except as required by law, the Company undertakes no obligation to release publicly the result of any revision to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of

unanticipated events. Readers are also urged to carefully review and consider the various disclosures the Company has made in this Current Report, as well as the Company's other filings with the Securities and Exchange Commission (the "SEC"). In particular, see the Company's Annual Report on Form 10-K, filed with the SEC on May 31, 2017, a copy of which is available upon request from the Company. The Company does not assume any obligation to update the forward looking information contained in this Current Report.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### MICHAEL KORS HOLDINGS LIMITED

Date: July 25, 2017

By: /s/ Krista A. McDonough  
Name: Krista A. McDonough  
Title: Senior Vice President, General Counsel

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### Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
2.1	<a href="#">Rule 2.7 Announcement, dated as of July 25, 2017.</a>
2.2	<a href="#">Cooperation Agreement, dated as of July 25, 2017, by and among Michael Kors Holdings Limited, JAG Acquisitions (UK) Limited and Jimmy Choo.</a>
99.1	<a href="#">Press release issued by the Company, dated as of July 25, 2017.</a>

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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**  
**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN**  
**PART, IN OR INTO ANY JURISDICTION WHERE TO DO SO WOULD**  
**CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH**  
**JURISDICTION**

25 July 2017

**RECOMMENDED CASH ACQUISITION**  
**of**  
**JIMMY CHOO PLC**  
**by**  
**MICHAEL KORS HOLDINGS LIMITED**

**to be effected**  
**by means of a Scheme of Arrangement**  
**under Part 26 of the Companies Act 2006**

**Summary**

- The boards of directors of Michael Kors Holdings Limited (“ **Michael Kors** ”) and Jimmy Choo PLC (“ **Jimmy Choo** ”) are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by which the entire issued and to be issued ordinary share capital of Jimmy Choo will be acquired by JAG Acquisitions (UK) Limited (“ **Michael Kors Bidco** ”), a wholly-owned subsidiary of Michael Kors (the “ **Acquisition** ”).
  - Under the terms of the Acquisition, each Scheme Shareholder will receive 230 pence in cash for each Jimmy Choo Share, valuing Jimmy Choo’s existing issued and to be issued ordinary share capital at approximately £896 million.
  - The price of 230 pence per Jimmy Choo Share represents a premium of approximately:
    - 36.5 per cent. to Jimmy Choo’s share price of 168.50 pence at the close of business on 21 April 2017, the last Business Day before the Jimmy Choo Directors announced the commencement of the formal sale process for Jimmy Choo under the terms of the Code;
    - 42.7 per cent. to Jimmy Choo’s three month volume weighted average share price of 161.2 pence to 21 April 2017; and
    - 59.6 per cent. to Jimmy Choo’s six month volume weighted average share price of 144.1 pence to 21 April 2017.
  - The Acquisition implies an enterprise value multiple of approximately 17.5 times Jimmy Choo’s Adjusted EBITDA for the 12 months ended 31 December 2016.
  - Michael Kors Bidco confirms that the offer price of 230 pence for each Jimmy Choo Share is final and will not be increased, except that Michael Kors Bidco reserves the right to increase the amount of the offer price if there is an announcement on or after
-

the date of this Announcement of an offer or possible offer for Jimmy Choo by a third party offeror or potential offeror. If, after the date of this Announcement and before the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Jimmy Choo Shares, Michael Kors Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition by an amount up to the amount of such dividend and/or distribution and/or other return of capital.

- The Jimmy Choo Directors, who have been so advised by BofA Merrill Lynch and Citi as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. Accordingly, the Jimmy Choo Directors intend unanimously to recommend Jimmy Choo Shareholders to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting. The Jimmy Choo Directors have irrevocably undertaken to vote (or to procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are interested vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in respect of the 5,055,375 Jimmy Choo Shares of which they are the beneficial holders or in which they are interested, representing, in aggregate, approximately 1.297 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement). In providing their advice to the Jimmy Choo Directors, BofA Merrill Lynch and Citi have taken into account the commercial assessments of the Jimmy Choo Directors. BofA Merrill Lynch and Citi are providing independent financial advice to the Jimmy Choo Directors for the purposes of Rule 3 of the Code.
- Michael Kors has received an irrevocable undertaking to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting from JAB Luxury GmbH (“**JAB Luxury**”), Jimmy Choo’s majority shareholder, in respect of 263,714,153 Jimmy Choo Shares representing, in aggregate, approximately 67.660 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement). The irrevocable undertaking given by JAB Luxury will only cease to be binding if: (i) Michael Kors or Michael Kors Bidco does not proceed with the Acquisition; (ii) the Scheme or Takeover Offer lapses or is withdrawn; or (iii) the Scheme or Takeover Offer does not become effective before the Longstop Date.
- Michael Kors has also received irrevocable undertakings to vote (or to procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are interested vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting from the Jimmy Choo Directors and Sandra Choi in respect of the 6,024,989 Jimmy Choo Shares of which they are the beneficial holders or in which they are interested, representing, in aggregate, approximately 1.546 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement). The irrevocable undertakings given by the Jimmy Choo Directors and Sandra Choi will cease to be binding if: (i) Michael Kors or Michael Kors Bidco does not proceed with the Acquisition; (ii) the Scheme or

Takeover Offer lapses or is withdrawn; or (iii) the Scheme or Takeover Offer does not become effective before the Longstop Date.

- Michael Kors believes it is the ideal partner for Jimmy Choo and is well positioned to support Jimmy Choo's continued growth. Michael Kors intends to apply the experiences, infrastructure and capabilities that it has developed as a company over the course of its own worldwide growth as a luxury fashion brand to support the growth of Jimmy Choo through retail store openings and further development of its online presence as well as through an expanded assortment of additional fashion product offerings.
- Michael Kors expects that, following completion of the Acquisition, Jimmy Choo will operate as it does today under its existing management team of Pierre Denis, Sandra Choi and Jonathan Sinclair within the Michael Kors organisation.
- The cash consideration payable by Michael Kors Bidco to the Scheme Shareholders will be funded from the proceeds of a 364-day term loan facility provided pursuant to the credit agreement dated 25 July 2017 (the "**Bridge Credit Agreement**"), entered into by and among Michael Kors and certain other members of the Michael Kors Group as loan parties, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.
- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. However, Michael Kors reserves the right to implement the Acquisition by way of a Takeover Offer (as defined in Part 28 of the Companies Act), subject to the Panel's consent and the terms of the Cooperation Agreement.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be posted to Jimmy Choo Shareholders and (for information only) in separate letters to participants in the Jimmy Choo Share Scheme within 28 days of the date of this Announcement and that the Scheme will be effective during the fourth calendar quarter of 2017, subject to the satisfaction of all relevant conditions, including the Conditions and certain further terms set out in Appendix 1 to this Announcement.
- Commenting on the Acquisition, John D. Idol, Chairman and Chief Executive Officer of Michael Kors said:

*"We are pleased to announce the acquisition of Jimmy Choo, an iconic brand with a rich history as a leading global luxury brand. Jimmy Choo is known worldwide for its glamorous and fashion-forward footwear. The company is a leader in setting fashion trends. Its innovative designs and exceptional craftsmanship resonate with trendsetters globally. We believe that Jimmy Choo is poised for meaningful growth in the future and we are committed to supporting the strong brand equity that Jimmy Choo has built over the last 20 years."*

*"Pierre Denis will continue in his role as Chief Executive Officer of Jimmy Choo. He has led the company since 2012, during which time Jimmy Choo experienced compounded sales growth of 11% annually. Pierre brings more than 25 years of*

experience and a strong track record with global fashion luxury brands. Additionally, Creative Director Sandra Choi will continue to lead the creative and design teams at the company. Sandra has been with Jimmy Choo since its inception and has been the sole Creative Director since 2013. Her groundbreaking vision and fashion artistry have created a truly iconic and internationally recognized label. Mr. Denis, Ms. Choi and the rest of the highly-talented management team have done a tremendous job, and this continuity of leadership will ensure that the DNA of Jimmy Choo is maintained as we work together to continue to grow the brand globally.”

— Commenting on the Acquisition, Michael Kors, Honorary Chairman and Chief Creative Officer said:

*“Jimmy Choo is an iconic premier luxury brand that offers distinctive footwear, handbags and other accessories. We admire the glamorous style and trend-setting nature of Jimmy Choo designs. We look forward to welcoming Jimmy Choo to our luxury group.”*

— Commenting on the Acquisition, Peter Harf, Chairman of Jimmy Choo said:

*“On behalf of the Board, I am pleased to announce Michael Kors’ all cash offer to our shareholders. Since the IPO, Jimmy Choo has continued to develop into one of the leading global luxury brands under its existing management team. The Board would like to thank the management team and all Jimmy Choo employees for their energy and efforts which have been the cornerstones of making Jimmy Choo the great company it is today. A combination with Michael Kors will allow Jimmy Choo to embark on its next phase of growth and provide opportunities for the benefit of Jimmy Choo customers, employees, shareholders and other stakeholders.”*

**This summary should be read in conjunction with, and is subject to, the full text of the following announcement (including its Appendices). The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 to this Announcement and to the full terms and conditions to be set out in the Scheme Document. Appendix 2 to this Announcement contains the sources and bases of certain information contained in this summary and the following announcement. Appendix 3 to this Announcement contains details of the irrevocable undertakings received by Michael Kors. Appendix 4 to this Announcement contains the definitions of certain terms used in this summary and the following announcement.**

#### Enquiries

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Will Smith

Shareholder Helpline (8.30 a.m. to 5.30 p.m., Monday to Friday)

Equiniti Limited 0371 384 2030

+44 (0)121 415 7047 (Outside the UK)

## **Further information**

*This Announcement is for information purposes only and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Jimmy Choo in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the Scheme Document or Offer Document or any document by which the Acquisition is made, which will contain the full terms and conditions of the Acquisition including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis on the information contained in the Scheme Document.*

*Please be aware that addresses, electronic addresses and certain other information provided by Jimmy Choo Shareholders, persons with information rights and other relevant persons for the receipt of communications from Jimmy Choo may be provided to Michael Kors Bidco during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

*Goldman Sachs, which is authorised by the PRA and regulated by the FCA and the PRA in the UK, is acting exclusively for Michael Kors and Michael Kors Bidco in connection with the matters set out in this Announcement and for no one else and will not regard any other person as its client in relation to the Acquisition and the other matters referred to in this Announcement and will not be responsible to anyone other than Michael Kors and Michael Kors Bidco for providing the protections afforded to clients of Goldman Sachs or for providing advice in connection with the Acquisition and any other matter referred to in this Announcement.*

*J.P. Morgan Securities LLC, together with its affiliate J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove and which is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA) (“J.P. Morgan”), is acting exclusively for Michael Kors and Michael Kors Bidco in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Michael Kors and Michael Kors Bidco for providing the protections afforded to their clients, or for giving advice in connection with any matter referred to in this Announcement.*

*Merrill Lynch International (“BofA Merrill Lynch”), a subsidiary of Bank of America Corporation, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Jimmy Choo in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other matters referred to in this Announcement.*

*Citigroup Global Markets Limited (“Citi”), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Jimmy Choo in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other matters referred to in this Announcement.*

*Liberum Capital Limited (“Liberum”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Jimmy Choo and no one else in connection with the Acquisition and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients, nor for providing advice in relation to the Acquisition or in relation to the contents of this Announcement or any transaction or arrangement referred to in this Announcement.*

*RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Jimmy Choo and no one else in connection with the Acquisition and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients, nor for providing advice in relation to the Acquisition or in relation to the contents of this Announcement or any transaction or arrangement referred to in this Announcement.*

### **Overseas Shareholders**

*The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Jimmy Choo Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England and Wales.*

*Unless otherwise determined by Michael Kors Bidco or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by way of Takeover Offer, unless otherwise permitted by applicable law or regulation, the Takeover Offer may not be made, directly or indirectly, in or into or by use of mail or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted*

*Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.*

*The availability of the Acquisition to Jimmy Choo Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

***Additional information for US investors***

*The Acquisition relates to the shares of an English company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. Neither the proxy solicitation rules nor the tender offer rules under the US Securities Exchange Act of 1934, as amended (the “US Exchange Act”), will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. If, in the future, Michael Kors exercises the right to implement the proposed acquisition by way of a takeover offer, the proposed acquisition will be made in compliance with applicable U.S. laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Financial information included in this Announcement has been prepared, unless specifically stated otherwise, in accordance with accounting standards applicable in the UK and thus may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.*

*It may be difficult for US holders of Jimmy Choo Shares to enforce their rights and claims arising out of the US federal securities laws, since Michael Kors Bidco and Jimmy Choo are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US holders of Jimmy Choo Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court’s judgement.*

*The receipt of cash pursuant to the Acquisition by a US holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and potentially under any applicable United States state or local, as well as foreign and other, tax laws. Each Jimmy Choo Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him or her.*

***Forward-looking statements***

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Michael Kors, Michael Kors Bidco and Jimmy Choo contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Michael Kors, Michael Kors Bidco and Jimmy Choo about future events,*

and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Acquisition on Michael Kors, Michael Kors Bidco and Jimmy Choo, the expected timing and scope of the Acquisition and other statements other than historical facts. All statements other than statements of historical facts included in this Announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “estimates”, “synergy”, “cost-saving”, “projects”, “goal”, “strategy”, “budget”, “forecast” or “might”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Jimmy Choo’s and Michael Kors’ operations and benefits from the Acquisition; and (iii) the effects of government regulation on Michael Kors’, Michael Kors Bidco’s or Jimmy Choo’s business.

These forward-looking statements are not guarantees of future financial performance. Except as expressly provided in this Announcement, they have not been reviewed by the auditors of Michael Kors or Jimmy Choo or their respective financial advisers. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. These factors include the satisfaction of the Conditions, as well as additional factors such as: Michael Kors’ ability to integrate the businesses successfully and to achieve anticipated benefits of the acquisition; the risk of disruptions to Michael Kors’ or Jimmy Choo’s businesses; the negative effects of the announcement of the Acquisition or the consummation of the Acquisition on the market price of the Michael Kors’ ordinary shares and its operating results; significant transaction costs; unknown liabilities; the risk of litigation and/or regulatory actions related to the Acquisition; fluctuations in demand for Jimmy Choo’s and Michael Kors’ products; changes in consumer traffic and retail trends; loss of market share and industry competition; fluctuations in the capital markets; fluctuations in interest and exchange rates; the occurrence of unforeseen disasters or catastrophes; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions, as well as those risks set forth in the reports that Michael Kors files from time to time with the U.S. Securities and Exchange Commission. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Michael Kors nor Michael Kors Bidco, nor Jimmy Choo, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements. All subsequent oral or written forward looking statements attributable to Michael Kors, Michael Kors Bidco or Jimmy Choo or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Unless otherwise

required by applicable law, Michael Kors, Michael Kors Bidco and Jimmy Choo disclaim any obligation to update or revise any forward looking or other statements contained herein other than in accordance with their legal and regulatory obligations.

### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **No profit forecasts or estimates**

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Jimmy Choo for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Jimmy Choo .

### **Dealing disclosure requirements**

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 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (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.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and 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), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree

company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

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.

**Publication on website and hard copies**

A copy of this Announcement and the documents required to be published by Rule 26 of the Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Michael Kors' website at <http://investors.michaelkors.com> and Jimmy Choo's website at [www.jimmychoopl.com](http://www.jimmychoopl.com).

For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this Announcement.

Michael Kors Shareholders and Jimmy Choo Shareholders may request a hard copy of this Announcement by contacting the Michael Kors Corporate Secretary at its principal executive office in London during business hours on +44 (0) 207 632 8600 or by submitting a request in writing to the Michael Kors Corporate Secretary at 33 Kingsway, London WC2B 6UF (for Michael Kors Shareholders) or Equiniti Limited on 0371 384 2030 or +44 (0)121 415 7047 (from outside the UK) between 8:30 a.m. to 5:30 p.m., Monday to Friday (for Jimmy Choo Shareholders) or by submitting a request in writing to Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA. If you have received this Announcement in electronic form, copies of this Announcement and any document or information incorporated by reference into this document will not be provided unless such a request is made.

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**  
**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

25 July 2017

**RECOMMENDED CASH ACQUISITION**  
**of**  
**JIMMY CHOO PLC**  
**by**  
**MICHAEL KORS HOLDINGS LIMITED**  
  
**to be effected**  
**by means of a Scheme of Arrangement**  
**under Part 26 of the Companies Act 2006**

**1. Introduction**

The boards of directors of Michael Kors and Jimmy Choo announce that they have reached agreement on the terms of a recommended cash acquisition by which the entire issued and to be issued ordinary share capital of Jimmy Choo will be acquired by Michael Kors Bidco, a wholly-owned subsidiary of Michael Kors having been specifically formed for the purpose of making the Acquisition. It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

**2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to be set out in the Scheme Document, Scheme Shareholders who are on the register of members of Jimmy Choo at the Scheme Record Time will be entitled to receive:

**for each Scheme Share      230 pence in cash**

The Acquisition values Jimmy Choo's entire issued and to be issued share capital at approximately £896 million on the basis of a fully diluted share capital of 389,737,588 Jimmy Choo Shares, calculated on the basis described in paragraph (a) of Appendix 2 to this Announcement.

The price of 230 pence per Jimmy Choo Share represents a premium of approximately:

- 36.5 per cent. to Jimmy Choo's share price of 168.50 pence at the close of business on 21 April 2017, the last Business Day before the Jimmy Choo Directors announced the commencement of the formal sale process for Jimmy Choo under the terms of the Code;

- 42.7 per cent. to Jimmy Choo's three month volume weighted average share price of 161.2 pence to 21 April 2017; and
- 59.6 per cent. to Jimmy Choo's six month volume weighted average share price of 144.1 pence to 21 April 2017.

The Acquisition implies an enterprise value multiple of approximately 17.5 times Jimmy Choo's Adjusted EBITDA for the 12 months ended 31 December 2016.

Michael Kors Bidco confirms that the offer price of 230 pence for each Jimmy Choo Share is final and will not be increased, except that Michael Kors Bidco reserves the right to increase the amount of the offer price if there is an announcement on or after the date of this Announcement of an offer or possible offer for Jimmy Choo by a third party offeror or potential offeror.

If, after the date of this Announcement and before the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Jimmy Choo Shares, Michael Kors Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition by an amount up to the amount of such dividend and/or distribution and/or return of capital.

### **3. Background to and reasons for the Acquisition**

Jimmy Choo is a luxury accessories brand that offers an empowered sense of glamour and a playfully daring spirit. Since its inception in 1996, the company has offered distinctive, glamorous and fashion-forward products, with luxury footwear at the heart of its unique brand DNA. The brand began as a bespoke atelier that catered to the global luxury consumer, and continues to be popular with style icons around the globe, including celebrities, royalty, musicians and heads of state. Jimmy Choo offers exceptionally crafted products of the highest quality, with a design team that is at the forefront of interpreting fashion trends in footwear and accessories. The collections reflect a mix of iconic, timeless products that appeal to a broader audience, as well as innovative offerings that are targeted to fashion trendsetters globally.

With approximately 150 company-operated retail stores, 560 multi-brand doors, and more than 60 franchise stores in premier locations worldwide, Jimmy Choo has a successful, balanced distribution network. The company has a strong presence in Europe, the Middle East, the Americas and Asia. In addition, Jimmy Choo continues to invest significantly in its online platform, which has experienced strong revenue growth in recent years.

Jimmy Choo also continues to build its presence in accessories and men's shoes. The Jimmy Choo brand has a natural authority in men's evening shoes, adding a twist to classic shapes, and has also seen strong growth in luxury active footwear. By integrating a dual gender product portfolio into its retail stores, Jimmy Choo expects to unlock additional value from this fast growing segment of the business.

Michael Kors believes it is the ideal partner for Jimmy Choo and is well positioned to support Jimmy Choo's continued growth. Michael Kors intends to apply the

experiences, infrastructure and capabilities that it has developed as a company over the course of its own worldwide growth as a luxury fashion brand.

Michael Kors believes that the Acquisition will deliver a number of benefits to Michael Kors and its shareholders, including:

- the opportunity to grow Jimmy Choo sales to \$1 billion;
- a more balanced portfolio with greater product diversification;
- an enhanced positioning in the attractive and growing luxury footwear segment;
- opportunity to grow in the men's luxury footwear category;
- further expansion in the luxury accessories market;
- greater exposure to global markets, particularly the fast-growing market in Asia; and
- the potential to create long-term operational synergies.

Following the Acquisition, Michael Kors expects Jimmy Choo to operate as it does today under its existing management team, including Chief Executive Officer Pierre Denis, Creative Director Sandra Choi and Chief Financial Officer Jonathan Sinclair, within the Michael Kors organisation, so as to ensure that the DNA of the Jimmy Choo brand is maintained and best positioned for future development and growth.

Michael Kors believes that the Acquisition enhances the economic value of Michael Kors and will drive improved long-term shareholder value. The Acquisition is expected to be earnings accretive on a GAAP basis in fiscal 2020.

Michael Kors believes its strong credit metrics are consistent with an investment grade credit profile. Michael Kors is committed to maintaining an investment grade credit profile, which includes targeting a lease-adjusted leverage ratio of 2.0x to 2.25x. Following the Acquisition, Michael Kors expects pro forma leverage to be slightly above its target range, and will adjust its capital allocation to prioritise debt reduction.

The Acquisition is expected to close during the fourth calendar quarter of 2017.

#### **4. Recommendation**

The Jimmy Choo Directors, who have been so advised by BofA Merrill Lynch and Citi as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable.

Accordingly, the Jimmy Choo Directors intend unanimously to recommend Jimmy Choo Shareholders to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting. The Jimmy Choo Directors have irrevocably undertaken to vote (or to procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are

interested vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in respect of the 5,055,375 Jimmy Choo Shares of which they are the beneficial holders or in which they are interested, representing, in aggregate, approximately 1.297 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement). In providing their advice to the Jimmy Choo Directors, BofA Merrill Lynch and Citi have taken into account the commercial assessments of the Jimmy Choo Directors. BofA Merrill Lynch and Citi are providing independent financial advice to the Jimmy Choo Directors for the purposes of Rule 3 of the Code.

BofA Merrill Lynch and Citi have given and not withdrawn their consent to the inclusion in this Announcement of references to their advice to the Jimmy Choo Directors in the form and context in which they appear.

## **5. Background to and reasons for the recommendation**

Jimmy Choo, one of the leading 21<sup>st</sup> century global luxury brands, was acquired by JAB Luxury in 2011 and, following a period of significant investment and development of the brand, the company was listed on the London Stock Exchange in 2014. Following this, Jimmy Choo continued to grow, with expansion of the retail store network in Asia, successful roll-out of Omnichannel and strong momentum in the rapidly growing men's shoes category. Today, Jimmy Choo remains one of the most well-known names in the luxury sector with a strong standalone investment case hinged around Jimmy Choo's iconic, powerful brand DNA.

After careful consideration of the Jimmy Choo's prospects and the relative approach to value for luxury goods companies in the private and public markets, the Jimmy Choo Directors announced on 24 April 2017 that they had decided to conduct a review of the strategic options available to Jimmy Choo in order to deliver maximum value for shareholders (the "**Review**"). With JAB Luxury's strategic focus gradually shifting away from luxury goods to every day consumer goods, JAB Luxury has been supportive of this decision. The Review included investigating whether a third party would make an offer to acquire the entire issued and to be issued share capital of Jimmy Choo, providing all Jimmy Choo Shareholders with immediate and certain value, to fully reflect Jimmy Choo's prospects.

In order to solicit third party offers for Jimmy Choo, the Jimmy Choo Directors conducted a full and thorough auction process to identify a potential new owner for Jimmy Choo. Initial proposals were received based upon publicly available information, with selected interested parties invited to access further due diligence information based on the attractiveness and certainty of their proposal. The selected interested parties were then invited to submit final, binding proposals for Jimmy Choo.

Following the provision of further due diligence information, the Jimmy Choo Directors received a proposal from Michael Kors which they believe represents the most attractive proposal for Jimmy Choo and its shareholders and represents a significant premium to Jimmy Choo's share price prior to the announcement of the Review.

In recommending the Acquisition, the Jimmy Choo Directors have taken into account a number of factors, including:

- notwithstanding the attractive prospects of the standalone business, the Acquisition allows Jimmy Choo Shareholders to realise their full investment in Jimmy Choo at an attractive valuation that recognises Jimmy Choo's prospects and growth potential;
- the certainty of the Acquisition and its ability to deliver upfront in cash the value of the business;
- the Acquisition implies a 59.6 per cent premium to Jimmy Choo's six month volume weighted average share price of 144.1 pence to 21 April 2017, and a 36.5 per cent premium to Jimmy Choo's share price of 168.50 at the close of business on 21 April 2017 (being the last Business Day before the announcement of the Review);
- the Acquisition implies an enterprise value multiple of approximately 17.5 times Jimmy Choo's Adjusted EBITDA for the 12 months ended 31 December 2016; and
- the Jimmy Choo Directors recognise Jimmy Choo's ownership structure and that the Acquisition has the full support of Jimmy Choo's largest shareholder, JAB Luxury, which controls approximately 67.660% per cent of the ordinary share capital of Jimmy Choo and has given an irrevocable undertaking to vote in favour of the Acquisition.

Further, the Jimmy Choo Directors believe Jimmy Choo's employees, customers and other stakeholders will benefit from the opportunities provided by a combination with Michael Kors.

Following careful consideration of the above factors, the Jimmy Choo Directors intend unanimously to recommend the Acquisition to Jimmy Choo Shareholders. The Jimmy Choo Directors have irrevocably undertaken to vote (or to procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are interested vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in respect of the 5,055,375 Jimmy Choo Shares of which they are the beneficial holders or in which they are interested, representing, in aggregate, approximately 1.297 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement).

## **6. Irrevocable undertakings**

Michael Kors has received an irrevocable undertaking to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting from JAB Luxury, Jimmy Choo's majority shareholder, in respect of 263,714,153 Jimmy Choo Shares representing, in aggregate, approximately 67.660 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement). The irrevocable

undertaking given by JAB Luxury will only cease to be binding if: (i) Michael Kors or Michael Kors Bidco does not proceed with the Acquisition; (ii) the Scheme or Takeover Offer lapses or is withdrawn and no new, revised or replacement Scheme or Takeover Offer has been announced, in accordance with Rule 2.7 of the Code, at the same time; or (iii) the Scheme or Takeover Offer does not become effective before the Longstop Date.

Michael Kors has also received irrevocable undertakings to vote (or to procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are interested vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting from the Jimmy Choo Directors and Sandra Choi in respect of the 6,024,989 Jimmy Choo Shares of which they are the beneficial holders or in which they are interested, representing, in aggregate, approximately 1.546 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement). The irrevocable undertakings given by the Jimmy Choo Directors and Sandra Choi will cease to be binding if: (i) Michael Kors or Michael Kors Bidco does not proceed with the Acquisition; (ii) the Scheme or Takeover Offer lapses or is withdrawn and no new, revised or replacement Scheme or Takeover Offer has been announced, in accordance with Rule 2.7 of the Code, at the same time; or (iii) the Scheme or Takeover Offer does not become effective before the Longstop Date.

The irrevocable undertaking from Pierre Denis has been provided in respect of 2,684,489 Jimmy Choo Shares pledged in favour of HSBC Bank plc (“**Pledged Shares**”) and held by a HSBC Bank plc nominee entity (“**HSBC Nominee**”). Pierre Denis has agreed to direct that HSBC Nominee complies with the provisions of the irrevocable undertaking, other than in circumstances where such compliance is prevented by HSBC Bank plc exercising its rights in respect of the Pledged Shares following the occurrence of an event of default.

In total, therefore, Michael Kors has received irrevocable undertakings to vote (or procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are interested vote) in favour of the Scheme at the Court Meeting and the relevant resolutions to be proposed at the General Meeting in respect of 269,739,142 Jimmy Choo Shares representing, in aggregate, approximately 69.210 per cent. of the existing ordinary share capital of Jimmy Choo in issue on 21 July 2017 (being the latest practicable date prior to this Announcement).

Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement.

## **7. Information relating to Michael Kors and Michael Kors Bidco**

### ***Michael Kors***

Michael Kors is a global luxury fashion brand led by a world-class management team and a renowned, award-winning designer. Since launching his namesake brand over

35 years ago, Michael Kors has featured distinctive designs, materials and craftsmanship with a jet-set aesthetic that combines stylish elegance and a sporty attitude. Mr. Michael Kors' vision has taken Michael Kors from its beginnings as an American luxury sportswear house to a global accessories, footwear and apparel company with a presence in over 100 countries.

Michael Kors operates in three segments – retail, wholesale and licensing – and has a global distribution network focused on company-operated retail stores, leading department stores, specialty stores and select licensing partners. In the fiscal year ended 1 April 2017 and as of 1 April 2017 respectively, the three segments accounted for:

- Retail: approximately 57.2% of total revenue and 827 retail stores, including concessions, and e-commerce sites across the Americas, Europe and Asia;
- Wholesale: approximately 39.5% of total revenue and approximately 1,604 department stores and 2,003 specialty store across the Americas, Europe and Asia; and
- Licensing: approximately 3.3% of total revenue and consists primarily of royalties earned on licensed products and geographic licences.

Michael Kors offers three primary collections: the *Michael Kors Collection* luxury line, the *MICHAEL Michael Kors* accessible luxury line and the *Michael Kors Mens* line. Taken together, the primary collections target a broad customer base while retaining Michael Kors' premium luxury image.

For the fiscal year ended 1 April 2017, Michael Kors reported turnover of \$4,348 million and net profit of \$553 million. As of 1 April 2017, Michael Kors had 13,702 employees.

#### ***Michael Kors Bidco***

Michael Kors Bidco is a wholly-owned direct subsidiary of Michael Kors, which was established for the purposes of making the Acquisition.

### **8. Information relating to Jimmy Choo**

Jimmy Choo encompasses a complete luxury lifestyle accessories brand. Women's shoes remain the heart of the product offer, alongside handbags, small leather goods, scarves, sunglasses, eyewear, belts, fragrance and men's shoes.

Jimmy Choo has a global store network encompassing 150 stores as at 31 December 2016, a high quality network of wholesale distributors, a growing e-commerce business and is present in the most prestigious department and specialty stores worldwide. As at 31 December 2016, Jimmy Choo had 1,278 employees.

Jimmy Choo manages its business through three divisions, Retail (67.0% of revenue in 2016), Wholesale (29.5% of revenue in 2016) and Other, which primarily relates to licensed income from Fragrance and Eyewear (3.5% of revenue in 2016). The

geographic split for Jimmy Choo's revenue in 2016 was EMEA (41.5%), Americas (28.7%), Japan (14.3%) and Asia ex-Japan (15.5%).

For the fiscal year ended 31 December 2016, Jimmy Choo reported revenue of £364.0 million, Adjusted EBITDA of £59.0 million, operating profit of £42.5 million and Adjusted Consolidated Net Income of £24.3 million.

## **9. Financing**

Michael Kors Bidco intends to finance the cash consideration payable by Michael Kors Bidco to Scheme Shareholders from third party debt as described below.

Michael Kors and certain other members of the Michael Kors Group have entered into the Bridge Credit Agreement with, among others, JPMorgan Chase Bank, N.A. and Goldman Sachs Bank USA, providing for a term loan facility in the principal amount of £1.115 billion, the proceeds of which will be used to fund the cash consideration payable by Michael Kors Bidco to Scheme Shareholders in connection with the Acquisition. Michael Kors has secured the fully committed bridge financing from J.P. Morgan, as Lead Arranger and Administrative Agent, and Goldman Sachs Bank USA, as Joint Lead Arranger and Syndication Agent. Such term loan facility will mature on the date that is 364 days from the initial borrowing date thereunder, will be unsecured and will have terms similar to the existing revolving credit facility of Michael Kors and certain other members of the Michael Kors Group with JPMorgan Chase Bank, N.A. It is currently contemplated that the commitments under the Bridge Credit Agreement will be reduced or refinanced with the proceeds of long-term senior unsecured debt to take place after signing and before the Effective Date. Jimmy Choo confirms that it will provide Michael Kors with reasonable assistance in connection with any such debt financing and filings required to be made by Michael Kors with the U.S. Securities and Exchange Commission (any such assistance to be at Michael Kors' cost and subject to customary hold harmless arrangements).

Goldman Sachs and J.P. Morgan are satisfied that sufficient cash resources are available to Michael Kors Bidco to enable it to satisfy in full the cash consideration payable to Scheme Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

## **10. Management, employees and locations**

Michael Kors considers the principal rationale for the Acquisition to be strategic in nature and believes it is the ideal partner for Jimmy Choo and is well positioned to support Jimmy Choo's continued growth. Michael Kors intends to apply the experiences, infrastructure and capabilities that it has developed as a company over the course of its own worldwide growth as a luxury fashion brand to:

- support the growth of Jimmy Choo through retail store openings and further development of its online presence;

- expand Jimmy Choo’s product offering within its existing categories, in particular handbags and small leather goods; and
- leverage the benefits of scale and capability that derive from being part of a larger family of brands.

Consistent with this approach, Michael Kors expects that, following completion of the Acquisition, Jimmy Choo will operate as it does today under its existing management team, including Pierre Denis, Sandra Choi and Jonathan Sinclair, within the Michael Kors organisation, so as to ensure that the DNA of the Jimmy Choo brand is maintained and best positioned for future development and growth. Michael Kors attaches great importance to the skills and experience of Jimmy Choo’s existing management and employees and believes that they will benefit from greater opportunities as Jimmy Choo continues to develop and grow within Michael Kors.

No decisions have been made by Michael Kors in relation to any integration of Jimmy Choo with the Michael Kors organisation and no detailed discussions have been held between Michael Kors and Jimmy Choo in this regard.

Michael Kors and each of Pierre Denis, Sandra Choi and Jonathan Sinclair have begun discussions over the appropriate incentivisation arrangements to be put in place following completion of the Acquisition and have reached agreement in principle over the terms of such arrangements, which shall confer additional benefits and incentives above those set out in Pierre Denis, Sandra Choi and Jonathan Sinclair’s existing service contracts. In particular, such additional benefits and incentives include:

- the ability to participate in the Michael Kors executive bonus plan commencing with the Michael Kors fiscal year ending 30 March 2019; and
- a one-time long-term incentive grant and ongoing long-term incentive grants from June 2018 with time-based and/or performance-based vesting conditions under the Michael Kors equity incentive plan.

BofA Merrill Lynch and Citi have advised the Jimmy Choo Directors that the arrangements set out above are fair and reasonable. In providing their advice to the Jimmy Choo Directors, BofA Merrill Lynch and Citi have taken into account the commercial assessments of the Jimmy Choo Directors. JAB Luxury, Jimmy Choo’s majority shareholder, has also confirmed that it supports the incentive arrangements.

Following completion of the Acquisition, Michael Kors has agreed that the contractual and statutory employment rights and accrued pension rights of all Jimmy Choo employees will be fully safeguarded and the contractual and other entitlements in relation to pension and employment rights of existing employees will be complied with.

#### **11. Jimmy Choo Share Scheme**

Michael Kors, Michael Kors Bidco and Jimmy Choo have agreed that, in relation to options and awards to acquire Jimmy Choo Shares granted under the Jimmy Choo

Share Scheme, Michael Kors Bidco will make appropriate proposals to the holders of such options and awards in accordance with Rule 15 of the Code. Further details of these arrangements will be set out in the Scheme Document and communicated in separate letters to be sent to participants in due course.

The Jimmy Choo Remuneration Committee intends to use its discretion to permit the options and awards under the Jimmy Choo Share Scheme to vest upon the Court sanction of the Scheme on a time pro-rated basis to reflect the period elapsed from the date of grant and the vesting date.

## **12. Offer-related Arrangements**

### ***Jimmy Choo Confidentiality Agreement***

Michael Kors and Jimmy Choo have entered into a confidentiality agreement dated 15 June 2017 (the “**Jimmy Choo Confidentiality Agreement**”) pursuant to which Michael Kors has undertaken, among other things, to: (a) keep confidential information relating to the Acquisition and Jimmy Choo and not to disclose such confidential information to third parties unless permitted by the terms of the Jimmy Choo Confidentiality Agreement; and (b) use the confidential information for the sole purpose of evaluating, negotiating, advising upon or implementing the potential Acquisition. With certain exceptions, the confidentiality obligations will expire upon the later of: (i) 24 months from the date of the Jimmy Choo Confidentiality Agreement; and (ii) one year from the date on which the Acquisition either lapses or is successfully completed.

The Jimmy Choo Confidentiality Agreement also contains undertakings from Michael Kors that for a period of 12 months from the date of the Jimmy Choo Confidentiality Agreement, Michael Kors, any of its group undertakings and certain other associated persons shall not, without the prior written consent of Jimmy Choo, acquire or offer to acquire any interest in shares or other securities of Jimmy Choo (which undertaking ceases as at the date of this Announcement) and that, for a period of 18 months from the date of the Jimmy Choo Confidentiality Agreement, Michael Kors and its group undertakings shall not, without Jimmy Choo’s prior written consent, solicit certain employees, officers, suppliers or customers of Jimmy Choo, subject to customary carve-outs.

### ***Michael Kors Confidentiality Agreement***

Michael Kors and Jimmy Choo have entered into a confidentiality agreement dated 28 June 2017 (the “**Michael Kors Confidentiality Agreement**”) pursuant to which Jimmy Choo has undertaken, among other things, to: (a) keep confidential information relating to the Acquisition and Michael Kors and not to disclose it to third parties (other than JAB Luxury and any of JAB Luxury’s group undertakings) unless permitted by the terms of the Michael Kors Confidentiality Agreement; and (b) use the confidential information for the sole purpose of evaluating, negotiating, advising upon or implementing the potential Acquisition. With certain exceptions, the confidentiality obligations will expire upon the later of: (i) 24 months from the date

of the Michael Kors Confidentiality Agreement; and (ii) one year from the date on which the Acquisition either lapses or is successfully completed.

The Michael Kors Confidentiality Agreement also contains undertakings from Jimmy Choo that for a period of 18 months from the date of the Michael Kors Confidentiality Agreement, Jimmy Choo and its group undertakings shall not, without Michael Kors' prior written consent, solicit certain employees, officers, suppliers or customers of Michael Kors, subject to customary carve-outs.

### ***Cooperation Agreement***

Michael Kors, Michael Kors Bidco and Jimmy Choo have entered into a cooperation agreement dated 25 July 2017 (the "**Cooperation Agreement**"), the key terms of which are summarised below.

Michael Kors and Michael Kors Bidco have undertaken, amongst other things, to use best endeavours to obtain regulatory clearances from the relevant authorities in respect of the Acquisition. Michael Kors, Michael Kors Bidco and Jimmy Choo have agreed to certain undertakings to co-operate and provide each other with reasonable information and assistance in relation to the filings, notifications and submissions to be made in relation to such regulatory clearances and authorisations. Michael Kors and Michael Kors Bidco have also agreed to provide Jimmy Choo with reasonable information, assistance and access for the preparation of key shareholder and Scheme documentation.

The Cooperation Agreement shall terminate (save in respect of certain surviving provisions):

- if Michael Kors, Michael Kors Bidco and Jimmy Choo so agree in writing;
- upon service of written notice from Michael Kors to Jimmy Choo if the Scheme Document or Offer Document does not include the Jimmy Choo Board Recommendation, or Jimmy Choo makes an announcement prior to the publication of such document(s) that: (i) the Jimmy Choo Directors no longer intend to make such recommendation or intend to adversely modify or qualify such recommendation; (ii) it will not convene the Court Meeting or the General Meeting; or (iii) it intends not to post the Scheme Document;
- upon service of written notice from Michael Kors to Jimmy Choo if the Jimmy Choo Directors withdraw, adversely modify or adversely qualify the Jimmy Choo Board Recommendation;
- upon service of written notice from Michael Kors to Jimmy Choo prior to the Longstop Date, if: (i) any Condition which has not been waived is or becomes incapable of satisfaction by the Longstop Date and, notwithstanding that Michael Kors and/or Michael Kors Bidco has the right to waive such Condition, Michael Kors and/or Michael Kors Bidco will not do so; or (ii) any Condition which is incapable of waiver is or becomes incapable of satisfaction by the Longstop Date (in each case, if invocation of the relevant Condition is permitted by the Panel);

- upon service of written notice from Michael Kors to Jimmy Choo if the relevant resolutions are not passed at the Court Meeting or General Meeting;
- upon service of written notice from Michael Kors to Jimmy Choo if the Jimmy Choo Directors recommend a competing offer or a competing offer completes, becomes effective or is declared unconditional in all respects;
- upon service of written notice by Michael Kors to Jimmy Choo or by Jimmy Choo to Michael Kors if a Break Payment Event or an Inducement Payment Event occurs;
- if the Acquisition is, with the permission of the Panel, withdrawn or lapses in accordance with its terms prior to the Longstop Date (other than where: (i) such lapse or withdrawal is as a result of the exercise of Michael Kors' right to effect a switch to a Takeover Offer; or (ii) it is otherwise to be followed within five Business Days by an announcement under Rule 2.7 of the Code made by Michael Kors or a person acting in concert with Michael Kors to implement the Acquisition by a different offer or scheme on substantially the same or improved terms); or
- if the Effective Date has not occurred on or before the Longstop Date.

Michael Kors has agreed to pay a break fee to Jimmy Choo of £17.92 million if: (i) on or prior to the Longstop Date, Michael Kors or Michael Kors Bidco invokes (and is permitted by the Panel to invoke) any of the Regulatory Conditions so as to cause the Acquisition not to proceed, lapse or be withdrawn; (ii) a Rule 12 Event take place on or prior to the Longstop Date; or (iii) any Regulatory Condition is not satisfied or waived by Michael Kors or Michael Kors Bidco by 11.59 p.m. on the date which is 14 days prior to the Longstop Date (each, a “**Break Payment Event**”). However, no payment will be made if, in certain limited circumstances, Jimmy Choo or JAB Luxury fails to submit the notification under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, for which it is responsible at least 70 calendar days prior to the Longstop Date or Jimmy Choo breaches certain obligations where such breach has caused or substantially contributed to Michael Kors' inability to satisfy the Regulatory Conditions by no later than 14 days prior to the Longstop Date.

Jimmy Choo has agreed to pay an inducement fee to Michael Kors of £8.96 million if a competing proposal completes, becomes effective or is declared or becomes unconditional in all respects (each, an “**Inducement Payment Event**”).

Michael Kors, Michael Kors Bidco and Jimmy Choo have also agreed to the implementation of certain matters relating to the treatment of awards and options under the Jimmy Choo Share Scheme and certain other employee-related arrangements.

Michael Kors has agreed to provide a guarantee in respect of Michael Kors Bidco's obligations under the Cooperation Agreement.

Michael Kors and Jimmy Choo intend to implement the Acquisition by way of the Scheme, subject to the ability of Michael Kors, with the consent of the Panel and in

accordance with the terms of the Cooperation Agreement, to proceed by way of a Takeover Offer on terms more fully described in paragraph 19 below.

### ***Joint Defence Agreement***

Michael Kors, Jimmy Choo and their respective external legal counsels have entered into a joint defence agreement dated 28 June 2017 (the “**Joint Defence Agreement**”), the purpose of which is to ensure that the exchange and disclosure of certain materials relating to the parties take place only between their respective external legal counsels and external experts, are ring-fenced and preserve the confidentiality of such materials and do not result in a waiver of privilege, right or immunity that might otherwise be available.

### **13. Structure of the Acquisition**

It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement between Jimmy Choo and the Scheme Shareholders under Part 26 of the Companies Act. The Scheme is an arrangement between Jimmy Choo and the Scheme Shareholders. The procedure involves, among other things, an application by Jimmy Choo to the Court to sanction the Scheme, in consideration for which Scheme Shareholders will receive cash on the basis described in paragraph 2 above. The purpose of the Scheme is to provide for Michael Kors Bidco to become the owner of the entire issued and to be issued share capital of Jimmy Choo.

The Scheme is subject to the Conditions and certain further terms set out in Appendix 1 to this Announcement and to the full terms and conditions to be set out in the Scheme Document, and will only become effective if, among other things, the following events occur on or before the Longstop Date or such later date as Michael Kors Bidco and Jimmy Choo agree:

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by those Scheme Shareholders;
- the Special Resolution necessary to implement the Scheme is passed at the General Meeting (which will require the approval of Jimmy Choo Shareholders representing at least 75 per cent. of the votes cast at the General Meeting);
- following the Court Meeting and General Meeting, the Scheme is sanctioned by the Court (with or without modification, on terms agreed by Michael Kors Bidco and Jimmy Choo); and
- an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

Upon the Scheme becoming effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court

Meeting and the General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Jimmy Choo Shares will cease to be of value and should be destroyed and entitlements to Jimmy Choo Shares held within the CREST system will be cancelled.

Any Jimmy Choo Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The Special Resolution to be proposed at the General Meeting will, among other matters, provide that the Jimmy Choo Articles be amended to incorporate provisions requiring any Jimmy Choo Shares issued after the Scheme Record Time (other than to Michael Kors Bidco and/or its nominees) to be automatically transferred to Michael Kors Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Jimmy Choo Articles (as amended) will avoid any person (other than Michael Kors Bidco and its nominees) holding shares in the capital of Jimmy Choo after the Effective Date.

The Scheme shall lapse if the Scheme does not become effective by the Longstop Date, provided however that the deadline for the Scheme to become effective may be extended by agreement between Michael Kors Bidco and Jimmy Choo, with the consent of the Court or Panel, if required. Michael Kors reserves the right, subject to Panel consent and the terms of the Cooperation Agreement, to elect to implement the Acquisition by way of a Takeover Offer on terms more fully described in paragraph 19 below.

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting. The Scheme Document will also contain the expected timetable for the Acquisition, and will specify the necessary actions to be taken by Jimmy Choo Shareholders. The Scheme Document together with Forms of Proxy will be posted to Jimmy Choo Shareholders and, for information only, to persons with information rights and to holders of options and awards granted under the Jimmy Choo Share Scheme, as soon as practicable. Subject, among other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become effective in the fourth calendar quarter of 2017.

#### **14. Conditions, antitrust approvals and notifications**

The Acquisition is conditional on receiving competition clearance from the relevant authorities in the EU, the US and Russia.

In addition to the competition clearances, the Acquisition is also conditional upon the satisfaction of the formal conditions required to be satisfied in connection with the Scheme as set out in Appendix 1 to this Announcement, including:

- the approval of the Scheme by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), representing not less than 75 per cent. in value of the Scheme Shares voted, either in person or by proxy, at the Court Meeting;
- the approval of the Special Resolution at the General Meeting by the Jimmy Choo Shareholders by the requisite majority at the General Meeting;  
and

— the sanction of the Scheme by the Court and the registration of the Scheme Court Order with the Registrar of Companies.

**15. Delisting and re-registration**

It is intended that dealings in Jimmy Choo Shares will be suspended at 5.00 p.m. London time on the Business Day prior to the Effective Date. It is further intended that an application will be made to the UK Listing Authority for the cancellation of the listing of the Jimmy Choo Shares on the Official List and to the London Stock Exchange for the cancellation of trading in Jimmy Choo Shares on the London Stock Exchange's main market for listed securities, with effect as of or shortly following the Effective Date.

It is also intended that, following the Scheme becoming effective, Jimmy Choo will be re-registered as a private company under the relevant provisions of the Companies Act.

**16. Disclosure of interests in Jimmy Choo relevant securities**

Except for the irrevocable undertakings referred to in paragraph 6 above, as at close of business on 21 July 2017 (being the latest practicable date prior to the date of this Announcement), neither Michael Kors Bidco, nor any of the directors of Michael Kors Bidco or any member of the Michael Kors Group, nor, so far as the directors of Michael Kors Bidco are aware, any person acting in concert with Michael Kors Bidco for the purposes of the Acquisition had any interest in, right to subscribe for, or had borrowed or lent any Jimmy Choo Shares or securities convertible or exchangeable into Jimmy Choo Shares, nor did any such person have any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to take delivery, or any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code, in relation to Jimmy Choo Shares or in relation to any securities convertible or exchangeable into Jimmy Choo Shares.

In the interests of secrecy prior to this Announcement, Michael Kors and Michael Kors Bidco have not made any enquiries in respect of the matters referred to in this paragraph of certain parties who may be deemed by the Panel to be acting in concert with Michael Kors Bidco for the purposes of the Scheme. Enquiries of such parties will be made as soon as practicable following the date of this Announcement and Michael Kors Bidco confirms that further disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Code will be made as soon as possible, if required.

**17. Overseas Shareholders**

The availability of the Acquisition and the distribution of this Announcement to Jimmy Choo Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Jimmy Choo Shareholders who are in any doubt regarding such matters

should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This Announcement does not constitute an offer for sale for any securities or an offer or an invitation to purchase any securities. Jimmy Choo Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

#### **18. Documents published on website**

Copies of the following documents will, by no later than 12 noon (London time) on 26 July 2017, be published on Jimmy Choo's website at [www.jimmychoopl.com](http://www.jimmychoopl.com) and Michael Kors' website at <http://investors.michaelkors.com> until the end of the Acquisition:

- this Announcement;
- the irrevocable undertakings referred to in paragraph 6 above;
- the Bridge Credit Agreement referred to in paragraph 9 and the related fee and syndication letter;
- the Jimmy Choo Confidentiality Agreement referred to in paragraph 12 above;
- the Michael Kors Confidentiality Agreement referred to in paragraph 12 above;
- the Cooperation Agreement referred to in paragraph 12 above; and
- the Joint Defence Agreement referred to in paragraph 12 above.

#### **19. General**

Michael Kors reserves the right, subject to Panel consent and the terms of the Cooperation Agreement, to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme if: (i) Jimmy Choo consents; (ii) a third party announces a firm intention to make an offer for Jimmy Choo; or (iii) the Jimmy Choo Directors withdraw their recommendation of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer, the Acquisition will be implemented on substantially the same terms as those which would apply to the Scheme (subject to appropriate amendments) and, in particular, the acceptance condition applicable to the Acquisition shall be set at not more than 75 per cent. of the issued Jimmy Choo Shares to which the Takeover Offer relates.

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 to this Announcement and the further terms and conditions set out in the Scheme Document when issued.

The Scheme will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

The bases and sources of certain financial information contained in this Announcement are set out in Appendix 2 to this Announcement. Certain terms used in this Announcement are defined in Appendix 4 to this Announcement.

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**Further information**

*This Announcement is for information purposes only and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Jimmy Choo in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the Scheme Document or Offer Document or any document by which the Acquisition is made, which will contain the full terms and conditions of the Acquisition including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis on the information contained in the Scheme Document.*

*Please be aware that addresses, electronic addresses and certain other information provided by Jimmy Choo Shareholders, persons with information rights and other relevant persons for the receipt of communications from Jimmy Choo may be provided to Michael Kors Bidco during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

*Goldman Sachs, which is authorised by the PRA and regulated by the FCA and the PRA in the UK, is acting exclusively for Michael Kors and Michael Kors Bidco in connection with the matters set out in this Announcement and for no one else and will not regard any other person as its client in relation to the Acquisition and the other matters referred to in this Announcement and will not be responsible to anyone other*

than Michael Kors and Michael Kors Bidco for providing the protections afforded to clients of Goldman Sachs or for providing advice in connection with the Acquisition and any other matter referred to in this Announcement.

J.P. Morgan Securities LLC, together with its affiliate J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove and which is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA) ("J.P. Morgan"), is acting exclusively for Michael Kors and Michael Kors Bidco in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Michael Kors and Michael Kors Bidco for providing the protections afforded to their clients, or for giving advice in connection with any matter referred to in this Announcement.

Merrill Lynch International ("BofA Merrill Lynch"), a subsidiary of Bank of America Corporation, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Jimmy Choo in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other matters referred to in this Announcement.

Citigroup Global Markets Limited ("Citi"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Jimmy Choo in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other matters referred to in this Announcement.

Liberum Capital Limited ("Liberum"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Jimmy Choo and no one else in connection with the Acquisition and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients, nor for providing advice in relation to the Acquisition or in relation to the contents of this Announcement or any transaction or arrangement referred to in this Announcement.

RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Jimmy Choo and no one else in connection with the Acquisition and will not be responsible to anyone other than Jimmy Choo for providing the protections afforded to its clients, nor for providing advice in relation to the Acquisition or in relation to the contents of this Announcement or any transaction or arrangement referred to in this Announcement.

#### **Overseas Shareholders**

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Jimmy Choo Shares with respect to the Scheme at

*the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England and Wales.*

*Unless otherwise determined by Michael Kors Bidco or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by way of Takeover Offer, unless otherwise permitted by applicable law or regulation, the Takeover Offer may not be made, directly or indirectly, in or into or by use of mail or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.*

*The availability of the Acquisition to Jimmy Choo Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

***Additional information for US investors***

*The Acquisition relates to the shares of an English company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. Neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. If, in the future, Michael Kors*

*exercises the right to implement the proposed acquisition by way of a takeover offer, the proposed acquisition will be made in compliance with applicable U.S. laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Financial information included in this Announcement has been prepared, unless specifically stated otherwise, in accordance with accounting standards applicable in the UK and thus may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.*

*It may be difficult for US holders of Jimmy Choo Shares to enforce their rights and claims arising out of the US federal securities laws, since Michael Kors Bidco and Jimmy Choo are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US holders of Jimmy Choo Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

*The receipt of cash pursuant to the Acquisition by a US holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and potentially under any applicable United States state or local, as well as foreign and other, tax laws. Each Jimmy Choo Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him or her.*

#### **Forward-looking statements**

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Michael Kors, Michael Kors Bidco and Jimmy Choo contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Michael Kors, Michael Kors Bidco and Jimmy Choo about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Acquisition on Michael Kors, Michael Kors Bidco and Jimmy Choo, the expected timing and scope of the Acquisition and other statements other than historical facts. All statements other than statements of historical facts included in this Announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "should", "could", "would", "may", "anticipates", "estimates", "synergy", "cost-saving", "projects", "goal", "strategy", "budget", "forecast" or "might", or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses,*

revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Jimmy Choo's and Michael Kors' operations and benefits from the Acquisition; and (iii) the effects of government regulation on Michael Kors', Michael Kors Bidco's or Jimmy Choo's business.

*These forward-looking statements are not guarantees of future financial performance. Except as expressly provided in this Announcement, they have not been reviewed by the auditors of Michael Kors or Jimmy Choo or their respective financial advisers. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. These factors include the satisfaction of the Conditions, as well as additional factors such as: Michael Kors' ability to integrate the businesses successfully and to achieve anticipated benefits of the acquisition; the risk of disruptions to Michael Kors' or Jimmy Choo's businesses; the negative effects of the announcement of the Acquisition or the consummation of the Acquisition on the market price of the Michael Kors' ordinary shares and its operating results; significant transaction costs; unknown liabilities; the risk of litigation and/or regulatory actions related to the Acquisition; fluctuations in demand for Jimmy Choo's and Michael Kors' products; changes in consumer traffic and retail trends; loss of market share and industry competition; fluctuations in the capital markets; fluctuations in interest and exchange rates; the occurrence of unforeseen disasters or catastrophes; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions, as well as those risks set forth in the reports that Michael Kors files from time to time with the U.S. Securities and Exchange Commission. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Michael Kors nor Michael Kors Bidco, nor Jimmy Choo, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements. All subsequent oral or written forward looking statements attributable to Michael Kors, Michael Kors Bidco or Jimmy Choo or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Unless otherwise required by applicable law, Michael Kors, Michael Kors Bidco and Jimmy Choo disclaim any obligation to update or revise any forward looking or other statements contained herein other than in accordance with their legal and regulatory obligations.*

### **Rounding**

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different*

tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

**No profit forecasts or estimates**

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Jimmy Choo for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Jimmy Choo .

**Dealing disclosure requirements**

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 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (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.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and 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), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

*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.*

***Publication on website and hard copies***

*A copy of this Announcement and the documents required to be published by Rule 26 of the Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Michael Kors' website at <http://investors.michaelkors.com> and Jimmy Choo's website at [www.jimmychoopl.com](http://www.jimmychoopl.com). For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this Announcement.*

*Michael Kors Shareholders and Jimmy Choo Shareholders may request a hard copy of this Announcement by contacting the Michael Kors Corporate Secretary at its principal executive office in London during business hours on +44 (0) 207 632 8600 or by submitting a request in writing to the Michael Kors Corporate Secretary at 33 Kingsway, London WC2B 6UF (for Michael Kors Shareholders) or Equiniti Limited on 0371 384 2030 or +44 (0)121 415 7047 (from outside the UK) between 8:30 a.m. to 5:30 p.m., Monday to Friday (for Jimmy Choo Shareholders) or by submitting a request in writing to Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA. If you have received this Announcement in electronic form, copies of this Announcement and any document or information incorporated by reference into this document will not be provided unless such a request is made.*

**Appendix 1**  
**Conditions and Certain Further Terms of the Scheme and the Acquisition**

**A. Conditions to the Scheme and Acquisition**

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the provisions of the Code, by no later than the Longstop Date or such later date (if any) as Michael Kors Bidco and Jimmy Choo may, with the consent of the Panel, agree and (if required) the Court may approve.

**Scheme approval**

2. The Scheme will be conditional upon:
- (a) approval of the Scheme at the Court Meeting (or at any adjournment thereof) by a majority in number of the Scheme Shareholders present and voting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares held by those Scheme Shareholders;
  - (b) all resolutions in connection with or required to approve and implement the Scheme as set out in the notice of the General Meeting (including, without limitation, the Special Resolution) being duly passed by the requisite majority at the General Meeting (or at any adjournment thereof, provided that the General Meeting may not be adjourned beyond the 22<sup>nd</sup> day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date (if any) as Michael Kors Bidco and Jimmy Choo may agree and the Court may permit)); and
  - (c) the sanction of the Scheme without modification or with modification on terms acceptable to Michael Kors Bidco and Jimmy Choo, provided that the Scheme Court Hearing may not be adjourned beyond the later of: (A) the 22<sup>nd</sup> day after the expected date of the Scheme Court Hearing to be set out in the Scheme Document in due course; and (B) 30 days after all the Conditions other than this Condition 2(c) have been satisfied or waived (or such later date (if any) as Michael Kors Bidco and Jimmy Choo may agree and the Court may permit) and the delivery of an office copy of the Scheme Court Order to the Registrar of Companies.

In addition, Michael Kors Bidco and Jimmy Choo have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

**Antitrust approvals and clearances**

3. The Scheme will be conditional upon:
- (a) insofar as the Acquisition constitutes, or is deemed to constitute, a concentration with an EU dimension within the scope of the EUMR:
    - (i) the European Commission indicating that it does not intend to initiate proceedings under Article 6(1)(c) of the EUMR in respect of the

Acquisition (or being deemed to have done so under Article 10(6) of the EUMR); or

- (ii) in the event that all or any part of the Acquisition is referred, or is deemed under the EUMR or Protocol 24 of the EEA Agreement to have been referred by the European Commission to the competent authorities of one or more EU Member State or EFTA State:
  - (A) all such competent authorities whose approval is necessary for closing of all or part of the Acquisition so referred to occur, adopting, or having been deemed under relevant laws to have adopted, decisions allowing closing of the Acquisition; and
  - (B) the Condition in 3(a)(i) above being satisfied in relation to any part of the Acquisition not so referred;
- (b) all filings having been made and all applicable waiting periods (including any extensions thereof) under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the regulations thereunder having expired, lapsed or been terminated as appropriate in each case in respect of the Acquisition, or any matters arising from the Acquisition; and
- (c) the Federal Antimonopoly Service (FAS Russia) having cleared the Acquisition by Michael Kors of the rights to determine the terms of conduct of business of J. Choo RUS LLC pursuant to the Russian Federal Law No. 135-FZ dated 26 July 2006 “On the Protection of Competition” (as further amended).

#### **General Third Party clearances**

- 4. All notifications to and filings with, Third Parties which are necessary in order to allow the Acquisition to close having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate).
- 5. No Third Party whose consent or non-intervention is required in order to allow the Acquisition to close having intervened (as defined below) and there not continuing to be outstanding any statute, regulation or order of any Third Party in each case which is material in the context of the Michael Kors Group, the Jimmy Choo Group, the Scheme or the Acquisition which would or might reasonably be expected to:
  - (a) make the Scheme or the Acquisition void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or delay the same or impose additional material conditions or obligations with respect to the Scheme or the Acquisition or such acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Acquisition;
  - (b) materially limit the ability of any member of the Michael Kors Group or of the Jimmy Choo Group to conduct or integrate or co-ordinate its business, or

any part of it, with the businesses or any part of the businesses of any other member of the Michael Kors Group or of the Jimmy Choo Group;

- (c) result in any member of the Jimmy Choo Group or the Michael Kors Group ceasing to be able to carry on business under any name under which it presently does so; or
  - (d) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Jimmy Choo Group or of the Michael Kors Group.
6. All material Authorisations which are necessary in order to allow the Acquisition to close in any relevant jurisdiction for or in respect of the Scheme or Acquisition having been obtained from all appropriate Third Parties.

**Certain matters arising as a result of any arrangement, agreement etc.**

7. Except as Fairly Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Jimmy Choo Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Scheme or Acquisition, could or might reasonably be expected to result in (in each case to an extent which is material in the context of the Jimmy Choo Group taken as a whole):
- (a) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Jimmy Choo Group being or becoming repayable or capable of being declared repayable prior to its stated maturity date or repayment date;
  - (b) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Jimmy Choo Group;
  - (c) any member of the Jimmy Choo Group ceasing to be able to carry on business under any name under which it presently does so;
  - (d) the creation of liabilities (actual or contingent) by any member of the Jimmy Choo Group other than in the ordinary course of business;
  - (e) the rights, liabilities, obligations or interests of any member of the Jimmy Choo Group under any such arrangement, agreement, licence, permit, franchise or other instrument being terminated or adversely modified or affected; or
  - (f) the financial or trading position or the value of any member of the Jimmy Choo Group being prejudiced or adversely affected.
8. Since 31 December 2016 and except as Fairly Disclosed, no member of the Jimmy Choo Group having:
- (a) issued or agreed to issue, or authorise the issue of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or

options to subscribe for or acquire, any such shares or convertible securities, other than as between Jimmy Choo and wholly-owned subsidiaries of Jimmy Choo;

- (b) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital;
- (c) recommended, declared, paid or made any dividend or other distribution or made any bonus issue (other than to Jimmy Choo or a wholly-owned subsidiary of Jimmy Choo) or made or authorised any change in its loan capital;
- (d) (other than any acquisition or disposal in the ordinary course of business or a transaction between Jimmy Choo and a wholly-owned subsidiary of Jimmy Choo or between such wholly-owned subsidiaries) merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets;
- (e) issued or authorised the issue of, or made any change in or to, any debentures or (except in the ordinary course of business or except as between Jimmy Choo and its wholly-owned subsidiaries or as between such wholly-owned subsidiaries) incurred or increased any indebtedness or liability (actual or contingent);
- (f) entered into, varied, or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude;
- (g) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), striking off, dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues in any jurisdiction;
- (h) proposed, agreed to provide or modified the terms of any pension scheme, share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Jimmy Choo Group; or
- (i) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition A.8,

which, in each case, is material in the context of the Jimmy Choo Group taken as a whole.

**No adverse change, litigation or regulatory enquiry**

9. Since 31 December 2016 and except as Fairly Disclosed:

- (a) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Jimmy Choo Group;
  - (b) no contingent or other liability of any member of the Jimmy Choo Group having arisen or become apparent or increased;
  - (c) no litigation, arbitration proceedings, prosecution, investigation or other legal or regulatory proceedings to which any member of the Jimmy Choo Group is or may become a party (whether as plaintiff, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Jimmy Choo Group; and
  - (d) no member of the Jimmy Choo Group having conducted its business in breach of any applicable laws and regulations,
- which, in each case, is material in the context of the Jimmy Choo Group taken as a whole.

**No discovery of certain matters**

10. Michael Kors Bidco not having discovered (other than as a result of it having been Fairly Disclosed) and in each case to an extent which is material in the context of the Jimmy Choo Group taken as a whole, that:
- (a) any financial or business or other information concerning the Jimmy Choo Group disclosed at any time by or on behalf of any member of the Jimmy Choo Group, whether publicly to any member of the Michael Kors Group or to any of their advisers or otherwise, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading and which was not subsequently corrected before the date of this Announcement by disclosure either publicly or otherwise to Michael Kors or its professional advisers;
  - (b) any member of the Jimmy Choo Group is subject to any liability (actual or contingent) which is not disclosed in Jimmy Choo's annual report and accounts for the financial year ended 31 December 2016; or
  - (c) any information which has not been Fairly Disclosed and which affects the import of any information disclosed at any time by or on behalf of any member of the Jimmy Choo Group.

**Anti-corruption, sanctions and criminal property**

11. Michael Kors Bidco not having discovered (other than as a result of it having been Fairly Disclosed) that:
- (a) (i) any past or present member, director, officer or employee of the Jimmy Choo Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other anti - corruption

legislation applicable to the Jimmy Choo Group; or (ii) any person that performs or has performed services for or on behalf of the Jimmy Choo Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation;

- (b) any asset of any member of the Jimmy Choo Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (c) any past or present member, director, officer or employee of the Jimmy Choo Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which US or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by applicable US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs; or (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states; or
- (d) a member of the Jimmy Choo Group has engaged in any transaction which would cause any member of the Michael Kors Group to be in breach of any applicable law or regulation upon its acquisition of Jimmy Choo, including the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states.

For the purpose of these Conditions:

“ **Authorisations** ” means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals, in each case, of a Third Party.

Information shall be regarded as “ **Fairly Disclosed** ” by and on behalf of Jimmy Choo if it is information which has been disclosed: (i) in the annual report and accounts of Jimmy Choo for the year ended 31 December 2016; (ii) in this Announcement; (iii) in any other public announcement by, or on behalf of, Jimmy Choo in accordance with the Listing Rules or Disclosure Guidance and Transparency Rules of the FCA (as applicable) prior to the date of this Announcement; (iv) in writing prior to the date of this Announcement by or on behalf of Jimmy Choo to Michael Kors or Michael Kors Bidco (or their respective officers, employees, agents or advisers in their capacity as such); (v) in the virtual data room operated by or on behalf of Jimmy Choo and which Michael Kors is able to access in relation to the Acquisition prior to the date of this Announcement; (vi) in the Jimmy Choo management presentations to Michael Kors in relation to the Acquisition held on 15 June 2017 and 28 June 2017; or (vii)

on telephone calls, email correspondence or other communications between Jimmy Choo and/or its professional advisers and Michael Kors and/or its professional advisers in relation to the Acquisition prior to the date of this Announcement.

“ **Third Party** ” means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority (including any national or supranational antitrust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including, for the avoidance of doubt, the Panel.

A Third Party shall be regarded as having “ **intervened** ” if it has decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided and “ **intervene** ” shall be construed accordingly.

#### **B. Waiver and invocation of the Conditions**

The Scheme will not become effective unless the Conditions have been fulfilled or (if capable of waiver) waived by no later than the Longstop Date (or such later date as Michael Kors Bidco and Jimmy Choo may, with the consent of the Panel, agree and (if required) the Court may allow).

Subject to the requirements of the Panel, Michael Kors Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of Conditions in Part A above, except for Condition A.2 which cannot be waived.

The Acquisition will lapse if the European Commission either initiates proceedings under Article 6(1)(c) of EUMR or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the Regulation and there is then a Phase 2 CMA Reference before the date of the Court Meeting.

If the Panel requires Michael Kors Bidco to make an offer or offers for any Jimmy Choo Shares under the provisions of Rule 9 of the Code, Michael Kors Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

#### **C. Certain further terms of the Acquisition**

Under Rule 13.5(a) of the Code, Michael Kors Bidco may not invoke a Condition to the Acquisition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Michael Kors Bidco in the context of the Acquisition. Condition A.2 ( *Scheme approval* ) and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to this provision of the Code.

Jimmy Choo Shares will be acquired by Michael Kors Bidco fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, including the right to receive and retain, in full, all dividends and other distributions (if any) declared, made, paid or payable, or any other return of capital made, on or after the date of this Announcement .

If, on or after the date of this Announcement and before the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Jimmy Choo Shares, Michael Kors Bidco reserves the right, to reduce the consideration payable under the terms of the Acquisition for the Jimmy Choo Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Announcement or in the Scheme Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. To the extent that any such dividend and/or distribution and/or other return of capital is declared, made or paid or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Michael Kors Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition will not be subject to change in accordance with this paragraph. Any exercise by Michael Kors Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

The Acquisition will be subject, *inter alia* , to the Conditions and certain further terms which are set out in this Appendix 1 to this Announcement and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the Listing Rules and the provisions of the Code.

The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.

This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme, and any proxies will be governed by English law and be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

**Appendix 2**  
**Bases and Sources**

- (a) The value attributed to the existing issued and to be issued ordinary share capital of Jimmy Choo is based upon the 389,737,588 Jimmy Choo Shares in issue.
- (b) The enterprise value of Jimmy Choo implied by the value of the offer is £1,035 million, which is based on:
  - (i) approximately £896 million for the entire issued and to be issued ordinary share capital of Jimmy Choo calculated using the number of shares set out under paragraph (a) above and 230 pence per Jimmy Choo Share; and
  - (ii) total net leverage of £139.0 million, comprising: (x) long term borrowings of £141.3 million; (y) short term borrowings of £12.5 million; and (z) cash and cash equivalents of £14.8 million, in each case as at 31 December 2016.
- (c) The implied enterprise value multiple of approximately 17.5 times Adjusted EBITDA is based on the enterprise value set out above under paragraph (b) and Jimmy Choo's Adjusted EBITDA for the year ended 31 December 2016 of £59.0 million.
- (d) Unless otherwise stated, the financial information on Michael Kors is extracted (without material adjustment) from Michael Kors' Annual Report and Accounts for the year ended 1 April 2017.
- (e) Unless otherwise stated, the financial information on Jimmy Choo is extracted (without material adjustment) from Jimmy Choo's Annual Report and Accounts for the year ended 31 December 2016 and from the announcement of Jimmy Choo's preliminary results for the year ended 31 December 2016.
- (f) The market prices of the Jimmy Choo Shares are the closing middle market quotations as derived from the Daily Official List.

**Appendix 3**  
**Details of Irrevocable Undertakings**

The following holders of Jimmy Choo Shares have given irrevocable undertakings to vote (or procure or direct that the registered holders of Jimmy Choo Shares of which they are the beneficial holders or in which they are interested vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in relation to the following Jimmy Choo Shares.

The irrevocable undertaking from Pierre Denis has been provided in respect of 2,684,489 Jimmy Choo Shares pledged in favour of HSBC Bank plc (“**Pledged Shares**”) and held by a HSBC Bank plc nominee entity (“**HSBC Nominee**”). Pierre Denis has agreed to direct that HSBC Nominee complies with the provisions of the irrevocable undertaking, other than in circumstances where such compliance is prevented by HSBC Bank plc exercising its rights in respect of the Pledged Shares following the occurrence of an event of default.

<b>Name</b>	<b>Number of Jimmy Choo Shares</b>	<b>Percentage of issued ordinary share capital of Jimmy Choo</b>
JAB Luxury	263,714,153	67.660%
Pierre Denis	2,684,489	0.689%
Jonathan Sinclair	35,714	0.009%
Peter Harf	928,571	0.238%
Fabio Fusco	107,142	0.027%
Olivier Goudet	928,571	0.238%
Anna-Lena Kamenetzky	9,500	0.002%
Elisabeth Murdoch	31,317	0.008%
Meribeth Parker	21,500	0.006%
David Poulter	142,857	0.037%
Robert Singer	165,714	0.043%
Sandra Choi	969,614	0.249%

The irrevocable undertakings given by JAB Luxury, the Jimmy Choo Directors and Sandra Choi will cease to be binding if:

- (a) Michael Kors or Michael Kors Bidco announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or

Takeover Offer is announced in accordance with Rule 2.7 of the Code at the same time;

- (b) the Scheme or Takeover Offer lapses or is withdrawn and no new, revised or replacement Scheme or Takeover Offer has been announced, in accordance with Rule 2.7 of the Code, in its place or is announced, in accordance with Rule 2.7 of the Code, at the same time; or
- (c) the Offer or Scheme does not become effective on or before the Longstop Date (or, if the Panel has consented to a later longstop date, such later date).

#### **Appendix 4 Definitions**

The following definitions apply throughout this Announcement unless the context requires otherwise.

“£”, “Sterling”, “pence” or “p”	the lawful currency of the UK
“\$” or “USD”	the lawful currency of the United States
“Acquisition”	the acquisition of the entire issued and to be issued share capital of Jimmy Choo by Michael Kors Bidco to be implemented by way of the Scheme (or, subject to the consent of the Panel and at Michael Kors’ election in accordance with the Cooperation Agreement, a Takeover Offer) including, where the context so requires, any subsequent variation, revision, extension or renewal thereof
“Adjusted Consolidated Net Income”	profit for the year adjusted for exceptional costs, foreign exchange gains and losses on the revaluation of external bank facilities, changes in the fair value of forward foreign exchange contracts used to manage exposure to foreign currency gains and losses arising on external bank facilities and refinancing interest break costs. Tax charged in Adjusted Consolidated Net Income is as per the income statement, excluding deferred tax
“Adjusted EBITDA”	operating profit for the year adjusted for exceptional costs, loss on disposal of property, plant and equipment and intangible assets, depreciation and amortisation charges and realised and unrealised foreign exchange gains and losses on the revaluation of monetary items
“Announcement”	this announcement made pursuant to Rule 2.7 of the Code
“BofA Merrill Lynch”	Merrill Lynch International, a subsidiary of Bank of America Corporation
“Break Payment Event”	has the meaning set out in paragraph 12
“Bridge Credit Agreement”	the 364-day term loan facility incurred pursuant to the credit agreement dated 25 July 2017 entered into by and among Michael Kors and certain other members of the Michael Kors Group as loan parties, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent
“Business Day”	a day (other than Saturdays, Sundays and public holidays) on which banks are open for business in London, United Kingdom

“Canada”	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof
“Citi”	Citigroup Global Markets Limited
“Code”	the City Code on Takeovers and Mergers
“Companies Act”	the Companies Act 2006, as amended from time to time
“Conditions”	the conditions to the implementation of the Acquisition (including the Scheme) as set out in Appendix 1 to this Announcement and to be set out in the Scheme Document
“Cooperation Agreement”	the cooperation agreement entered into by Michael Kors, Michael Kors Bidco and Jimmy Choo on 25 July 2017
“Court”	the High Court of Justice of England and Wales
“Court Meeting”	the meeting(s) of the Scheme Shareholders to be convened by order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of approving the Scheme, including any adjournment thereof
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
“Daily Official List”	the daily official list of the UK Listing Authority
“Dealing Disclosure”	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
“EEA Agreement”	the Agreement on the European Economic Area signed in Porto on 2 May 1992 (OJ No L 1, 3.1.1994, p.3)
“Effective Date”	the date upon which the Scheme becomes effective in accordance with its terms
“EFTA”	the European Free Trade Association
“EU”	the European Union
“EUMR”	the EU Merger Regulation (No. 139/2004)

“Excluded Shares”	(i) any Jimmy Choo Shares beneficially owned by Michael Kors Bidco or any other member of the Michael Kors Group; (ii) any Jimmy Choo Shares held in treasury by Jimmy Choo; and (iii) any other Jimmy Choo Shares which Michael Kors Bidco and Jimmy Choo agree will not be subject to the Scheme
“FCA”	The United Kingdom Financial Conduct Authority
“Forms of Proxy”	the form of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
“General Meeting”	the general meeting of Jimmy Choo to be convened in connection with the Scheme, notice of which will be set out in the Scheme Document, including any adjournment thereof
“Goldman Sachs”	Goldman Sachs & Co. LLC and Goldman Sachs International (in their capacity as financial adviser to Michael Kors and Michael Kors Bidco)
“Inducement Payment Event”	has the meaning set out in paragraph 12
“J.P. Morgan”	J.P. Morgan Securities LLC, together with its affiliate J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)
“JAB Luxury”	JAB Luxury GmbH
“Jimmy Choo”	Jimmy Choo PLC
“Jimmy Choo Articles”	articles of association of Jimmy Choo, as adopted from time to time
“Jimmy Choo Board Recommendation”	an unanimous and unqualified recommendation from the Jimmy Choo Directors to Jimmy Choo Shareholders in respect of the Acquisition: (i) to vote in favour of the shareholder resolutions as are necessary to approve, implement and effect the Scheme and Acquisition and changes to the Jimmy Choo Articles; or (ii) if Michael Kors elects to proceed with the Takeover Offer in accordance with the terms of the Cooperation Agreement, to accept the Takeover Offer
“Jimmy Choo Confidentiality Agreement”	the confidentiality agreement entered into by Jimmy Choo and Michael Kors on 15 June 2017 in respect of Jimmy Choo confidential information
“Jimmy Choo Directors”	the directors of Jimmy Choo as at the date of this Announcement

“Jimmy Choo Group”	Jimmy Choo, its subsidiaries and its subsidiary undertakings
“Jimmy Choo Shareholders”	the registered holders of Jimmy Choo Shares from time to time
“Jimmy Choo Share Scheme”	the Jimmy Choo Long Term Incentive Plan adopted by the board of directors of Jimmy Choo on 21 October 2014 and as amended from time to time
“Jimmy Choo Shares”	ordinary shares of £1.00 each in the capital of Jimmy Choo
“Joint Defence Agreement”	the joint defence agreement entered into by, among others, Jimmy Choo and Michael Kors on 28 June 2017
“Liberum”	Liberum Capital Limited
“Listing Rules”	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under the Financial Services and Markets Act 2000, and contained in the UK Listing Authority’s publication of the same name
“London Stock Exchange”	London Stock Exchange plc
“Longstop Date”	31 January 2018
“Michael Kors”	Michael Kors Holdings Limited, a company incorporated in the British Virgin Islands and the ultimate parent company of Michael Kors Bidco
“Michael Kors Bidco”	JAG Acquisitions (UK) Limited, a company incorporated in England and Wales and a wholly-owned subsidiary of Michael Kors
“Michael Kors Confidentiality Agreement”	the confidentiality agreement entered into by Jimmy Choo and Michael Kors on 28 June 2017 in respect of Michael Kors confidential information
“Michael Kors Group”	Michael Kors, its subsidiaries and its subsidiary undertakings
“Michael Kors Shareholders”	the registered holders of the issued share capital of Michael Kors from time to time
“Offer Document”	the offer document published by or on behalf of Michael Kors and/or Michael Kors Bidco in connection with a Takeover Offer, including any revised offer document;
“Official List”	the official list of the London Stock Exchange

“Opening Position Disclosure”	an announcement containing details of interests or short position in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position
“Overseas Shareholders”	Jimmy Choo Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Panel”	the Panel on Takeovers and Mergers
“Phase 2 CMA Reference”	a reference to the Chair of the Competition and Markets Authority for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013
“PRA”	Prudential Regulation Authority
“RBC Capital Markets”	RBC Europe Limited (trading as RBC Capital Markets)
“Registrar of Companies”	the Registrar of Companies in England and Wales
“Regulatory Conditions”	the Conditions set out in paragraphs 3 to 6 (inclusive) of Part A of Appendix 1 to this Announcement (so far as, in the case of paragraphs 4, 5 and 6, the relevant Third Party under the Condition is a Relevant Authority)
“Regulatory Information Service”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Jimmy Choo Shareholders in that jurisdiction
“Rule 12 Event”	proceedings initiated by the European Commission under Article 6(1)(c) of Council Regulation (EC) No. 139/2004 or a referral to a competent authority of the United Kingdom under Article 9(1) of such regulation followed by a Phase 2 CMA Reference and the Acquisition lapsing as a result under Rule 12.1(a) of the Code
“Scheme”	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Jimmy Choo and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Jimmy Choo and Michael Kors and/or Michael Kors Bidco

“Scheme Court Hearing”	the hearing of the Court to sanction the Scheme
“Scheme Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
“Scheme Document”	the document to be sent to (among others) Jimmy Choo Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and General Meeting
“Scheme Record Time”	the time and date specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date
“Scheme Shareholders”	holders of Scheme Shares
“Scheme Shares”	<p>Jimmy Choo Shares:</p> <p>(a) in issue as at the date of the Scheme Document;</p> <p>(b) (if any) issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and</p> <p>(c) (if any) issued on or after the Scheme Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,</p> <p>but in each case other than the Excluded Shares</p>
“Scheme Voting Record Time”	the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
“Special Resolution”	the special resolution to be proposed by Jimmy Choo at the General Meeting in connection with, among other things, the approval of the Scheme and the alteration of the Jimmy Choo Articles and such other matters as may be necessary to implement the Scheme and the delisting of the Jimmy Choo Shares
“Takeover Offer”	if (subject to the consent of the Panel and in accordance with the terms of the Cooperation Agreement), Michael Kors elects to effect the Acquisition by way of a takeover offer (as defined in Chapter 3 of Part 29 of the Companies Act), the offer to be made by or on behalf of Michael Kors or Michael Kors Bidco to acquire the issued and to be issued ordinary share capital of Jimmy Choo on the terms and subject to the conditions to be set out in the Offer Document

“treasury shares”	any Jimmy Choo Shares held by Jimmy Choo as treasury shares
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the FCA acting in its capacity as the competent authority for listing under the Financial Services and Markets Act 2000
“United States of America”, “United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“US Exchange Act”	the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder

For the purposes of this Announcement, “subsidiary”, “subsidiary undertaking”, “undertaking” and “associated undertaking” have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this Announcement. All references to time in this Announcement are to London time unless otherwise stated.

STRICTLY PRIVATE AND CONFIDENTIAL

25 JULY 2017

**MICHAEL KORS HOLDINGS LIMITED**

**JAG ACQUISITIONS (UK) LIMITED**

**JIMMY CHOO PLC**

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**COOPERATION AGREEMENT**

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**Freshfields Bruckhaus Deringer**

65 Fleet Street  
London EC4Y 1HS

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THIS AGREEMENT is made on 25 July 2017

**BETWEEN:**

- (1) **MICHAEL KORS HOLDINGS LIMITED**, a company registered in the British Virgin Islands with registered number 09072153, whose principal executive office is at 33 Kingsway, London, WC2B 6UF, United Kingdom (*Offeror*);
- (2) **JAG ACQUISITIONS (UK) LIMITED**, a company registered in England and Wales with registered number 10865411, whose registered office is at 33 Kingsway, London, WC2B 6UF, United Kingdom (*Bidco*); and
- (3) **JIMMY CHOO PLC**, a public limited company registered in England and Wales with registered number 09198021, whose registered office is 10 Howick Place, London, SW1P 1GW, United Kingdom (*Jimmy Choo*),

(each a *party* and together the *parties*).

**WHEREAS:**

- (A) Offeror proposes to announce immediately following execution of this Agreement its firm intention to make a recommended offer for the entire issued and to be issued share capital of Jimmy Choo pursuant to Rule 2.7 of the Code.
- (B) The Acquisition will be made on the terms and subject to the conditions set out in the Announcement and this Agreement.
- (C) The parties intend that the Acquisition will be implemented by way of the Scheme, although Offeror reserves the right, subject to the terms of this Agreement and the Announcement, to implement the Acquisition by way of the Takeover Offer.
- (D) The parties are entering into this Agreement to set out certain obligations and commitments in relation to the implementation of the Acquisition (whether by way of the Scheme or the Takeover Offer).

**It is AGREED as follows:**

**1. Definitions and interpretation**

- 1.1 In this Agreement (including the recitals but excluding Schedule 1), the terms and expressions listed in this clause 1.1 shall have the meanings set out in this clause 1.1. Terms and expressions used in Schedule 1 shall have the meanings given to them in Schedule 1.

*Acceptance Condition* means the acceptance condition to any Takeover Offer;

*Acquisition* means the direct or indirect acquisition of the shares of Jimmy Choo by Offeror (other than any Jimmy Choo Shares already held by the Offeror Group), to be effected by way of (i) the Scheme; or (ii) the Takeover Offer (as the case may be);

*Acquisition Document* means (i) if the Scheme is (or is to be) implemented, the Scheme Document; or (ii) if the Takeover Offer is (or is to be) implemented, the Offer Document;

**Announcement** means the announcement detailing the terms and conditions of the Acquisition to be made pursuant to Rule 2.7 of the Code, in substantially the form set out in Schedule 1;

**Break Payment** has the meaning given in clause 10.1;

**Break Payment Event** has the meaning given in clause 10.1;

**Business Day** means a day other than a Saturday or Sunday or public holiday in England and Wales on which banks in London are open for general commercial business;

**Clean Team Arrangements** means the arrangements established pursuant to the Joint Defense Agreement entered into in connection with the Acquisition between, among others, Jimmy Choo and Offeror dated 28 June 2017 and any additional clean team confidentiality agreements between Jimmy Choo and Offeror that may be concluded;

**Clearances** means any approvals, consents, clearances, permissions, confirmations, comfort letters and waivers that may need to be obtained, all filings that may need to be made and waiting periods that may need to have expired, from or under any of the Laws, regulations or practices applied by any Relevant Authority (or under any agreements or arrangements to which any Relevant Authority is a party), in each case that are necessary and/or expedient to satisfy one or more of the Regulatory Conditions;

**Code** means the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel;

**Companies Act** means the Companies Act 2006;

**Competing Proposal** means any proposal or possible proposal, in respect of or for:

- (a) an offer, merger, acquisition, dual-listed structure, scheme of arrangement, reverse takeover, whitewash transaction and/or business combination (or the announcement of a firm intention to do the same), the purpose of which is to acquire, directly or indirectly, 30 per cent. or more of the issued or to be issued ordinary share capital of Jimmy Choo (when aggregated with the shares already held by the acquirer or by any person acting or deemed to be acting in concert with the acquirer);
- (b) the acquisition or disposal, directly or indirectly, of all or a significant portion (being 30 per cent. or more) of the business, assets and/or undertakings of the Jimmy Choo Group calculated by reference to any of its revenue, profits or value taken as a whole;
- (c) a demerger and/or liquidation involving all or a significant portion (being 30 per cent. or more) of the Jimmy Choo Group calculated by reference to any of its revenue, profits or value taken as a whole; or
- (d) any other transaction which would be reasonably likely materially to preclude, impede or delay or otherwise prejudice the implementation of the Acquisition (including, for the avoidance of doubt, any transaction or

arrangement which would constitute a Class 1 transaction for the purposes of the Listing Rules undertaken by Jimmy Choo),

in each case which is not effected by Offeror (or a person acting in concert with Offeror) or at Offeror's direction, and whether implemented in a single transaction or a series of transactions and whether conditional or otherwise (but, for the avoidance of doubt, in no event, shall the holding by JAB Luxury of its interest in Jimmy Choo constitute a Competing Proposal);

**Conditions** means:

- (a) for so long as the Acquisition is being implemented by means of the Scheme, the conditions to the implementation of the Acquisition (including the Scheme) as set out in Appendix 1 to the Announcement and to be set out in the Acquisition Document; and
- (b) for so long as the Acquisition is being implemented by means of the Takeover Offer, the conditions referred to in (a) above, as amended by replacing the Scheme Condition with the Acceptance Condition,

and **Condition** shall be construed accordingly;

**Confidentiality Agreements** means the confidentiality agreements between Offeror and Jimmy Choo in relation to the Acquisition dated 15 June 2017 and 28 June 2017;

**Connected Persons** has the meaning given to it in the confidentiality agreement entered into between Offeror and Jimmy Choo dated 28 June 2017;

**Costs** means losses, damages, costs (including reasonable legal costs) and expenses (including taxation), in each case of any nature whatsoever;

**Court** means the High Court of Justice in England and Wales;

**Court Hearing** means the hearing by the Court of the petition to sanction the Scheme and to grant the Court Order;

**Court Meeting** means the meeting(s) of the Scheme Shareholders to be convened by order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of approving the Scheme, including any adjournment thereof;

**Court Order** means the order(s) of the Court sanctioning the Scheme under section 899 of the Companies Act;

**Effective Date** means:

- (a) the date on which the Scheme becomes effective in accordance with its terms; or
- (b) if Offeror elects to implement the Acquisition in accordance with the terms of this Agreement by means of the Takeover Offer, the date that the Takeover Offer becomes or is declared unconditional in all respects;

**Formal Sale Process** means the formal sale process for Jimmy Choo within the context of the Code and which commenced on 24 April 2017 pursuant to an announcement made by the Jimmy Choo Board;

**Form of Acceptance** means the form of acceptance to be used by Jimmy Choo Shareholders in relation to the Takeover Offer;

**Group** means, in relation to any person, that person and any bodies corporate which are subsidiaries or subsidiary undertakings of that person;

**Guarantee** has the meaning given in clause 9.1;

**HMRC** means Her Majesty's Revenue & Customs;

**Hold Separate Arrangements** has the meaning given in clause 3.2(b);

**Inducement Payment** has the meaning given in clause 11.1;

**Inducement Payment Event** has the meaning given in clause 11.1;

**JAB Luxury** means JAB Luxury GmbH, the majority shareholder of Jimmy Choo;

**Jimmy Choo Board** means the board of directors of Jimmy Choo from time to time;

**Jimmy Choo Board Recommendation** means a unanimous and unqualified recommendation from the Jimmy Choo Directors to Jimmy Choo Shareholders in respect of the Acquisition: (i) to vote in favour of the Jimmy Choo Resolutions; or (ii) if Offeror elects to proceed with the Takeover Offer in accordance with the terms of this Agreement, to accept the Takeover Offer;

**Jimmy Choo Directors** means the directors of Jimmy Choo from time to time;

**Jimmy Choo General Meeting** means the general meeting of Jimmy Choo to be convened in connection with the Scheme, notice of which will be set out in the Scheme Document, including any adjournment thereof;

**Jimmy Choo Group** means Jimmy Choo and its subsidiary undertakings and **member of the Jimmy Choo Group** shall be construed accordingly;

**Jimmy Choo Resolutions** means such shareholder resolutions of Jimmy Choo as are necessary to approve, implement or effect the Scheme and the Acquisition and changes to Jimmy Choo's articles of association;

**Jimmy Choo Share Plan** means the Jimmy Choo Long Term Incentive Plan adopted by the Jimmy Choo Board on 21 October 2014 and as amended from time to time;

**Jimmy Choo Shareholders** means the holders of Jimmy Choo Shares from time to time;

**Jimmy Choo Shares** means the ordinary shares of 100 pence each in the capital of Jimmy Choo, from time to time;

**Law** means any applicable statute, law, rule, regulation, ordinance, code, order, judgment, injunction, writ, decree, directive, policy, guideline, interpretation or rule

of common law issued, administered or enforced by any Relevant Authority, or any judicial or administrative interpretation thereof;

**Listing Rules** means the rules and regulations made by the Financial Conduct Authority in its capacity as the UK Listing Authority under the Financial Services and Markets Act 2000, and contained in the UK Listing Authority's publication of the same name;

**Longstop Date** means 31 January 2018 or such later date as may be agreed in writing by Offeror and Jimmy Choo (with the Panel's consent and as the Court may approve (if such consents(s) or approval(s) is/are required));

**Offer Document** means, if (following the date of this Agreement) Offeror elects to implement the Acquisition by way of the Takeover Offer in accordance with clause 6.1, the document to be sent to (among others) Jimmy Choo Shareholders setting out, among other things, the full terms and conditions of the Takeover Offer;

**Offeror Board** means the board of directors of Offeror from time to time;

**Offeror Directors** means the directors of Offeror from time to time;

**Offeror Group** means the Offeror and its subsidiary undertakings and *member of the Offeror Group* shall be construed accordingly;

**Panel** means the UK Panel on Takeovers and Mergers;

**Phase 2 CMA Reference** means a reference to the Chair of the Competition and Markets Authority for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;

**Regulatory Conditions** means the conditions set out in paragraphs 3 to 6 (inclusive) of Part A of Appendix 1 to the Announcement (so far as, in the case of paragraphs 4, 5 and 6, the relevant Third Party under that Condition is a Relevant Authority);

**Regulatory Information Service** means any information service authorised from time to time by the Financial Conduct Authority for the purpose of disseminating regulatory announcements;

**Relevant Authority** means any central bank, ministry, governmental, quasi-governmental, supranational (including the European Union), statutory, regulatory or investigative body, authority or tribunal (including any national or supranational (including the European Commission) anti-trust, competition or merger control authority, any sectoral ministry or regulator and foreign investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional body in any jurisdiction;

**Remedies** means any conditions, measures, commitments, undertakings, remedies or other obligations relating to the disposal of, or any restrictions on or other changes to the conduct of, all or part of any business, activities or assets of the Offeror Group or

the Jimmy Choo Group as might be required to remedy concerns identified by a Relevant Authority in connection with obtaining any Clearances and **Remedy** shall be construed accordingly;

**Rule 12 Event** means proceedings initiated by the European Commission under Article 6(1)(c) of Council Regulation (EC) No. 139/2004 (the **Regulation**) or a referral to a competent authority of the United Kingdom under Article 9(1) of the Regulation followed by a Phase 2 CMA Reference and the Acquisition lapsing as a result under Rule 12.1(a) of the Code;

**Scheme** means the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Jimmy Choo and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Jimmy Choo and Bidco;

**Scheme Conditions** means the conditions referred to in paragraph 2 of Part A of Appendix 1 to the Announcement;

**Scheme Document** means the document to be sent to (among others) Jimmy Choo Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and the Jimmy Choo General Meeting;

**Scheme Record Time** means the time and date specified as such in the Scheme Document or such later time as Jimmy Choo and Offeror may agree;

**Scheme Shareholders** means the holders of Scheme Shares;

**Scheme Shares** has the meaning given in the Announcement;

**Switch** has the meaning given in clause 6.1;

**Takeover Offer** means a takeover offer (within the meaning of section 974 of the Companies Act) to be made by or on behalf of Offeror or Bidco to acquire the entire issued and to be issued share capital of Jimmy Choo on the terms and conditions to be set out in the Offer Document;

**UK** or **United Kingdom** means the United Kingdom of Great Britain and Northern Ireland;

**VAT** means value added tax charged in accordance with the Value Added Tax Act 1994 (as amended from time to time); and

**Working Hours** means 9.30 a.m. to 5.30 p.m. in the relevant location on a Business Day.

1.2 In this Agreement, unless the context otherwise requires:

- (a) the expressions **subsidiary** and **subsidiary undertaking** have the meanings given in the Companies Act;
- (b) the expressions **acting in concert** and **concert parties** shall be construed in accordance with the Code;

- (c) *interest* in shares or securities shall be construed in accordance with the Code;
- (d) a reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;
- (e) references to a *person* include any individual, an individual's executors or administrators, a partnership, a firm, a body corporate (wherever incorporated), an unincorporated association, government, state or agency of a state, local or municipal authority or government body, a joint venture, association, works council or employee representative body (in any case, whether or not having separate legal personality);
- (f) references to a recital, paragraph, clause or Schedule (other than a schedule to a statutory provision) shall refer to those of this Agreement unless stated otherwise;
- (g) headings do not affect the interpretation of this Agreement, the singular shall include the plural and *vice versa* , and references to one gender include all genders;
- (h) references to time are to London time;
- (i) any reference to a *day* (including within the phrase *Business Day* ) shall mean a period of 24 hours running from midnight to midnight;
- (j) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;
- (k) references to *£* , *GBP* , *pounds sterling* , *Sterling* , *pence* and *p* are references to the lawful currency from time to time of the United Kingdom;
- (l) any phrase introduced by the terms *including* , *include* , *in particular* or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (m) a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied or supplemented at any time; and
- (n) references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

1.3 The Schedules form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.

**2. Publication of the Announcement and the terms of the Acquisition**

2.1 The obligations of the parties under this Agreement, other than this clause 2.1 and clauses 14 to 22 (inclusive) and 24 to 28 (inclusive), shall be conditional on the release of the Announcement via a Regulatory Information Service at or before 10:00 a.m. on the date of this Agreement or such later time and date as the parties may agree (and, where required by the Code, the Panel may approve). This clause 2.1 and clauses 14 to 22 (inclusive) and 24 to 28 (inclusive) shall take effect on and from execution of this Agreement.

2.2 The terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be agreed by the parties in writing (save in the case of an increase in the cash consideration to be paid to Scheme Shareholders under the terms of the Acquisition, which will be at the absolute discretion of Offeror and Bidco) and, where required by the Code, approved by the Panel. The terms of the Acquisition at the date of publication of the Acquisition Document shall be set out in the Acquisition Document.

**3. Regulatory clearances**

3.1 The Offeror and Bidco shall use their best endeavours to ensure that the Clearances are obtained as soon as is reasonably practicable and, in any event, by the Longstop Date.

3.2 For the purposes of clause 3.1 and the satisfaction of the parties' respective obligations under this Agreement, Offeror and Bidco acknowledge and agree that the obligation to use "best endeavours" under clause 3.1 may, among other things, require:

- (a) Offeror and Bidco to discuss, offer and agree to Remedies which entail the divestment of certain entities, assets, properties or businesses of the Offeror Group or the Jimmy Choo Group; and
- (b) if any Clearance remains outstanding by the Longstop Date, to the extent permitted by applicable Law, Offeror and Bidco to use best endeavours to enter into an arrangement with the Relevant Authorities or such other parties as may be necessary, by which the Acquisition could be completed before such outstanding Clearance is obtained and which maintains the Relevant Authorities' ability to obtain an effective remedy under the relevant merger control provisions including any conditions, undertakings or hold-separate arrangements ( *Hold Separate Arrangements* ) and upon entering into any Hold Separate Arrangements to waive the Regulatory Conditions to which the relevant outstanding Clearance relates.

3.3 Except where otherwise required by Law or a Relevant Authority, Offeror and Bidco shall:

- (a) after prior consultation with and the approval of Jimmy Choo, determine the strategy for obtaining the Clearances including: (i) the timing and sequencing regarding the discussion, offer or agreement of Remedies with Relevant

Authorities; and (ii) the determination of any Remedies (if any are required) discussed with, offered to or agreed with Relevant Authorities;

- (b) contact and correspond with the Relevant Authorities in relation to such Clearances (including submitting and preparing all necessary filings, notifications and submissions), such things to be done after prior consultation with Jimmy Choo unless any such contact or correspondence relates to purely administrative matters; and
- (c) be responsible for the payment of all filing fees required in connection with the Clearances, save that JAB Luxury (in its capacity as a seller of shares in Jimmy Choo) shall be responsible for the direct payment via wire transfer on the date of filing of 50% of the filing fee required in connection with any necessary filings, notifications and submissions under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976.

3.4 Bidco, Offeror and Jimmy Choo shall:

- (a) provide each other, in a timely manner, with such information and assistance as may be reasonably required for:
  - (i) Offeror and/or Bidco to determine, after prior consultation with Jimmy Choo, in which jurisdictions any merger control, regulatory or other filing, notification or submission with a Relevant Authority may be necessary for the purposes of obtaining the Clearances;
  - (ii) Offeror and/or Bidco, or as may be required by applicable Law, Jimmy Choo, to make any filings, notifications or submissions to the Relevant Authorities as may be necessary in connection with the obtaining of the Clearances, taking into account all applicable waiting periods; and
  - (iii) the identification, structuring and preparation of any Remedies; and
- (b) ensure that all information necessary:
  - (i) for the making of (or responding to any requests for further information consequent upon) all such filings, notifications or submissions (including draft versions) necessary for the purposes of obtaining the Clearances; and
  - (ii) the identification, structuring and preparation of any Remedies,

(and that is in the possession of, or reasonably obtainable by, such party (including from third parties through the exercise of contractual rights)) is supplied accurately and as promptly as reasonably practicable, it being acknowledged that a party shall not be in breach of this clause as a consequence of any inaccuracies in any information originating from a third party.

3.5 Except to the extent that to do so is prohibited by Law:

- (a) Bidco and/or Offeror, or as may be required by applicable Law, Jimmy Choo, will:
- (i) submit a filing, notification or submission (as required) to each Relevant Authority as soon as is reasonably practicable after the signing of this Agreement and in any event within any applicable mandatory time periods where it is necessary or expedient to do so to obtain the Clearances; and
  - (ii) commence any pre-notification processes, as applicable, in respect of the filings required to obtain the Clearances as soon as reasonably practicable following the date of this Agreement and in any event no later than 25 August 2017;
- (b) each party shall as soon as reasonably practicable provide such cooperation as is reasonably required by the other party in connection with the preparation of all such filings, notifications or submissions (as required) referred to in clause 3.5(a) and in relation to the preparation of any other submissions, material correspondence or material communications to any Relevant Authority in connection with the Clearances;
- (c) each party shall provide, or procure the provision of, draft copies of all filings, submissions, material correspondence and material communications (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications) intended to be sent or communicated to any Relevant Authority in relation to obtaining any Clearances to the other party and its legal advisers at such time as will allow the receiving party and its legal advisers a reasonable opportunity to provide comments on such filings, submissions, correspondence and communications before they are submitted, sent or made and each party shall provide the other party with copies of all such filings, submissions, material correspondence and material communications in the form finally submitted or sent (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications);
- (d) each party shall have regard in good faith to comments made in a timely manner by the other party on draft copies of filings, submissions, material correspondence and material communications provided pursuant to clause 3.5(c);
- (e) each party shall notify the other party and provide copies (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications), in a timely manner of any material correspondence or material communication from any Relevant Authority in relation to obtaining any Clearance;
- (f) each party shall keep the other party reasonably informed as to the progress of any notification submitted pursuant to clause 3.5(a) and shall allow the other party and its advisers:

- (i) to attend all meetings or material calls with any Relevant Authority or other persons or bodies (unless prohibited by the Relevant Authority, Law or other person or body) relating to obtaining any Clearance; and
  - (ii) to make reasonable oral submissions at such meetings or calls; and
- (g) where reasonably requested by a party, and insofar as permitted by the Relevant Authority, the other party shall make available appropriate representatives for meetings and calls with any Relevant Authority in connection with the obtaining of any Clearances.
- 3.6 Each party undertakes to keep the other party informed promptly of:
- (a) developments which are material or potentially material to the obtaining of a Clearance; and
  - (b) the satisfaction of the Regulatory Conditions.
- 3.7 Each party undertakes not to withdraw a filing, submission or notification made to any Relevant Authority pursuant to clause 3.5(a) without the prior consent of the other party (such consent not to be unreasonably withheld, conditioned or delayed).
- 3.8 If a provision of this Agreement obliges a party to disclose any information to another party:
- (a) which the disclosing party reasonably considers to be commercially or competitively sensitive;
  - (b) which the disclosing party is prohibited from disclosing by Law or the terms of an existing contract; or
  - (c) where such disclosure would result in the loss of privilege that subsists in relation to such information (including legal professional privilege),
- the disclosing party shall disclose the relevant information pursuant to the Clean Team Arrangements (including on an external counsel only basis) or as the disclosing party and the other parties may otherwise agree.
- 3.9 Each of Offeror and Bidco undertakes to Jimmy Choo that until the Regulatory Conditions are satisfied it shall not, and will procure that no other member of the Offeror Group shall, enter into an agreement for, or consummate, any acquisition or other transaction which would, or would be reasonably likely to, have the effect of preventing or materially delaying satisfaction of the Regulatory Conditions.
- 3.10 Where obligations of Jimmy Choo in this clause 3 are expressed to relate to Clearances, the defined term “Clearances” shall be deemed to be amended to remove the term “expedient”.

#### **4. Scheme Document**

Each of Bidco and Offeror agrees:

- (a) promptly to provide to Jimmy Choo all such information about itself, its directors and the Offeror Group as may reasonably be requested and which is required by Jimmy Choo (having regard to the Code and other Law) for inclusion in the Scheme Document (including any information required under the Code or other Law);
- (b) promptly to provide Jimmy Choo with all such other assistance and access as may reasonably be required in connection with the preparation of the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Acquisition, including access to, and ensuring the provision of reasonable assistance by, Offeror's relevant professional advisers; and
- (c) to procure that the Offeror Directors accept responsibility, in the terms required by the Code, for all the information in the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Acquisition relating to themselves (and members of their immediate families, related trusts and persons connected with them), the Offeror Group, the financing of the Acquisition, information on Offeror's future plans for the Jimmy Choo Group, its management and employees, any statements of opinion, belief or expectation of the Offeror Directors in relation to the Acquisition or the enlarged group of Offeror following the Effective Date and any other information in the Scheme Document for which an offeror is required to accept responsibility under the Code.

## **5. Implementation of the Acquisition**

5.1 Where the Acquisition is being implemented by way of the Scheme:

- (a) each of Bidco and Offeror undertakes that, by no later than 11.59 p.m. on the Business Day immediately preceding the Court Hearing, it shall deliver a notice in writing to Jimmy Choo either:
  - (i) confirming the satisfaction or waiver of all Conditions (other than Scheme Condition 2(c)); or
  - (ii) confirming its intention to invoke a Condition (if permitted by the Panel) and providing reasonable details of the event which has occurred, or circumstances which have arisen, which Bidco reasonably considers entitle it to invoke the Condition and why Bidco considers such event or circumstance to be sufficiently material for the Panel to permit it to invoke such Condition;
- (b) where Offeror and Bidco confirm the satisfaction or waiver of all Conditions (other than Scheme Condition 2(c)) in accordance with clause 5.1(a)(i), Offeror and Bidco agree that Jimmy Choo shall be permitted to take the necessary steps to procure that the Court Hearing is duly held as soon as reasonably practicable thereafter (having regard to the proposed timetable agreed between Offeror and Jimmy Choo and included in the Scheme Document or in any subsequent agreed announcement regarding the implementation of the Acquisition); and

- (c) Offeror shall instruct counsel to appear on its and Bidco's behalf at the Court Hearing and undertake to the Court to be bound by the terms of the Scheme in so far as it relates to Offeror and Bidco.
- 5.2 If the Offeror Board becomes aware of any fact, matter or circumstance that the Offeror Board reasonably considers would entitle it to invoke (and the Panel would permit it to so invoke) any of the Conditions, Offeror shall (subject to Law) inform Jimmy Choo providing reasonable details as soon as is reasonably practicable.
- 6. Switching to the Takeover Offer**
- 6.1 The parties currently intend that the Acquisition will be implemented by way of the Scheme. However, Offeror shall be entitled, with the consent of the Panel, to implement the Acquisition by way of the Takeover Offer rather than the Scheme (such election being a *Switch* ) only if:
- (a) Jimmy Choo provides its prior written consent;
- (b) a third party announces a firm intention to make an offer for the issued and to be issued ordinary share capital of Jimmy Choo; or
- (c) the Jimmy Choo Directors withdraw their recommendation of the Acquisition.
- 6.2 In the event of any Switch, unless otherwise agreed with Jimmy Choo or required by the Panel:
- (a) the Acceptance Condition shall be set at not more than seventy five (75) per cent. of the Jimmy Choo Shares to which the Takeover Offer relates without the prior written consent of Jimmy Choo (and, where necessary, the Panel);
- (b) Offeror shall not and Bidco shall not take any action which would cause the Takeover Offer not to proceed, to lapse or to be withdrawn, in each case for non-fulfilment of the Acceptance Condition, prior to the 60th day after publication of the Offer Document and Offeror shall ensure that the Takeover Offer remains open for acceptances until such time;
- (c) Offeror shall ensure that the only conditions to the Takeover Offer shall be the Conditions; and
- (d) Offeror shall keep Jimmy Choo informed, on a confidential basis on the next Business Day following receipt of a written request from Jimmy Choo, of the number of Jimmy Choo Shareholders that have validly returned their acceptance or withdrawal forms or incorrectly completed their acceptance or withdrawal forms, the identity of such shareholders and the number of Jimmy Choo Shares to which such forms relate.
- 6.3 In the event of any Switch:
- (a) the parties agree that all provisions of this Agreement other than the provisions of clause 4, shall continue to apply save as set out in this clause 6.3;

- (b) the parties agree that all provisions of this Agreement relating to the Scheme and its implementation shall apply to the Takeover Offer or its implementation *mutatis mutandis* ; and
- (c) Offeror and/or Bidco shall:
  - (i) prepare, as soon as reasonably practicable, the Offer Document and Form of Acceptance;
  - (ii) consult with Jimmy Choo as to the timing of publication of the Offer Document and the Form of Acceptance; and
  - (iii) consult with Jimmy Choo as to the form and content of the Offer Document and the Form of Acceptance.

**7. Jimmy Choo Share Schemes**

The parties agree that the provisions of Schedule 2 ( *Employee-related matters* ) shall apply with respect to certain matters relating to employees and the Jimmy Choo Share Plan.

**8. Directors' and officers' insurance**

- 8.1 If and to the extent such obligations are permitted by Law, for six years after the Effective Date, Offeror shall procure that the members of the Jimmy Choo Group honour and fulfil their respective obligations (if any) existing as at the date of this Agreement to indemnify their respective directors and officers and to advance expenses, in each case with respect to matters existing or occurring at or prior to the Effective Date.
- 8.2 Offeror acknowledges that Jimmy Choo may purchase directors' and officers' liability insurance cover for both current and former directors and officers of the Jimmy Choo Group, including directors and officers who retire or whose employment is terminated as a result of the Acquisition, for acts and omissions up to and including the Effective Date, in the form of runoff cover for a period of up to ten years following the Effective Date. Such insurance cover shall be with reputable insurers and provide cover, in terms of amount and breadth, substantially equivalent to that provided under the Jimmy Choo Group's directors' and officers' liability insurance as at the date of this Agreement, so long as the cost to purchase such runoff coverage insurance is not in excess of 300% of the last annual premium paid for its existing insurance (the *Maximum Premium* ). If Jimmy Choo is unable to obtain such insurance for an amount less than or equal to the Maximum Premium, then Jimmy Choo shall instead obtain as much comparable insurance as possible for an annual premium equal to the Maximum Premium. Offeror agrees that it shall not cancel, revoke, amend or otherwise obstruct the operation of, any runoff cover obtained pursuant to this clause 8.2.

**9. Guarantee**

- 9.1 Offeror irrevocably and unconditionally guarantees to Jimmy Choo the due and punctual performance and observance by Bidco of all its obligations under this Agreement (the **Guarantee**).
- 9.2 The Guarantee is to be a continuing security which shall remain in full force and effect until the obligations of Bidco under this Agreement have been fulfilled or shall have expired in accordance with the terms of this Agreement and the Guarantee is to be, in addition, and without prejudice to, and shall not merge with, any other right, remedy, guarantee or security which Jimmy Choo may now or hereafter hold in respect of all or any of the obligations of Bidco under this Agreement.
- 9.3 The liability of Offeror under the Guarantee shall not be affected, impaired or discharged by reason of any act, omission, matter or thing which, but for this provision, might operate to release or otherwise exonerate Bidco from its obligations including, without limitation:
- (a) any amendment, variation or modification to, or replacement of this Agreement;
  - (b) the taking, variation, compromise, renewal, release, refusal or neglect to perfect or enforce any rights, remedies or securities against Bidco or any other person;
  - (c) any time or indulgence or waiver given to, or composition made with, Bidco or any other person; or
  - (d) Bidco becoming insolvent, going into receivership or liquidation or having an administrator appointed.
- 9.4 The Guarantee shall constitute primary obligations of Offeror and Jimmy Choo shall not be obliged to make any demand on Bidco or any other person before enforcing its rights against Offeror under the Guarantee.
- 9.5 If at any time any one or more of the provisions of the Guarantee is or becomes invalid, illegal or unenforceable in any respect under any Law, the validity, legality or enforceability of the remaining provisions hereof shall not be in any way affected if impaired thereby.

**10. Break Payment**

- 10.1 Offeror undertakes to pay to Jimmy Choo the sum of £17,920,000 (seventeen million nine hundred and twenty thousand pounds sterling) (the **Break Payment**) by way of compensation for any loss or damage suffered by Jimmy Choo if the Announcement is released in accordance with clause 2.1 and after such Announcement any of the following events (each a **Break Payment Event**) occurs:
- (a) on or prior to the Longstop Date:

- (i) Offeror or Bidco invokes (and is permitted by the Panel to invoke) any Regulatory Condition so as to cause the Acquisition not to proceed, lapse or be withdrawn; or
- (ii) a Rule 12 Event takes place; or
- (b) any Regulatory Condition has not been satisfied or waived by Offeror or Bidco by 11.59 p.m. on the date which is 14 days prior to the Longstop Date.

10.2 No Break Payment shall be payable if:

- (a) at the time the relevant Break Payment Event occurs, this Agreement has already been terminated pursuant to clause 13, unless:
  - (i) this Agreement has terminated pursuant to clause 13.1(d) as a result of a Regulatory Condition not having been satisfied or waived or becoming incapable of satisfaction or waiver; or
  - (ii) this Agreement has terminated pursuant to clause 13.1(h) and the Scheme (or the Takeover Offer as the case may be) has:
    - (A) lapsed as a result of a Rule 12 Event; or
    - (B) been withdrawn or lapsed as a result of a Regulatory Condition being: (A) invoked by Offeror or Bidco; (B) becoming incapable of satisfaction by the Longstop Date and Offeror or Bidco stating that it will not be waived; or (C) not being capable of being waived and becoming incapable of satisfaction by the Longstop Date; or
- (b) the Break Payment Event was caused by or substantially contributed to by:
  - (i) a failure by Jimmy Choo (or JAB Luxury) to submit a filing, notification or submission in relation to the Acquisition under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, for which it is responsible, at least 70 calendar days prior to the Longstop Date; or
  - (ii) a breach by Jimmy Choo of its obligations relating to the satisfaction of the Regulatory Conditions under clauses 3.4(a)(ii) to 3.4(a)(iii) and/or clauses 3.4(b)(i) to 3.4(b)(ii) where such breach has caused or substantially contributed to Offeror's inability to satisfy the Regulatory Conditions in paragraph 3 of Part A to Appendix 1 to the Announcement by no later than 14 days prior to the Longstop Date provided that in each case Offeror has given Jimmy Choo a request in writing setting out in reasonable detail what information it requires from Jimmy Choo, and Jimmy Choo has subsequently failed to provide an appropriate response in substantial compliance within a reasonable period (not less than five working days, or such lesser period as may be required to comply with a Regulatory Authority's deadline) from Jimmy Choo's receipt of the written request (it being agreed and understood that an "appropriate response" would not

require the disclosure of any information or documentation: (i) which is not within Jimmy Choo's possession at the relevant time and not reasonably capable of being generated from information or documentation in its possession at the relevant time at a reasonable cost within the time available; or (ii) where such disclosure of information is prohibited from being disclosed by any law or regulation, and that disclosure in accordance with the terms of the Joint Defense Agreement will constitute an appropriate response).

- 10.3 Offeror shall pay the Break Payment by no later than ten (10) Business Days after the date of the Break Payment Event which causes it to become payable pursuant to clause 10.1.
- 10.4 All sums payable under this clause 10 shall be paid in the form of an electronic funds transfer for same day value to such bank account as may be notified by Jimmy Choo in writing to Offeror and shall be paid in full free from any deduction or withholding whatsoever (save only as may be required by Law) and without regard to any lien, right of set-off, counterclaim or otherwise. If any deduction or withholding is required by Law, Offeror shall be entitled to make the deduction or withholding but shall not be required to pay any additional amount with respect thereto.
- 10.5 If the Break Payment is paid in accordance with this clause 10, except with respect to: (i) fraud; and (ii) amounts payable by the Offeror and Bidco pursuant to the indemnity provision in clause 15.5, Jimmy Choo's receipt of the Break Payment (plus any additional amounts in respect of VAT payable pursuant to clause 12) shall be the sole and exclusive remedy of Jimmy Choo against Offeror, Bidco, their affiliates and their respective directors and officers for any and all losses and damages suffered in connection with this Agreement and the transactions contemplated herein and in no circumstance shall Offeror be required to pay the Break Payment more than once or pay more than one Break Payment.

## 11. Inducement Payment

- 11.1 Jimmy Choo undertakes to pay to Offeror the sum of £8,960,000 (eight million, nine hundred and sixty thousand pounds sterling) (or such lesser amount as would be required to ensure that: (a) the 1 per cent. limit on inducement payments in the Code is not exceeded; and (b) no approval of Jimmy Choo's shareholders is required under chapter 10.2.7 of the Listing Rules) (the **Inducement Payment**) by way of compensation for any loss or damage suffered by Offeror if: (i) the Announcement is released in accordance with clause 2.1; and (ii) after such Announcement, a Competing Proposal completes, becomes effective or is declared or becomes unconditional in all respects (an **Inducement Payment Event**).
- 11.2 Jimmy Choo shall pay the Inducement Payment by no later than ten (10) Business Days after the date of the Inducement Payment Event which causes it to become payable pursuant to clause 11.1.
- 11.3 All sums payable under this clause 11 shall be paid in the form of an electronic funds transfer for same day value to such bank account as may be notified by Offeror in writing to Jimmy Choo and shall be paid in full free from any deduction or

withholding whatsoever (save only as may be required by Law) and without regard to any lien, right of set-off, counterclaim or otherwise. If any deduction or withholding is required by Law, Jimmy Choo shall be entitled to make the deduction or withholding but shall not be required to pay any additional amount with respect thereto.

11.4 If the Inducement Payment is paid in accordance with this clause 11, except with respect to fraud, Offeror's right to receive the Inducement Payment (plus any additional amounts in respect of VAT payable pursuant to clause 12) shall be the sole and exclusive remedy of Offeror or Bidco against Jimmy Choo, its affiliates and its directors and officers for any and all losses and damages suffered in connection with this Agreement and the transactions contemplated herein and in no circumstance shall Jimmy Choo be required to pay the Inducement Payment more than once or pay more than one Inducement Payment.

## **12. VAT**

12.1 The parties anticipate, and shall use all reasonable endeavours to secure, that neither the Break Payment nor the Inducement Payment is or will be treated as consideration (in whole or in part) for a taxable supply for VAT purposes.

12.2 If the Break Payment or the Inducement Payment is determined by HMRC to be (in whole or in part) consideration for a taxable supply and:

- (a) the person receiving the supply is the person required to account to HMRC for the VAT in respect of that supply, then, to the extent that the person receiving the supply:
  - (i) cannot recover as input tax (whether by way of deduction, repayment or credit) any or all of that VAT, the person making the supply shall refund to the person receiving the supply such part of the Break Payment or Inducement Payment (as the case may be) as will mean that the Break Payment or Inducement Payment (as applicable), less the refunded amount, plus the irrecoverable VAT incurred under the reverse charge mechanism, is equal to: (x) (in the case of the Break Payment) £17,920,000 (seventeen million nine hundred and twenty thousand pounds sterling); or (y) (in the case of the Inducement Payment) £8,960,000 (eight million, nine hundred and sixty thousand pounds sterling) or, if applicable, such lesser amount as is required under clause 11.1; or
  - (ii) can recover as input tax (whether by way of deduction, repayment or credit) the whole of any amount which is paid in respect of such VAT, then no amount shall be refunded by the person making the supply; or
- (b) the person making the supply is the person required to account to HMRC for the VAT in respect of that supply, then, to the extent that the person receiving the supply:

- (i) cannot recover as input tax (whether by way of deduction, repayment or credit) any amount which is paid in respect of such VAT, no additional amount shall be paid in respect of such VAT by the person receiving the supply and the Break Payment or the Inducement Payment (as applicable) shall be VAT inclusive;
- (ii) can recover as input tax (whether by way of deduction, repayment or credit) the whole of any amount which is paid in respect of such VAT, the person receiving the supply shall pay, in addition to the Break Payment or Inducement Payment (as applicable), an amount equal to the amount so recoverable; or
- (iii) can recover as input tax (whether by way of deduction, repayment or credit) part but not all of any amount in respect of such VAT, the person receiving the supply shall pay, in addition to the Break Payment or the Inducement Payment (as applicable), such amount as ensures that the aggregate of the Break Payment or the Inducement Payment (as applicable) and the amount paid pursuant to this clause 12.2(b)(iii), less the part of the amount in respect of such VAT that is so recoverable, equals the Break Payment or the Inducement Payment (as applicable).

12.3 Such adjusting payment(s) as may be required to give effect to:

- (a) clause 12.2(a)(i) above shall be made five Business Days after the later of the date on which:
  - (i) the determination by HMRC that the Break Payment or the Inducement Payment (as applicable) is consideration for a taxable supply has been communicated to the party required to make such payment(s) (together with such evidence of it as it is reasonable in the circumstances to provide); and
  - (ii) the VAT is required to be accounted for; or
- (b) clause 12.2(b)(ii) or clause 12.2(b)(iii) above shall be made five Business Days after the latest of the date on which:
  - (i) the determination by HMRC that the Break Payment or the Inducement Payment (as applicable) is consideration for a taxable supply has been communicated to the party required to make such payment(s) (together with such evidence of it as it is reasonable in the circumstances to provide);
  - (ii) the person making the supply for which the Break Payment or the Inducement Payment (as applicable) is consideration has submitted to the person receiving that supply a valid VAT invoice in respect of that supply; and
  - (iii) the person receiving that supply has actually recovered an amount in respect of the VAT chargeable in respect of that supply (whether by way of deduction, repayment or credit).

12.4 In clauses 12.2 and 12.3, references to the person making the supply and the person receiving the supply include, where applicable, references to the representative member of any group of which such entity is a member for VAT purposes.

### 13. Termination

13.1 Subject to clauses 13.2 and 13.3, this Agreement shall terminate and all obligations of the parties under this Agreement shall cease, as follows:

- (a) if agreed in writing between the parties;
- (b) if the Announcement is not released by 10:00 a.m. on the date of this Agreement (unless, prior to that time, the parties have agreed another time in accordance with clause 2.1);
- (c) upon service of written notice by Offeror to Jimmy Choo if one or more of the following occurs:
  - (i) the Scheme Document (or Offer Document, as the case may be) and (if different) the document convening the Jimmy Choo General Meeting does not include the Jimmy Choo Board Recommendation, or Jimmy Choo makes an announcement prior to the publication of such document(s) that: (A) the Jimmy Choo Directors no longer intend to make such recommendation or intend to adversely modify or qualify such recommendation; (B) it will not convene the Court Meeting or the Jimmy Choo General Meeting; or (C) it intends not to post the Scheme Document or (if different) the document convening the Jimmy Choo General Meeting; or
  - (ii) the Jimmy Choo Directors withdraw, adversely modify or adversely qualify the Jimmy Choo Board Recommendation;
- (d) upon service of written notice by Offeror to Jimmy Choo prior to the Longstop Date stating that either:
  - (i) any Condition which has not been waived is (or has become) incapable of satisfaction by the Longstop Date and, notwithstanding that Offeror and/or Bidco has the right to waive such Condition, Offeror and/or Bidco will not do so; or
  - (ii) any Condition which is incapable of waiver is (or has become) incapable of satisfaction by the Longstop Date,in each case in circumstances where the invocation of the relevant Condition (or confirmation that the Condition is incapable of satisfaction, as appropriate) is permitted by the Panel;
- (e) upon service of written notice by Offeror to Jimmy Choo if the Jimmy Choo Resolutions are not passed at either or both the Court Meeting or the Jimmy Choo General Meeting;

- (f) upon service of written notice by Offeror to Jimmy Choo, if a Competing Proposal: (i) is recommended by the Jimmy Choo Board; or (ii) completes, becomes effective or is declared or becomes unconditional in all respects;
  - (g) upon service of written notice by Offeror to Jimmy Choo or by Jimmy Choo to Offeror following a Break Payment Event or an Inducement Payment Event;
  - (h) if the Acquisition is, with the permission of the Panel, withdrawn or lapses in accordance with its terms prior to the Longstop Date (other than where: (i) such lapse or withdrawal is as a result of the exercise of Offeror's right to effect a Switch; or (ii) it is otherwise to be followed within five (5) Business Days by an announcement under Rule 2.7 of the Code made by Offeror or a person acting in concert with Offeror to implement the Acquisition by a different scheme or offer on substantially the same or improved terms); or
  - (i) unless otherwise agreed by the parties in writing, if the Effective Date has not occurred on or before the Longstop Date.
- 13.2 Termination of this Agreement shall be without prejudice to the rights of the parties which have arisen prior to termination, including any claim in respect of a breach of this Agreement. For the avoidance of doubt, if this Agreement is terminated pursuant to clause 13.1, Offeror will remain obliged to pay the Break Payment (plus for the avoidance of doubt, any amount in respect of VAT payable pursuant to clause 12) to the extent that it had become due and payable at or prior to any such termination (subject to the provisions of the Agreement then in force) on the occurrence of the Break Payment Event.
- 13.3 The following provisions shall survive termination of this Agreement: clauses 8, 10, 11, 12, 15.4, 15.5, 16 to 22 (inclusive), 24 to 28 (inclusive), this clause 13 and all related provisions of clause 1. For the avoidance of doubt, Jimmy Choo will remain obliged to pay any Inducement Payment (plus, for the avoidance of doubt, any amount in respect of VAT payable pursuant to clause 12) payable in accordance with clause 11 if this Agreement has been terminated pursuant to clause 13.1(f).
- 14. Takeover Code**
- 14.1 Nothing in this Agreement shall in any way limit the parties' obligations under the Code, and any uncontested rulings of the Panel as to the application of the Code in conflict with the terms of this Agreement shall take precedence over such terms of this Agreement.
- 14.2 The parties agree that, if the Panel determines that any provision of this Agreement that requires Jimmy Choo to take or not to take any action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded.
- 14.3 Nothing in this Agreement shall oblige Jimmy Choo or the Jimmy Choo Directors to recommend a Scheme or Takeover Offer proposed by Offeror or any member of its Group.

- 14.4 Without prejudice to the representations and warranties given by the parties pursuant to clause 15, nothing in this Agreement shall be taken to restrict the directors of any member of the Offeror Group or the Jimmy Choo Group from complying with Law, orders of court or regulations, including the Code, the Listing Rules and the rules and regulations of the Panel and the UK Listing Authority.
- 15. Representations and warranties**
- 15.1 Each party represents and warrants to the other parties on the date of this Agreement that:
- (a) it has the requisite power and authority to enter into and perform its obligations under this Agreement;
  - (b) this Agreement constitutes its binding obligations in accordance with its terms; and
  - (c) the execution and delivery of, and performance of its obligations under, this Agreement will not:
    - (i) result in any breach of any provision of its constitutional documents;
    - (ii) result in a breach of, or constitute a default under, any instrument which is material in the context of the Acquisition to which it is a party or by which it is bound; or
    - (iii) result in a breach of any order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.
- 15.2 Offeror represents and warrants to Jimmy Choo that as at the date of this Agreement it is not aware of any material matter or circumstance which would or could reasonably be expected to result in any of the Conditions not being satisfied.
- 15.3 No party shall have any claim against any other parties pursuant to clause 15.1 or 15.2 for misrepresentation or breach of warranty after the Effective Date (without prejudice to any right to make a claim for fraudulent misrepresentation or fraudulent misstatement).
- 15.4 Each of Bidco and Offeror acknowledges and agrees that any information and/or assistance provided by any of Jimmy Choo's directors, officers, employees or advisers (each, a ***Jimmy Choo Representative***) to it and/or any of its respective Connected Persons whether before, on or after the date of this Agreement: (i) pursuant to the obligations of Jimmy Choo or of any member of the Jimmy Choo Group under or otherwise in connection with this Agreement; (ii) in connection with the Acquisition; or (iii) in connection with the Formal Sale Process more generally, shall in each case be given on the basis that the relevant Jimmy Choo Representative shall not incur any liability, whether in contract, tort (including negligence) or otherwise, in respect of any loss or damage that Bidco and/or Offeror and/or any of Bidco's or Offeror's respective Connected Persons may suffer as a result of the provision of any such information and/or assistance (save, in each case, for loss or damage resulting from the fraudulent misrepresentation of the Jimmy Choo Representative).

15.5 Offeror and Bidco shall indemnify and hold harmless Jimmy Choo and its Connected Persons on demand from and against any losses, liabilities, claims, costs and expenses (including those suffered or incurred by Jimmy Choo or its Connected Persons as a result of defending any claim), and shall not make (and shall procure that its Connected Persons shall not make) any claim or demand against Jimmy Choo or its Connected Persons, in each case arising in relation to the provision of information and/or assistance by Jimmy Choo or its Connected Persons to Offeror, Bidco or any of their Connected Persons for the arrangement by Offeror or Bidco of, and entry into, any debt financing (including any facility agreement or bond financing) in connection with the Acquisition and any filings required to be made by Offeror with the US Securities and Exchange Commission.

**16. Costs**

Except as otherwise provided in this Agreement, each party shall pay its own Costs incurred in connection with negotiating, preparing and completing this Agreement or otherwise in connection with the Acquisition.

**17. Entire agreement**

17.1 Without prejudice to the terms of the Announcement or the Acquisition Document, this Agreement, the Clean Team Arrangements and the Confidentiality Agreements together set out the entire agreement between the parties relating to the Acquisition and supersede any previous draft, agreement, arrangement or understanding, whether in writing or not, relating to the Acquisition.

17.2 Each party acknowledges that in entering into this Agreement it is not relying upon any pre-contractual statement that is not set out in this Agreement, the Clean Team Arrangements or the Confidentiality Agreements.

17.3 Except in the case of fraud or fraudulent misrepresentation, no party shall have any right of action against any other party to this Agreement arising out of or in connection with any pre-contractual statement except to the extent that it is repeated in this Agreement, the Clean Team Arrangements or the Confidentiality Agreements.

17.4 For the purposes of this clause, *pre-contractual statement* means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this Agreement, the Clean Team Arrangements or the Confidentiality Agreement made or given by any person at any time prior to the entry into of this Agreements.

17.5 Nothing in this Agreement shall limit any liability for (or remedy in respect of) fraud or fraudulent misrepresentation.

17.6 Each party agrees to the terms of this clause 17 on its own behalf.

**18. Assignment**

Unless the parties specifically agree in writing, no person shall assign, transfer, charge or otherwise deal with all or any of its rights under this Agreement nor grant, declare, create or dispose of any right or interest in it.

**19. Notices**

- 19.1 Any notice to be given by one party to the other parties in connection with this Agreement shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, e-mail, registered post or courier using an internationally recognised courier company.
- 19.2 A notice shall be effective upon receipt and shall be deemed to have been received: (i) at the time of delivery, if delivered by hand, registered post or courier; or (ii) at the time of transmission if delivered by e-mail. Where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.
- 19.3 The addresses and e-mail addresses of the parties for the purpose of clause 19.1 are:

**Offeror**

Address: 33 Kingsway, London, WC2B 6UF, United Kingdom  
E-mail: Krista.McDonough@michaelkors.com  
For the attention of: Krista A. McDonough

*With a copy (which shall not constitute notice) to:*

Address: Slaughter and May, One Bunhill Row, London EC1Y 8YY  
E-mail: Jeffrey.Twentyman@slaughterandmay.com  
For the attention of: Jeffrey Twentyman

Address: Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019-6064, United States of America  
E-mail: JHamill@paulweiss.com  
For the attention of: Justin Hamill

**Bidco**

Address: 33 Kingsway, London, WC2B 6UF, United Kingdom  
E-mail: Krista.McDonough@michaelkors.com  
For the attention of: Krista A. McDonough

*With a copy (which shall not constitute notice) to each of:*

Address: Slaughter and May, One Bunhill Row, London EC1Y 8YY  
E-mail: Jeffrey.Twentyman@slaughterandmay.com  
For the attention of: Jeffrey Twentyman

Address: Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019-6064, United States of America  
E-mail: JHamill@paulweiss.com  
For the attention of: Justin Hamill

**Jimmy Choo**

Address: 10 Howick Place, London, SW1P 1GW  
E-mail: hmerritt@jimmychoo.com  
For the attention of: General Counsel

*With a copy (which shall not constitute notice) to:*

Address: Freshfields Bruckhaus Deringer, 65, Fleet Street, EC4Y 1HS  
E-mail: christopher.mort@freshfields.com  
For the attention of: Christopher Mort

19.4 Each party shall notify the other parties in writing of any change to its details in clause 19.3 from time to time.

**20. Language**

Each language of communication under or in connection with this Agreement shall be in English.

**21. Waivers, rights and remedies**

21.1 The rights and remedies provided for in this Agreement are cumulative and not exclusive of any other rights or remedies, whether provided by Law or otherwise.

21.2 No failure to exercise, or delay in exercising, any right under this Agreement or provided by Law shall affect that right or operate as a waiver of the right. The single or partial exercise of any right under this Agreement or provided by Law shall not preclude any further exercise of it.

21.3 Without prejudice to any other rights or remedies that the other parties may have, each party acknowledges and agrees that damages may not be an adequate remedy for any breach by it of this Agreement and that accordingly the other parties may be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of this Agreement by any party and no proof of special damages shall be necessary for the enforcement by any party of the rights under this Agreement.

**22. No partnership**

No provision of this Agreement creates a partnership between the parties or makes a party the agent of the other parties for any purpose. A party has no authority or power

to bind, to contract in the name of, or to create a liability for the other parties in any way or for any purpose.

**23. Further assurances**

At the Cost of the requesting party, each party shall (and shall procure that members of its Group shall and shall use reasonable endeavours to procure that any necessary third party shall) execute such documents and do such acts and things as the requesting party may reasonably require for the purpose of giving the full benefit of this Agreement to the requesting party.

**24. Counterparts**

This Agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

**25. Variations**

25.1 No variation of this Agreement shall be valid unless it is in writing and duly executed by or on behalf of all of the parties to it.

25.2 If this Agreement is varied:

- (a) the variation shall not constitute a general waiver of any provisions of this Agreement;
- (b) the variation shall not affect any rights, obligations or liabilities under this Agreement that have already accrued up to the date of variation; and
- (c) the rights and obligations of the parties under this Agreement shall remain in force, except as, and only to the extent that, they are varied.

**26. Invalidity**

26.1 Each of the provisions of this Agreement is severable.

26.2 If and to the extent that any provision of this Agreement:

- (a) is held to be, or becomes, invalid or unenforceable under the Law of any jurisdiction; but
- (b) would be valid, binding and enforceable if some part of the provision were deleted or amended,

then the provision shall apply with the minimum modifications necessary to make it valid, binding and enforceable and neither the validity or enforceability of the remaining provisions of this Agreement, nor the validity or enforceability of that provision under the Law of any other jurisdiction, shall in any way be affected or impaired as a result of this clause 26.2.

**27. Third party enforcement rights**

- 27.1 Each of the persons to whom clause 8.1, 8.2, 12, 15.4 or 15.5 applies may under the Contracts (Rights of Third Parties) Act 1999 enforce the terms of clauses 8.1, 8.2, 12, 15.4 or 15.5 (as applicable). This right is subject to: (i) the rights of the parties to amend or vary this Agreement without the consent of any other person; and (ii) the other terms and conditions of this Agreement.
- 27.2 Except as set out in clause 27.1, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

**28. Governing law and jurisdiction**

- 28.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by, and interpreted in accordance with, English law.
- 28.2 The English courts shall have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with this Agreement, including disputes arising out of or in connection with: (i) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by, this Agreement; and (ii) any non-contractual obligations arising out of or in connection with this Agreement. For these purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.
- 28.3 Offeror shall at all times maintain an agent for service of process and any other documents in proceedings in England and Wales or any other proceedings in connection with this Agreement. That agent shall be JAG Acquisitions (UK) Limited currently of 33 Kingsway, London WC2B 6UF. Any claim form, judgment or other notice of legal process shall be sufficiently served on Offeror if delivered to such agent at its address for the time being. Offeror waives any objection to such service.
- 28.4 Offeror irrevocably undertakes not to revoke the authority of its agent and if, for any reason, Jimmy Choo requests Offeror to do so, Offeror shall promptly appoint another such agent with an address in England and advise the other parties of the agent's details. If, following such a request, Offeror fails to appoint another agent within 10 Business Days, Jimmy Choo shall be entitled to appoint one on behalf of Offeror at Offeror's expense. Nothing in this Agreement shall affect Jimmy Choo's right to serve process in any other manner permitted by Law.

IN WITNESS WHEREOF this Agreement has been entered into on the date stated on page 1.

**SIGNED** by ) /s/ John D. Idol  
for and on behalf of ) John D. Idol  
**MICHAEL KORS HOLDINGS LIMITED** )

**SIGNED** by ) /s/ David Provenzano  
for and on behalf of ) David Provenzano  
**JAG ACQUISITIONS (UK) LIMITED** )

**SIGNED** by ) /s/ Robert Steven Singer  
for and on behalf of ) Robert Steven Singer  
**JIMMY CHOO PLC** )

**Schedule 1**  
**Form of Announcement**

**Schedule 2**  
**Employee-related matters**

Jimmy Choo, Bidco and Offeror agree that the following arrangements shall apply with respect to certain matters relating to employees and to the Jimmy Choo Share Plan:

For the purposes of this Schedule:

**Jimmy Choo Remuneration Committee** means the remuneration committee of the Jimmy Choo Board as constituted immediately prior to the date of the Court Order; and

**Trust** means the employee benefit trust known as the Jimmy Choo Employees' Benefit Trust.

**Outstanding Options and Awards**

1.1 Jimmy Choo confirms that the following options and awards are outstanding under the Jimmy Choo Share Plan as at the date of this Agreement:

- (a) options over 1,903,231 Jimmy Choo Shares (the “**JC PLC Awards**”); and
- (b) options and awards over 8,350,000 Jimmy Choo Shares (the “**One-off Share Awards**”).

**The Jimmy Choo Share Plan**

1.2 Offeror and Bidco agree that Jimmy Choo may amend the rules of the Jimmy Choo Share Plan in relation to the time at which options may be exercised or awards vest if, in the opinion of the Jimmy Choo Remuneration Committee, such amendments are necessary or desirable to facilitate the administration of the Jimmy Choo Share Plan or to obtain or maintain favourable tax treatment for participants in such plan or any member of the Jimmy Choo Group. Jimmy Choo agrees that such amendments shall only be made following prior consultation with the Offeror and Bidco, and that any representations made by the Offeror and Bidco shall be considered by Jimmy Choo in good faith prior to making the implementation of any amendments.

1.3 Offeror and Bidco acknowledge that whether, and the extent to which, options and awards outstanding under the Jimmy Choo Share Plan at the date of the Court Order vest or become exercisable in connection with the Acquisition is to be determined in accordance with the rules of the Jimmy Choo Share Plan and the actions taken and discretions exercised pursuant to those rules by the Jimmy Choo Board or Jimmy Choo Remuneration Committee.

**General Obligation**

1.4 Offeror, Bidco and Jimmy Choo agree that shareholder approval will be sought for an amendment to the articles of association of Jimmy Choo so that any Jimmy Choo Shares transferred or issued after the Scheme Record Time pursuant to the exercise of options or vesting of awards under the Jimmy Choo Share Plan will be compulsorily acquired by Offeror or Bidco on the same terms as were available to other Jimmy Choo Shareholders under the Acquisition.

- 1.5 Vesting, exercise and settlement under the Jimmy Choo Share Plan as described herein will be subject to any required deductions for income taxes and national insurance and similar social security deductions or contributions.

#### **Employee Benefit Trust**

- 1.6 As at 25 July 2017, the Trust held 11,146,094 unallocated Jimmy Choo Shares. Subject always to Jimmy Choo's ability to make recommendations to the trustee of the Trust to use the unallocated Jimmy Choo Shares to satisfy awards vesting or options being exercised in the normal course prior to the date of the Court Order, Offeror, Bidco and Jimmy Choo agree that the trustee of the Trust will be requested to agree to satisfy certain options and awards vesting or becoming exercisable as a consequence of the Court Order, using these unallocated Jimmy Choo Shares in priority to Jimmy Choo issuing Jimmy Choo Shares to satisfy such options and awards. If the trustee of the Trust does not agree to this request, any unallocated Jimmy Choo Shares shall remain in the Trust and be subject to the Acquisition.
- 1.7 Offeror acknowledges that the Trust entered into certain funding arrangements with JAB Luxury. In connection with the Acquisition, Offeror and Bidco agree that Jimmy Choo may take such steps as it considers necessary to provide funds to the Trust to enable the Trust to pay any amount that it may owe to JAB Luxury under those funding arrangements, to the extent that the Trust is not able to do so, including but not limited to Jimmy Choo making a loan or gift of funds to the Trust.

#### **Annual bonus arrangements**

- 1.8 Offeror and Bidco acknowledge that Jimmy Choo operates annual bonus arrangements, commission schemes and retention arrangements for employees of the Jimmy Choo Group. Jimmy Choo shall continue to operate these arrangements for the performance periods constituting the financial years ending 31 December 2017 (if the Effective Date has not occurred by that time) in accordance with its normal practice and in a manner consistent with historic practice.

#### **Communications**

- 1.9 Jimmy Choo agrees to assist Offeror and Bidco and their advisers to prepare, in a form to be agreed between Offeror, Bidco and Jimmy Choo, communications to each of the participants in the Jimmy Choo Share Plan to enable Offeror and Bidco to satisfy their obligations under Rule 15 of the Code, provided that Jimmy Choo shall create the first draft of such communication, and to send or arrange for the sending of any such communications to participants at the appropriate time (such time to be agreed between the parties).

#### **Employment matters**

- 1.10 Offeror and Bidco will fully safeguard the contractual and statutory employment rights and accrued pension rights of all management and employees of the Jimmy Choo Group and the contractual and other entitlements in relation to pension and employment rights of existing employees will be complied with.

**MICHAEL KORS HOLDINGS LIMITED TO ACQUIRE JIMMY CHOO PLC FOR 230 PENCE PER SHARE IN CASH****Acquisition of iconic brand expands leadership position in the global fashion luxury segment and strengthens future growth opportunities**

**LONDON – July 25, 2017** – Michael Kors Holdings Limited (NYSE:KORS), a global fashion luxury brand, today announced that it has reached an agreement to acquire Jimmy Choo PLC (LON: CHOO), a premier global luxury footwear and accessories brand. Under the terms of the transaction, Jimmy Choo shareholders will receive 230 pence per share, with an enterprise value of approximately USD \$1.350 billion. The transaction has been approved by the Boards of Directors of both Michael Kors and Jimmy Choo.

John D. Idol, Chairman and Chief Executive Officer of Michael Kors, said, “We are pleased to announce the acquisition of Jimmy Choo, an iconic brand with a rich history as a leading global luxury house. Jimmy Choo is known worldwide for its glamorous and fashion-forward footwear. The company is a leader in setting fashion trends. Its innovative designs and exceptional craftsmanship resonate with trendsetters globally. We believe that Jimmy Choo is poised for meaningful growth in the future and our company is committed to supporting the strong brand equity that Jimmy Choo has built over the last 20 years.”

Mr. Idol continued, “Pierre Denis will continue in his role as Chief Executive Officer of Jimmy Choo. He has led the company since 2012, during which time Jimmy Choo experienced compounded sales growth of 11% annually. Pierre brings more than 25 years of experience and a strong track record with global fashion luxury brands. Additionally, Creative Director Sandra Choi will continue to lead the creative and design teams at the company. Sandra has been with Jimmy Choo since its inception and has been the sole Creative Director since 2013. Her groundbreaking vision and fashion artistry have created a truly iconic and internationally recognized luxury brand. Mr. Denis, Ms. Choi and the rest of the highly-talented management team have done a tremendous job, and this continuity of leadership will ensure that the DNA of Jimmy Choo is maintained as we work together to continue to grow the brand globally.”

Michael Kors, Honorary Chairman and Chief Creative Officer of Michael Kors, said, “Jimmy Choo is a premier fashion luxury house that offers distinctive footwear, handbags and other accessories. We admire the glamorous style and trendsetting nature of Jimmy Choo designs. We look forward to welcoming Jimmy Choo to our luxury group.”

Pierre Denis, Chief Executive Officer of Jimmy Choo, said, “It is a privilege for our management team to lead Jimmy Choo and to preside over such an exciting period for our company. We are convinced that there is so much more that can be delivered in the years ahead. We look forward to working closely with the leadership and team at Michael Kors Holdings Limited to further develop our iconic brand. Our two companies share the same vision of style and trend leadership. Our luxury heritage is the foundation of Jimmy Choo and we will continue to bring our brand vision to consumers globally.”

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## **Iconic and Powerful Luxury Brand**

Jimmy Choo is a luxury accessories brand that offers an empowered sense of glamour and a playfully daring spirit. Since its inception in 1996, the company has offered distinctive, glamorous and fashion-forward products, with luxury footwear at the heart of its unique brand DNA. The brand began as a bespoke atelier that catered to the global luxury consumer, and continues to be popular with style icons around the globe, including celebrities, royalty, musicians and heads of state. Jimmy Choo offers exceptionally crafted products of the highest quality, with a design team that is at the forefront of interpreting fashion trends in footwear and accessories. The collections reflect a mix of iconic, timeless products that appeals to a broader audience, as well as innovative offerings that are targeted to fashion trendsetters globally.

With approximately 150 company-operated retail stores, 560 multi-brand doors and more than 60 franchise stores in premier locations worldwide, Jimmy Choo has a successful, balanced distribution network. The company has a strong presence in Europe, the Middle East, the Americas and Asia. In addition, Jimmy Choo continues to invest significantly in its online platform, which has experienced strong revenue growth in recent years.

The company also continues to build its presence in accessories and men's footwear. The brand has a natural authority in men's evening shoes, adding a twist to classic shapes, and has also seen strong growth in luxury active footwear. By integrating a dual gender product portfolio into its retail stores, Jimmy Choo expects to unlock additional value from this fast growing segment of the business.

## **Strategic Rationale**

The acquisition of Jimmy Choo is expected to deliver a number of benefits, including:

- The opportunity to grow Jimmy Choo sales to \$1 billion
- A more balanced portfolio with greater product diversification
- An enhanced positioning in the attractive and growing luxury footwear segment
- The opportunity to grow in the men's luxury footwear category
- Further expansion in the luxury accessories market
- Greater exposure to global markets, particularly the fast-growing market in Asia
- The potential to create long-term operational synergies

## **Transaction Details**

The transaction is not subject to a financing condition. Michael Kors has committed bridge financing from JPMorgan Chase Bank, N.A. and Goldman Sachs Bank USA to satisfy the certain funds requirement of the U.K. Takeover Code to complete the transaction. The transaction is intended to be effected by a U.K. court-approved Scheme of Arrangement (the "Scheme") and is expected to close in the fourth quarter of calendar 2017, subject to customary closing conditions, including the receipt of required regulatory approvals as well as the approval of the Scheme by Jimmy Choo shareholders, who together hold at least 75% of the issued share capital of Jimmy Choo and represent a majority of the shareholders voting at the meeting. Michael Kors has received irrevocable undertakings from JAB Luxury GmbH, Jimmy Choo

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directors and Sandra Choi, who collectively represent 69.21% of the issued and outstanding Jimmy Choo shares in support of the transaction.

### **Financial Considerations**

Michael Kors Holdings Limited believes that the acquisition enhances the company's economic value and will drive improved long-term shareholder value. The acquisition is expected to be accretive on a GAAP basis in fiscal 2020.

### **Conference Call and Additional Information**

Michael Kors will host a conference call to discuss the transaction at 8:00 a.m. ET today, July 25, 2017. A live webcast of the conference call will be available in the investor relations portion of the Company's website, [www.investors.michaelkors.com](http://www.investors.michaelkors.com). For additional information concerning the transaction, please see the investor presentation available on the Investor Relations page of the Michael Kors website at [www.investors.michaelkors.com](http://www.investors.michaelkors.com) as well as the Rule 2.7 announcement available on the Michael Kors website at and on the Jimmy Choo website at <http://www.jimmychoopl.com/investors/strategic-review-documents-announcements>. For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this press release.

### **About Michael Kors**

Michael Kors is a world-renowned, award-winning designer of luxury accessories and ready-to-wear. His namesake company, established in 1981, currently produces a range of products under Michael Kors Collection, MICHAEL Michael Kors and Michael Kors Mens, including accessories, ready-to-wear, footwear, wearable technology, watches, and a full line of fragrance products. Michael Kors stores are operated in the most prestigious cities in the world. In addition, Michael Kors operates digital flagships across North America, Europe and Asia, offering customers a seamless omni-channel experience. Michael Kors Holdings Limited is publicly listed on the New York Stock Exchange with the ticker KORS.

### **About Jimmy Choo**

Jimmy Choo encompasses a complete luxury accessories brand. Women's shoes remain the core of the product offering, alongside handbags, small leather goods, scarves, sunglasses, eyewear, belts, fragrance and men's shoes. CEO Pierre Denis and Creative Director Sandra Choi together share a vision to create one of the world's most treasured luxury brands. Jimmy Choo has a global store network encompassing more than 150 stores and is present in the most prestigious department and specialty stores worldwide. Jimmy Choo PLC is publicly listed on the London Stock Exchange with the ticker CHOO.

### **Forward-Looking Statements**

This press release contains statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Michael Kors and Jimmy Choo about future events, and are therefore subject to risks and uncertainties which

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could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this press release include statements relating to the expected effects of the acquisition on Michael Kors and Jimmy Choo, the expected timing and scope of the acquisition and other statements other than historical facts. All statements other than statements of historical facts included in this press release may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “estimates”, “synergy”, “cost-saving”, “projects”, “goal”, “strategy”, “budget”, “forecast” or “might” or, words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Jimmy Choo’s and Michael Kors’ operations and benefits from the acquisition; and (iii) the effects of government regulation on Michael Kors’ or Jimmy Choo’s business. These forward-looking statements are not guarantees of future financial performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many risks, uncertainties and other factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. These risks, uncertainties and other factors include the satisfaction of the conditions to consummating the acquisition, Michael Kors’ ability to integrate the businesses successfully and to achieve anticipated benefits of the acquisition; the risk of disruptions to Michael Kors’ or Jimmy Choo’s businesses; the negative effects of the announcement of the proposed acquisition or the consummation of the proposed acquisition on the market price of the Michael Kors’ ordinary shares and its operating results; significant transaction costs; unknown liabilities; the risk of litigation and/or regulatory actions related to the proposed acquisition; fluctuations in demand for Jimmy Choo’s and Michael Kors’ products; changes in consumer traffic and retail trends; loss of market share and industry competition; fluctuations in the capital markets; fluctuations in interest and exchange rates; the occurrence of unforeseen disasters or catastrophes; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions, as well as those risks set forth in the reports that Michael Kors files from time to time with the U.S. Securities and Exchange Commission. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Unless otherwise required by applicable law, neither Michael Kors nor Jimmy Choo, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this press release will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements. All subsequent oral or written forward-looking statements attributable to Michael Kors or Jimmy Choo or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Michael Kors and Jimmy Choo disclaim any obligation to update or revise any forward-looking or other statements contained herein other than in accordance with their legal and regulatory obligations.

#### **Important information**

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This press release is for information purposes only and is not intended to, and does not, constitute or form part of an offer to purchase or the solicitation of an offer to sell any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Scheme or otherwise. The proposed acquisition will be implemented solely pursuant to the terms of a Scheme Document, which will contain the full terms and conditions of the proposed acquisition. Any decision in respect of, or other response to, the proposed acquisition should be made only on the basis of the information contained in the Scheme Document.

**Additional information for US shareholders**

The proposed acquisition relates to the shares of an English company and is expected to be made by means of a scheme of arrangement provided for under English company law. The proposed acquisition will not be subject to the tender offer rules or the proxy solicitation rules under the U.S. Securities Exchange Act of 1934, as amended (the "US Exchange Act"). Accordingly, the proposed acquisition will be subject to the disclosure requirements and practices applicable in the United Kingdom to schemes of arrangement, which differ from the disclosure requirements of U.S. tender offer and proxy solicitation rules. If, in the future, Michael Kors exercises the right to implement the proposed acquisition by way of a takeover offer, the proposed acquisition will be made in compliance with applicable U.S. laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.

**FOR MORE INFORMATION:**

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