RIMON P.C.
Counsel to the Chapter 7 Trustee
Kenneth P. Silverman, Esq.
100 Jericho Quadrangle Suite 300
Jericho, New York 11753
Brian Powers
Courtney M. Roman

Hearing Date: January 28, 2025
Time: 10:00 a.m.

Objections Due: January 21, 2025
Time: 4:00 p.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----------x

In re: Chapter 7

BUTH-NA-BODHAIGE, INC., Case No.: 24-10392 (DSJ)

Debtor.

----------x

NOTICE OF HEARING ON CHAPTER 7 TRUSTEE'S MOTION FOR AN ORDER DIRECTING EXAMINATION OF AND THE PRODUCTION OF DOCUMENTS BY AURELIUS IV UK ACQUICO LIMITED PURSUANT TO RULES 2004 AND 9016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND RULE 45 OF THE FEDERAL RULES OF CIVIL PROCEDURE

PLEASE TAKE NOTICE THAT, upon the motion (the "Motion") of Kenenth P. Silverman, the chapter 7 trustee (the "Trustee") for the bankruptcy estate of Buth-Na-Bodhaige, Inc. (the "Debtor"), will move before the Honorable David S. Jones, United States Bankruptcy Judge, for the United States Bankruptcy Court of the Southern District of New York, via Zoom for Government, on **January 28, 2025 at 10:00 a.m.** (the "Hearing"), or as soon thereafter as counsel can be heard, for entry of an order, substantially in the form annexed to the Motion as **Exhibit A**, authorizing the issuance and service of subpoenas *duces tecum* and/or subpoenas *ad testificandum,* for the production of documents from, and/or examination of Aurelius IV UK Acquico Limited ("Aurelius"), and for such other and further relief as the Court deems just and proper.

PLEASE TAKE FURTHER NOTICE, that prior to the Hearing, any party wishing to appear at the Hearing is required to register their appearance by 4:00 p.m. one (1) business day in

advance of the Hearing using the Court's eCourt Appearances platform: https://ecf.nysb.uscourts.gov/cgi-bin/nysbAppearances.pl.

PLEASE TAKE FURTHER NOTICE, that objections to the relief sought in the Motion shall be in writing, conform to the requirements of the Bankruptcy Code, Bankruptcy Rules, and the Local Rules of this Court, must set forth the name of the objecting party, the basis for the objection and the specific grounds therefore, and must be filed electronically with the Bankruptcy Court in accordance with General Order M-399 (General Order M-399 and the User's Manual for the Electronic Case Filing System may be found at www.nysb.uscourts.gov, the official website for the Bankruptcy Court) by registered users of the Bankruptcy Court's case filing system, and by all other parties in interest on a disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with courtesy copies delivered directly to Chambers), and must be served upon (i) counsel to the Trustee, Rimon P.C., 100 Jericho Quadrangle, Suite 300, Jericho, New York, 11753, Attn: Brian Powers, Esq. and (ii) The Office of the United States Trustee, Alexander Hamilton Custom House, One Bowling Green, Room 534, New York, New York, 10004-1408, Attn: Mark Bruh, Esq., no later than **January 21, 2025 at 4:00 p.m.**

PLEASE TAKE FURTHER NOTICE, that the Hearing may be adjourned without further notice other than the announcement of such adjournment in open Court or by the filing of such notice of adjournment on the docket sheet for the Debtor's case.

PLEASE TAKE FURTHER NOTICE, that you need not appear at the Hearing if you do not object to the relief requested in the Motion.

Dated: Jericho, New York
January 3, 2025

RIMON P.C.
Counsel to Kenneth P. Silverman, Esq.,
the Chapter 7 Trustee

By: *s/ Brian Powers*
Brian Powers
Partner
100 Jericho Quadrangle, Suite 300
Jericho, New York 11753

RIMÔN PC
Counsel to the Chapter 7 Trustee, Kenneth P. Silverman, Esq.
100 Jericho Quadrangle, Suite 300
Jericho, New York 11753
Telephone: (516) 479-6300
Brian Powers
Meghan Lavine

Hearing Date: January 28, 2025
Time: 10:00 a.m.

Objection Deadline: January 21, 2025
Time: 4:00 p.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
----------X
In re:

BUTH-NA-BODHAIGE, INC.,

Debtor.
----------X

Case No.: 24-10392 (DSJ)

Chapter 7

CHAPTER 7 TRUSTEE'S MOTION FOR AN ORDER DIRECTING EXAMINATION OF AND THE PRODUCTION OF DOCUMENTS BY AURELIUS IV UK ACQUICO LIMITED PURSUANT TO RULES 2004 AND 9016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND RULE 45 OF THE FEDERAL RULES OF CIVIL PROCEDURE

Kenneth P. Silverman, solely in his capacity as the chapter 7 trustee (the "Trustee") for the estate (the "Estate") of the above-captioned debtor, Buth-Na-Bodhaige, Inc. (the "Debtor"), hereby moves this Court (the "Motion") for entry of an order substantially in the form the order attached as **Exhibit A** (the "Proposed Order"), pursuant to Rules 2004 and 9016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing the issuance and service of subpoenas *duces tecum* and/or subpoenas *ad testificandum,* for the production of documents from, and/or examination of Aurelius IV UK Acquico Limited ("Aurelius") set forth on **Exhibit B** (the "Documents" and "Witnesses"), as more fully described below. In support of this Motion, the Trustee respectfully represents as follows:

JURISDICTION

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. §157(b)(2).

2. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409.

3. The statutory bases for the relief sought by the Motion are §105 of title 11 of the United States Code (the "Bankruptcy Code"), Bankruptcy Rules 2004 and 9016.

BACKGROUND

A. The Debtor's Bankruptcy Case

4. The Debtor was a cosmetic skin care retailer that is a subsidiary of the Body Shop International Limited ("TBSI"), a United Kingdom based company. TBSI is currently in administration in the United Kingdom (the "Administration"). Shortly after TBSI entered administration, the Debtor terminated all of its employees, closed all of its retail locations, and filed this chapter 7 case.

5. On March 8, 2024 (the "Petition Date"), the Debtor filed a voluntary petition for relief pursuant to chapter 7 of the Bankruptcy Code (the "Proceeding").

6. The Debtor's Canadian affiliate, The Body Shop Canada Limited (the "TBSC"), which is also a subsidiary of TBSI, filed its own Canadian insolvency proceeding (the "Canadian Proceeding").

7. On March 9, 2024, Kenneth P. Silverman, Esq. was appointed the interim chapter 7 trustee of the Debtor's estate.

8. On April 9, 2024, the initial section 341 First Meeting of Creditors was held and the Trustee duly qualified and has become the permanent Trustee.

B. Aurelius's Proof of Claim

9. On June 17, 2024, Aurelius filed a proof of claim in the amount of $10,564,057.53 (the "Claim") in the Proceeding. The Claim is attached hereto as **Exhibit C**. The Claim is based upon a guaranty by the Debtor, dated December 29, 2023, in favor of Aurelius (the "Guaranty"), as the lender, as part of a loan agreement between TBSI and Aurelius (the "Agreement"). *See* **Exhibit C**, pp. 9 & 22. TBSC also provided a guaranty of the same loan to TBSI (the "TBSC Guaranty"). *See* **Exhibit C**, pg. 22.

10. On September 12, 2024, the Administrator's Progress Report (the "Report") was issued in the Administration. The Report indicated that Aurelius released all security, liens, guarantees, covenants, indemnities, mortgages, charges, and pledges provided by TBSI and TBSC in connection with, *inter alia*, the General Security Agreement dated December 29, 2023, pursuant to a Release of Security (the "Release") dated September 7, 2024 to facilitate the purchase of TBSI by the Investment Group Aurea (the "Sale"). Specifically, TBSC was released from security interests filed in connection with the TBSC Guaranty. The Report is attached hereto as **Exhibit D**.[1] *See* **Exhibit D**, pp. 7-8. The Release is attached hereto as **Exhibit E**.

11. As indicated in the Report, full details of the Sale are not included because the transaction was completed outside of the reporting period. It is anticipated particulars of the Sale will be included in the next progress report. *See* **Exhibit D**, p. 7.

12. Notwithstanding that the Sale may affect TBSI's secured interest in the Debtor in connection with the Guaranty, which forms the basis of by far the largest proof of claim filed in the Debtor's case, the Trustee has not been provided with any additional information regarding the

[1] The Report and Release were submitted in support of the Notice of Motion to Extend the Stay of Proceedings and Grant a Critical Supplier Charge to TBSI filed in the Canadian Proceeding (the "Canadian Motion"). The Canadian Motion is attached hereto in its entirety as **Exhibit F**.

Sale. In order to continue his due diligence, the Trustee requires additional documents relating to the validity of the Claim, including, but not limited to, the following categories of Documents:

(i) Correspondence with TBSI relating to the Agreement, the Guaranty, and the TBSC Guaranty; (ii) documents prepared in furtherance of execution of the Agreement; (iii) documents prepared in furtherance of execution of the Guaranty and the TBSC Guaranty; (iv) correspondence with the Debtor relating to the Agreement, the Guaranty, and the TBSC Guaranty; (v) correspondence with TBSC relating to the Agreement, the Guaranty, and the TBSC Guaranty; (vi) correspondence and documents relating to negotiations between Aurelius and Aurea in furtherance of the Sale; (vii) correspondence and documents relating to negotiations between Aurelius and Aurea in furtherance of the Release; (viii) any and all claims filed by Aurelius in the TBSI Administration; (ix) any and all claims filed by Aurelius in the TBSC insolvency proceeding; (x) books of account, financial and accounting records demonstrating the directed use of funds received by TBSI as a result of entering the Agreement; (xi) records demonstrating consideration for the Sale; (xii) records demonstrating consideration for the Release; (xiii) receipts for transaction made in connection to the Sale; (xiv) due diligence records with respect to the Agreement, the Guaranty, the TBSC Guaranty the Sale, and the Release; (xv) records of accounts of payments made to all parties in connection to the Sale; (xvi) records of accounts of payments made to all parties in connection to the Release; (xvii) agreements executed in furtherance of the Sale; (xviii) agreements executed in furtherance of the Release; (xix) Correspondence with the Debtor regarding the Sale and the Release; (xx) correspondence with TBSI regarding the Sale and the Release; and (xxi) correspondence with TBSC regarding the Sale and the Release. *See* **Exhibit B**.

13. The Trustee may also seek testimony from Witnesses regarding the Documents and information they have with respect to the Agreement, the Guaranty, the TBSC Guaranty, the Sale, and the Release.

14. In the event that the Trustee cannot obtain the complete voluntary cooperation of the Witnesses or obtain the Documents, the Trustee must have the ability to continue his investigation by issuing subpoenas to depose the Witnesses and to obtain the Documents relevant to their testimony. In each case, if the Trustee issues a subpoena, the Witness will retain the right to move to quash the subpoena on any appropriate grounds.

RELIEF REQUESTED

15. By this Application, the Trustee seeks entry of an order that authorizes him to issue subpoenas to compel the Witnesses to produce Documents and other information and to attend one or more examinations before the Trustee and/or his counsel. The Trustee submits that such relief is warranted as described below.

16. Bankruptcy Rule 2004(a) provides that "on motion of any party in interest, the court may order the examination of any entity." Bankruptcy Rule 2004(b) permits the Trustee to conduct an inquiry ranging broadly over any "acts, conduct, or property [of the debtor] or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor's estate . . .." Bankruptcy Rule 2004(b). *See*, *e.g.*, *In re Dieffenbacher*, 556 B.R. 79, 83 (Bankr. E.D.N.Y. 2016) ("The purpose of such a broad discovery tool is to assist the Trustee in revealing the nature and extent of the estate; ascertaining assets; and discovering whether any wrongdoing has occurred.") (quoting *In re Corso*, 328 B.R. 375, 383 (E.D.N.Y. 2005)); In *re Enron Corp.*, 281 B.R. 836, 840 (Bankr. S.D.N.Y. 2002) (scope of a Bankruptcy Rule 2004 examination is "broad and unfettered"); *In re Mavashev*, 559 B.R. 332, 336 (Bankr. E.D.N.Y.

2016) ("Rule 2004 discovery is broader than discovery under [the Federal Rules], and has fewer procedural safeguards. It can be legitimately compared to a fishing expedition.") (quoting *In re Drexel Burnham Lambert Group, Inc.*, 123 B.R. 702, 711 (Bankr. S.D.N.Y. 1991)).

17. Bankruptcy Rule 2004(c) provides that the "attendance of an individual for examination and the production of documents or electronically stored information . . . may be compelled in the manner provided in Rule 9016 for the attendance of a witness at a hearing or trial."

18. Accordingly, Bankruptcy Rule 2004 empowers the Court to compel the production of documents and the attendance of an entity for examination. The Trustee's proposed request for Documents and examination of Witnesses falls within the scope of Bankruptcy Rule 2004.

19. Bankruptcy Rule 2004 examinations of the Witnesses sought by this Motion are necessary for the Trustee to fulfill his fiduciary duties under the Bankruptcy Code.

20. The Trustee, therefore, respectfully requests that the Court grant the Trustee the authority to issue and serve a subpoenas *ad testificandum* and/or subpoenas *duces tecum* under Bankruptcy Rules 2004 and 9016 in order to compel production of Documents and attendance at the requested examination of the Witnesses. The Trustee notes that each Witness will retain the right to move to quash any subpoena to such Witness on any appropriate grounds.

PROPOSED GENERAL PROCEDURES

22. The Trustee proposes that, unless otherwise agreed with any Witnesses, the production of documents or electronic files be made at either (i) the offices of Trustee's counsel, Rimôn PC, 100 Jericho Quadrangle, Suite 300, Jericho, New York 11753; or (ii) through an electronic means as may be agreed upon by the parties. The Trustee proposes to serve any subpoenas *duces tecum* at least fourteen (14) days prior to the due date for the production or

inspection of any documents or electronic files. To the extent the Trustee requires a deposition of any of the Witnesses, unless otherwise agreed with any Witnesses, where the deposition is within the geographic limits of a subpoena issued by the Court, the deposition will be at the offices of Trustee's counsel, Rimôn, PC, 100 Jericho Quadrangle, Suite 300 Jericho, New York 11753, or by remote video conferencing on not less than fifteen (15) days' notice. When not within those geographic limits, the deposition will be at a location which complies with Civil Rule 45 on the geographic limits of a subpoena or by remote video conferencing. The Trustee shall retain the exclusive right to determine whether an examination is taken in person or via remote video conferencing.

NO PRIOR REQUEST

23. No previous request for the relief sought herein has been made by the Trustee to this or any other Court.

WHEREFORE, the Trustee respectfully requests that this Court enter an order, substantially in the form annexed hereto as **Exhibit A**: (i) authorizing the issuance and service of subpoenas *duces tecum* to compel the production of the Documents from the Witnesses; (ii) authorizing the issuance and service of subpoenas *ad testificandum* for the examination of the Witnesses; (iii) where determined by the Trustee, permitting the Trustee to take the deposition by remote electronic means; and (iv) granting such other relief as is just and proper under the circumstances.

Dated: Jericho, New York
January 3, 2025

RIMÔN, P.C.
Attorneys for Kenneth P.
Silverman, Chapter 7
Trustee of the Estate of
Buth-Na-Bodhaige, Inc.

By: /s/ *Brian Powers*
Brian Powers
Partner
100 Jericho Quadrangle, Suite 300
Jericho, New York 11753
(516) 479-6300
Brian.Powers@RimonLaw.com

EXHIBIT A

Proposed Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
----------X
In re:

BUTH-NA-BODHAIGE, INC.,

Debtor.
----------X

Case No.: 24-10392 (DSJ)

Chapter 7

ORDER AUTHORIZING THE TRUSTEE TO ISSUE SUBPOENAS FOR THE PRODUCTION OF DOCUMENTS AND AUTHORIZING THE TRUSTEE TO EXAMINE WITNESSES

Upon the *ex parte* motion, dated January 3, 2025 (the "Motion"), of Kenneth P. Silverman, solely in his capacity as the chapter 7 trustee (the "Trustee") pursuant to Bankruptcy Rules 2004 and 9016 for an order authorizing the Trustee to issue subpoenas for the production of documents and to examine witnesses (the "Witnesses") as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. §157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§1408 and 1409; and this Court having determined that the relief requested in the Motion is in the best interests of the Debtor's estate, creditors and other parties-in-interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore; it is

ORDERED, that the Motion is granted on the terms set forth herein; and it is further

ORDERED, that the Trustee is authorized under Bankruptcy Rules 2004 and 9016, to issue such subpoenas as may be necessary to compel the production of documents and the testimony of the Witnesses in connection with the administration of this Chapter 7 case; and it is further

ORDERED, that unless otherwise agreed to by the Trustee, each Witness shall have twenty (20) days from the service of such subpoena, the Motion and a copy of this Order to either (1) produce to the Trustee all responsive documents requested in the Trustee's subpoena (including electronically stored information), other than those documents withheld under a claim of privilege or (2) file with this Court an objection or response to the subpoena with a hearing promptly scheduled; and it is further

ORDERED, that unless otherwise agreed to by the Trustee, if any Witness withholds any documents from the production based upon a claim of privilege, the Witness is directed to provide counsel for the Trustee with a privilege log, containing the information required under Bankruptcy Rule 7026 and S.D.N.Y. L.B.R. 7026-1, at the time of document production hereunder; and it is further

ORDERED, that each Witness is directed to submit to oral examination upon reasonable notice and, absent other agreement with the Trustee, in no event not later than thirty (30) days after the date of the service of a deposition subpoena, the Motion, and a copy of this Order upon the Witness; and it is further

ORDERED, that the Trustee shall have the exclusive right, absent good cause shown, to determine if the examination shall be in person or conducted via remote video conferencing; and it is further

ORDERED, that nothing herein shall limit the rights of any Witness under applicable law to object to or oppose any subpoena the Trustee may serve upon such Witness; and it is further

ORDERED, that such Witness shall, prior to conducting an electronic search utilizing search terms, meet and confer with the Trustee's counsel to attempt to agree on appropriate search terms; and it is further

ORDERED, that all disputes concerning such supboenas issued pursuant to this Order, including objections thereto, that are not resolved by agreement of the parties may be raised only by letter brief to the Court not exceeding five (5) pages, single spaced. The other party shall file a responsive letter brief within three (3) business days, which shall not exceed five (5) pages, single spaced. Copies of such letter briefs shall also be emailed to the Court's chambers.

ORDERED, that in accordance with Bankruptcy Rules 2004 and 9016, (i) the Clerk of this Court shall issue subpoenas, signed, but otherwise in-blank, as requested by the Trustee, or (ii) provided that counsel for the Trustee is authorized to practice in this Court, counsel may issue and sign the subpoenas; and it is further

ORDERED, that the Trustee shall file with the Court an affidavit or declaration of service for each subpoena Trustee serves; and it is further

ORDERED, that this Order is without prejudice to the Trustee's right to file further motions seeking additional documents and testimony pursuant to Bankruptcy Rule 2004(a) or any other applicable law; and it is further

ORDERED, that this Court shall retain jurisdiction to resolve any disputes arising or related to this Order including any discovery disputes that may arise between or among the parties and to interpret, implement and enforce the provisions of this Order.

Dated: New York, New York

_____

_____
HONORABLE DAVID S. JONES
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

Witness and Document List

1. A designated representative of Aurelius IV UK Acquico Limited ("Aurelius") with knowledge of the sale transaction in which the Investment Group Aurea purchased The Body Shop International Limited ("TBSI") (the "Sale") and the full security releases provided by Aurelius to TBSI and The Body Shop Canada Limited in furtherance of the Sale.

2. Correspondence with TBSI relating to the Agreement, the Guaranty, and the TBSC Guaranty.

3. Documents prepared in furtherance of execution of the Agreement.

4. Documents prepared in furtherance of execution of the Guaranty and the TBSC Guaranty.

5. Correspondence with the Debtor relating to the Agreement, the Guaranty, and the TBSC Guaranty.

6. Correspondence with TBSC relating to the Agreement, the Guaranty, and the TBSC Guaranty.

7. Correspondence and documents relating to negotiations between Aurelius and Aurea in furtherance of the Sale.

8. Correspondence and documents relating to negotiations between Aurelius and Aurea in furtherance of the Release.

9. Any and all claims filed by Aurelius in the TBSI Administration.

10. Any and all claims filed by Aurelius in the TBSC insolvency proceeding.

11. Books of account, financial and accounting records demonstrating the directed use of funds received by TBSI as a result of entering the Agreement.

12. Records demonstrating consideration for the Sale.

13. Records demonstrating consideration for the Release.

14. Receipts for transaction made in connection to the Sale.

15. Due diligence records with respect to the Agreement, the Guaranty, the TBSC Guaranty the Sale, and the Release.

16. Records of accounts of payments made to all parties in connection to the Sale.

17. Records of accounts of payments made to all parties in connection to the Release.

18. Agreements executed in furtherance of the Sale.

19. Agreements executed in furtherance of the Release.

20. Correspondence with the Debtor regarding the Sale and the Release.

21. Correspondence with TBSI regarding the Sale and the Release.

22. Correspondence with TBSC regarding the Sale and the Release.

Claim #98 Date Filed: 6/17/2024

Fill in this information to identify the case:

Debtor: Buth-Na-Bodhaige, Inc.

United States Bankruptcy Court for the: Southern District of New York (State)

Case number: 24-10392

Official Form 410

Proof of Claim

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) **that you received.**

Part 1: Identify the Claim

1. Who is the current creditor?

Aurelius IV UK Acquico Seven Limited

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor: _____

2. Has this claim been acquired from someone else?

☑ No

☐ Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
Aurelius IV UK Acquico Seven Limited David Wender Eversheds Sutherland US LLP 999 Peachtree Street, Suite 2300 Atlanta, GA 30309-3996, USA	Aurelius IV UK Acquico Seven Limited Christina Nayman-Mills 33 Glasshouse Street London, London W1B 5DG, United Kingdom
Contact phone 404-853-8175	Contact phone +44 0 20 3196 2594
Contact email See summary page	Contact email See summary page

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

_____

4. Does this claim amend one already filed?

☑ No

☐ Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☑ No

☐ Yes. Who made the earlier filing? _____

2410392240617000000000001

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. **Do you have any number you use to identify the debtor?**

☑ No

☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ___ ___ ___ ___

7. **How much is the claim?**

$ 10,564,057.53. **Does this amount include interest or other charges?**

☐ No

☑ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. **What is the basis of the claim?**

Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.

Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).

Limit disclosing information that is entitled to privacy, such as health care information.

Guaranty

9. **Is all or part of the claim secured?**

☑ No

☐ Yes. The claim is secured by a lien on property.

Nature or property:

☐ Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.

☐ Motor vehicle

☐ Other. Describe: _____

Basis for perfection: _____

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: $_____

Amount of the claim that is secured: $_____

Amount of the claim that is unsecured: $_____ (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: $_____

Annual Interest Rate (when case was filed)_____%

☐ Fixed

☐ Variable

10. **Is this claim based on a lease?**

☑ No

☐ Yes. **Amount necessary to cure any default as of the date of the petition.** $_____

11. **Is this claim subject to a right of setoff?**

☑ No

☐ Yes. Identify the property: _____

2410392240617000000000001

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☑ No

☐ Yes. *Check all that apply:*

	Amount entitled to priority
☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	$
☐ Up to $3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	$
☐ Wages, salaries, or commissions (up to $15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	$
☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	$
☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	$
☐ Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies.	$

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. 503(b)(9)?

☑ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

$_____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☑ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 06/17/2024
MM / DD / YYYY

/s/Doreen Alldread
Signature

Print the name of the person who is completing and signing this claim:

Name Doreen Alldread
First name Middle name Last name

Title Director

Company Aurelius IV UK Acquico Seven Limited
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

Contact phone _____ Email _____

2410392240617000000000001

Verita (KCC) ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (866) 967-0268 | International (310) 751-2668

Debtor:
24-10392 - Buth-Na-Bodhaige, Inc.
District:
Southern District of New York, New York Division

Creditor:
Aurelius IV UK Acquico Seven Limited
David Wender
Eversheds Sutherland US LLP
999 Peachtree Street
Suite 2300
Atlanta, GA, 30309-3996
USA
Phone:
404-853-8175
Phone 2:
Fax:
Email:
davidwender@eversheds-sutherland.com

Has Supporting Documentation:
Yes, supporting documentation successfully uploaded
Related Document Statement:

Has Related Claim:
No
Related Claim Filed By:

Filing Party:
Creditor

Disbursement/Notice Parties:
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DISBURSEMENT ADDRESS

Other Names Used with Debtor:

Amends Claim:
No
Acquired Claim:
No

Basis of Claim:
Guaranty

Last 4 Digits:
No

Uniform Claim Identifier:

Total Amount of Claim:
10,564,057.53

Includes Interest or Charges:
Yes

Has Priority Claim:
No

Priority Under:

Has Secured Claim:
No
Amount of 503(b)(9):
No
Based on Lease:
No
Subject to Right of Setoff:
No

Nature of Secured Amount:
Value of Property:
Annual Interest Rate:
Arrearage Amount:
Basis for Perfection:
Amount Unsecured:

Submitted By:
Doreen Alldread on 17-Jun-2024 10:32:06 a.m. Eastern Time
Title:
Director
Company:
Aurelius IV UK Acquico Seven Limited

Addendum to Proof of Claim filed by Aurelius IV UK Acquico Seven Limited
In re: BUTH-NA-BODHAIGE, INC., Case No. 24-10392 (DSJSMR)
United States Bankruptcy Court Southenr District of New York

Aurelius IV UK Acquico Seven Limited ("Claimant") files this addendum to its proof of claim ("Proof of Claim") against BUTH-NA-BODHAIGE, INC. ("Debtor"), which filed a voluntary petition for relief under Chapter 7 of Title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code"), on March 8, 2024 (the "Petition Date"). Claimant holds a claim against the Debtor under that certain Guaranty and Indemnity Agreement dated December 29, 2023 (the "Guaranty") attached hereto as **Exhibit A**.

In particular, pursuant to the Guaranty, the Debtor guaranteed to Claimant, among other things, the punctual performance of all obligations owing by The Body Shop International Limited ("TBSIL") to Lender. The relevant loan documents are attached hereto as **Exhibit B**. As of the Petition Date, Debtor owed Claimant not less than £8,337,291.92, which includes £8,263,866.19 in principal and £73,425.73 in interest as of the Petition Date (collectively, the "Outstanding Amount").[1] The interest calculation is attached hereto as **Exhibit C**.

Reservation of Rights

Claimant reserves the right to amend or supplement this Proof of Claim for any reason, including to update the statement of the amounts due, or for any other purpose for which a proof of claim filed in this proceeding could be amended. Claimant reserves all rights accruing to it, and the filing of this Proof of Claim is not intended to be and shall not be construed as: (a) an election of a remedy; (b) a waiver of any past, present or future defaults or events of default; (c) a waiver or limitation of any rights or defenses; (d) a waiver of any of Claimant's claims against Debtor or any of its subsidiaries or affiliates; or (e) a waiver of any of Claimant's claims against any other parties liable to it. Without limiting the generality of the foregoing, Claimant specifically reserves the right to amend this Proof of Claim and assert any other or further administrative expenses or other claims (including rejection damages claims) in connection with the Agreement or for any breaches or claims that exist or that may arise in connection with the Agreement before and after the filing of this Proof of Claim.

Claimant further reserves the right to seek post-petition interest, fees, charges, collection costs and expenses, appraisal fees and attorneys' fees and disbursements pursuant to Sections 502, 506(b), and/or 365(b)(1)(A) of the Bankruptcy Code as permitted under the Guaranty and underlying loan documents. Claimant reserves all rights accruing to it at law, in equity, and otherwise, including, without limitation, its rights and claims against Debtor, any other debtor in these jointly administered cases, any affiliate or insider of Debtor (whether or not such affiliate or insider is the subject of a pending case under the Bankruptcy Code), and all other creditors of Debtor and such other parties.

[1] As of June 17, 2024, the British Pound to US Dollar conversion results in dollar-value claim equal to $10,564,057.53.

Exhibit A

Guarantee and Indemnity

The Companies listed in Schedule 1
as Original Guarantors
Aurelius IV UK Acquico Seven Limited
as Lender

Dated 29 December 2023

DLA PIPER

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A list of offices and regulatory information can be found at dlapiper.com

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This Guarantee and Indemnity is made on 29 December 202 3

Parties

(1) The Companies listed in Schedule 1 (*Original Guarantors*) as original guarantors (the **Original Guarantors**);

in favour of:

(2) **Aurelius IV UK Acquico Seven Limited**, a company incorporated in England with company number 01284170 (the **Lender**).

It is agreed:

1 Definitions and interpretation

1.1 Definitions

In this Deed:

(a) terms defined in, or construed for the purposes of, the Loan Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and

(b) the following terms have the following meanings:

Accession Deed means a document substantially in the form set out in Schedule 2 (*Form of Accession Deed*);

Additional Guarantor means a company which becomes a party to this Deed by executing an Accession Deed;

Borrower means The Body Shop International Limited a company incorporated and registered under the laws of England and Wales with number 01284170;

Default Rate means the rate of interest determined in accordance with clause 9.5 (*Interest and fees*) of the Loan Agreement;

Guaranteed Obligations has the meaning given to that term in clause 3(a);

Guarantor means an Original Guarantor or an Additional Guarantor;

Intercreditor Agreement means any intercreditor deed entered into after the date of this Deed between, amongst others, (1) the Borrower, (2) the Lender and (3) a Senior Lender as it may from time to time be amended, restated, novated or replaced.

Loan Agreement means the loan agreement made on or about the date of this Deed between (1) the Lender as Lender and (2) the Borrower as Borrower as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties);

Party means a party to this Deed and includes the Lender whether or not it is a signatory to this Deed; and

Senior Lender means any third party bank, fund or financial institution providing loan facilities to the Borrower.

1.2 Interpretation

(a) Unless a contrary indication appears, any reference in this Deed to:

(i) the **Borrower**, a **Guarantor**, an **Obligor**, the **Lender** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

(ii) **this Deed**, the **Loan Agreement**, any other **Finance Document** or any other agreement or instrument is a reference to this Deed, the Loan Agreement, that Finance Document or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Borrower's obligations or provides for further advances);

(iii) **including** or **includes** means including or includes without limitation;

(iv) **Guaranteed Obligations** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Obligor;

(v) a provision of law is a reference to that provision as amended or re-enacted; and

(vi) the singular includes the plural and vice versa.

(b) References to clauses, paragraphs and schedules are to be construed, unless otherwise stated, as references to clauses, paragraphs and schedules of this Deed and references to this Deed include its schedules.

(c) Clause and schedule headings are for ease of reference only and shall not affect the construction of this Deed.

(d) If the Lender reasonably considers that an amount paid by any Guarantor under this Deed or by an Obligor under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the relevant Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

(e) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Intercreditor Agreement

This Deed is subject to the terms of any Intercreditor Agreement. In the event of any inconsistency between any provision of this Deed and any provision of any Intercreditor Agreement, the provision of the relevant Intercreditor Agreement shall prevail.

1.5 Joint and several

The liabilities of the Guarantors to the Lender under tis Deed are joint and several.

2 The Loan Agreement

Each Guarantor confirms that it has been provided with the form of Loan Agreement agreed in writing by or on behalf of the Borrower and the Lender and which is agreed to be in final form prior to execution of this Deed and acknowledges the terms of the Loan Agreement.

3 Guarantee and Indemnity

Each Guarantor irrevocably and unconditionally, jointly and severally:

(a) guarantees to the Lender the punctual performance by each Obligor of all of that Obligor's obligations under the Finance Documents (the **Guaranteed Obligations**);

(b) undertakes with the Lender that whenever another Obligor does not pay any amount of the Guaranteed Obligations when due, that Guarantor shall immediately on demand pay that amount as if it were the principal obligor; and

(c) agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by each Guarantor under this indemnity will not exceed the amount it would have had to pay under this Deed if the amount claimed had been recoverable on the basis of a guarantee.

4 Nature of Guarantee

4.1 Continuing guarantee

This Deed is a continuing guarantee and will extend to the ultimate balance of all the Guaranteed Obligations, regardless of any intermediate payment or discharge in whole or in part.

4.2 Additional and separate guarantee

This Deed is in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or security which the Lender may at any time hold for any of the Guaranteed Obligations.

4.3 Immediate recourse

Each Guarantor waives any right it may have of first requiring the Lender (or any trustee or agent on their behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from any Guarantor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

4.4 No discharge

If the Lender releases or discharges any Guarantor from this Deed (or any other guarantor from any other guarantee of the Guaranteed Obligations (or part of them)), or accepts any

composition from or makes any arrangements with any of them, it shall not, as a result, release or discharge any other party from this Deed or any other guarantee.

5 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Borrower or any Obligor or any security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Guarantor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

6 Waiver of defences

The obligations of each Guarantor under this Deed will not be affected by an act, omission, matter or thing which, but for this Deed, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it, the Lender) including:

(a) any time, waiver or consent granted to, or composition with, the Borrower or any other Guarantor or other person;

(b) the release of the Borrower or any other Guarantor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or any other Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other Guarantor or any other person;

(e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;

(g) any insolvency or similar proceedings; or

(h) any other act, event or omission which, but for this clause 6, might operate to discharge or impair any of the obligations of any Guarantor contained in this Deed or any of the rights, powers or remedies conferred upon the Lender by this Deed or by law.

7 Guarantor intent

Without prejudice to the generality of clause 6 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance

Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variations or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

8 Appropriations and suspense account

8.1 Right of appropriation

(a) All monies received or recovered by the Lender, from any of the Guarantors, Obligors or the Borrower or any other person in respect of the Guaranteed Obligations may be applied by the Lender to reduce any part of the Guaranteed Obligations or as it sees fit or in accordance with clause 8.2 (*Application and suspense account*).

(b) Any such appropriation shall override any appropriation by the Guarantors.

8.2 Application and suspense account

Until all the amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other monies, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and each Guarantor shall not be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any monies received from each Guarantor or on account of each Guarantors' liabilities under this Deed.

9 Deferral of Guarantor's rights

9.1 Deferral of rights

Until all the amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, and unless the Lender otherwise directs, no Guarantor shall exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

(a) to be indemnified by the Borrower or any other Guarantor or to make or enforce any claim or right against the Borrower or any other Guarantor, including any rights of subrogation to the Lender’s position with respect to any payments made in respect of this Deed;

(b) to claim any contribution from any other Guarantor or other guarantor of the Obligors’ obligations under the Finance Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which each Guarantor has given a guarantee, undertaking or indemnity under clause 3 (*Guarantee and Indemnity*);

(e) to exercise any right of set-off against an Obligor; and/or

(f) to claim or prove as a creditor of an Obligor in competition with the Lender.

If any Guarantor receives any benefit, payment or distribution in relation to such rights or any security as a result of any breach of clause 9.2 (*No security*) it shall:

(i) hold that benefit, payment, security or distribution, to the extent necessary to enable all the Guaranteed Obligations to be repaid in full on trust for the Lender; and

(ii) promptly pay or transfer the same to the Lender or as the Lender may direct for application in or towards discharge of the Guaranteed Obligations.

9.2 No security

Until all the amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, and unless the Lender otherwise directs, no Guarantor shall have or take from an Obligor or any other surety for any Guaranteed Obligation any security in respect of its liability under this Deed or in respect of any other obligation or liability which an Obligor has or may in future have to the relevant Guarantor.

9.3 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender.

10 Representations of each Guarantor

10.1 General

To induce the Lender to enter into the Loan Agreement, each Guarantor makes the representations and warranties set out in this clause 10 to the Lender on the date of tis Deed (or, in the case of an Additional Guarantor, the date of the relevant Deed of Accession).

10.2 Status

It is a company, duly incorporated and validly existing under the law of its jurisdiction of incorporation and it has the power to own its assets and carry on its business as it is being conducted.

10.3 Binding obligations

This Deed has been duly executed and delivered by the Guarantor and the obligations expressed to be assumed by the Guarantor in this Deed are valid, legal, binding and enforceable.

10.4 Non-conflict with other obligations

The entry into and performance by the Guarantor of this Deed and the transactions contemplated by it do not and will not conflict with:

(a) any law or regulation applicable to it;

(b) the constitutional documents of the Guarantor; or

(c) any agreement or other obligation binding on the Guarantor or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument in each case the effect of which has or is reasonably likely to have a Material Adverse Effect.

10.5 Power and authority

(a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by this Deed.

(b) No limit on its powers will be exceeded as a result of the giving of the guarantee or indemnity contemplated by this Deed.

10.6 Validity and admissibility in evidence

(a) All governmental and other authorisations, approvals, licences and consents required or desirable to enable it lawfully to enter into, exercise its rights and comply with its obligations under, this Deed, and to make this Deed admissible in evidence in its jurisdiction of incorporation have been obtained or effected and are in full force and effect.

(b) All material governmental and other authorisations necessary for the conduct of the business, trade and ordinary activities of the Guarantor have been obtained or effected and are in full force and effect.

10.7 Insolvency

No corporate action, legal proceeding or other procedure or step described in clause 10 of the Loan Agreement is being taken or, to the knowledge of the Guarantor, is threatened in relation to the Guarantor.

10.8 Anti-corruption

It has conducted its businesses in all material respects in compliance with applicable anti-corruption laws and has instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

10.9 No breach of laws

It is not in breach of any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect.

10.10 Repetition

The representations and warranties set out in this clause 10 are also deemed to be made by each Guarantor by reference to the facts and circumstances then existing on each date on which any representation or warranty is made or deemed to be made by the Borrower pursuant to the Loan Agreement.

11 Set-off

11.1 Set-off rights

(a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by any Obligor and unpaid (whether under the Finance Documents or which

Exhibit A
(continued)

has been assigned to the Lender by any Obligor against any obligation (whether or not matured) owed by the Lender to such Obligor, regardless of the place of payment, booking branch or currency of either obligation.

(b) At any time after an Event of Default has occurred and is continuing (and in addition to its rights under clause 11.1(a)), the Lender may (but shall not be obliged to) set-off any contingent liability owed by any Obligor under any Finance Document against any obligation (whether or not matured) owed by the Lender to such Obligor, regardless of the place of payment, booking branch or currency of either obligation.

(c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

(d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

12 Payment

12.1 Payments

Subject to clause 12.2 (*Gross-up*), all payments to be made by each Guarantor under this Deed shall be made without (and free and clear of, and without any deduction for or on account of) any set-off or counterclaim, or (except to the extent compelled by law) any deduction or withholding for or on account of tax.

12.2 Gross-up

If any Guarantor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Lender, the sum so payable by each Guarantor shall be increased so as to result in the receipt by the Lender of a net amount equal to the full amount expressed to be payable under this Deed.

13 Costs and expenses

13.1 Transaction and amendment expenses

Each Guarantor shall within three Business Days of demand pay to the Lender the amount of all reasonable costs, charges and expenses (including, without limitation, reasonable legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by the Lender in connection with:

(a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed or any document referred to in this Deed; or

(b) any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

13.2 Enforcement and preservation costs

Each Guarantor shall promptly on demand pay to the Lender the amount of all costs, charges and expenses (including, without limitation, legal fees and any VAT or similar Tax thereon) incurred in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed.

14 Default interest

Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate from time to time. Default interest will accrue from day to day and will be compounded at such intervals as the Lender considers appropriate.

15 Currencies

15.1 Currency of account

Payments under this Deed in relation to the Guaranteed Obligations shall be made in the currency demanded and each payment in respect of costs, expenses or Taxes under this Deed shall be made in the currency in which the costs, expenses or Taxes are incurred.

15.2 Currency indemnity

If any sum due from any Guarantor under this Deed (a **Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **First Currency**) in which that Sum is payable into another currency (the **Second Currency**) for the purpose of:

(a) making or filing a claim or proof against each Guarantor; or

(b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

each Guarantor shall, as an independent obligation, indemnify the Lender on demand, against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to the Lender at the time of its receipt of that Sum.

15.3 Waiver

Each Guarantor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable.

16 Indemnity

Each Guarantor shall indemnify the Lender promptly on demand, against any cost, loss, liability or expense (however arising) incurred by the Lender as a result of or in connection with any breach by the relevant Guarantor of any of its obligations under this Deed.

17 Changes to parties

17.1 Additional Guarantors

(a) A member of the Group shall become an Additional Guarantor if the Borrower and the proposed Additional Guarantor deliver to the Lender a duly completed and executed Accession Deed and a copy of all other documents or evidence required by the Lender in relation to such member of the Group in form and substance satisfactory to the Lender.

17.2 Repetition of Representations

Delivery of an Accession Deed constitutes confirmation by the relevant Subsidiary that the representations and warranties referred to in clause 10 (*Representations of each Guarantor*) are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

17.3 The Guarantors

A Guarantor may not assign or transfer any of its rights or obligations under this Deed.

17.4 The Lender

The Lender may assign or transfer all or any part of its rights under this Deed. Each Guarantor shall, immediately upon being requested to do so by the Lender and at the cost of such Guarantor, enter into such documents as may be necessary or desirable to effect such transfer.

18 Miscellaneous

18.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Lender are prima facie evidence of the matters to which they relate.

18.2 Calculations and certificates

Any certification of or determination by the Lender specifying the amount of any Guaranteed Obligation due from each Guarantor or other obligation due from any Obligor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against any Obligor of the matters to which it relates.

18.3 Partial invalidity

If at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

18.4 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed or any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed and/or any Finance Document, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

18.5 Amendments and waivers

Any provision of this Deed may be amended only if the Lender and each Guarantor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

19 Other Guarantors

Each Guarantor agrees to be bound by this Deed notwithstanding that any other person intended to execute or be bound by this Deed or by any other guarantee or assurance under or pursuant to any Finance Document may not do so or may not be effectually bound.

20 Notices

20.1 Communication in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

20.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

(a) in the case of each Original Guarantor, that identified with its names;

(b) in the case of the Lender, that identified with its name; and

(c) in the case of each other Guarantor, that notified in writing to the Lender on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer as each Guarantor or the Lender may notify to the other Party by not less than five Business Days' notice.

20.3 Delivery

(a) Subject to clause 20.3(b), any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

(i) if by way of fax, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 20.2 (*Addresses*), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer specified in clause 20.2 (*Addresses*) (or any substitute department or officer as the Lender shall specify for this purpose).

20.4 English language

(a) Any notice given under or in connection with this Deed must be in English.

(b) All other documents provided under or in connection with this Deed must be:

(i) in English; or

(ii) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

22 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

23 Enforcement

23.1 Jurisdiction

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).

(b) Each Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

23.2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, each Guarantor incorporated outside England and Wales:

(a) irrevocably appoints the Borrower as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and

(b) agrees that failure by a process agent to notify each Guarantor of the process will not invalidate the proceedings concerned.

IN WITNESS of which this Deed has been duly executed and delivered by each Original Guarantor as a deed and has been delivered on the first date specified on page 1 of this Deed.

Schedule 1 Original Guarantors

Name of Guarantor	Registration number (or equivalent, if any) and Original Jurisdiction
The Body Shop International Limited	England and Wales, 01284170
Buth-Na-Bodhaige, Inc.	Virginia, United States of America, 22-2883487
The Body Shop Canada Limited	Ontario, Canada, 417311-2

Schedule 2 Form of Accession Deed

To: [*****] as Lender (as defined in the Guarantee referred to below)

From: [*Subsidiary*] and [*Borrower*]

Dated: [*****] 20[**]

GUARANTEE AND INDEMNITY BETWEEN (1) [*****][THE COMPANIES LISTED IN SCHEDULE 1 THERETO] AS ORIGINAL GUARANTOR[S] AND (2) [*****] AS LENDER DATED [*****] 20[**] (THE GUARANTEE)

1 We refer to the Guarantee. This deed (the **Accession Deed**) shall take effect as an Accession Deed for the purposes of the Guarantee. Terms defined in the Guarantee have the same meaning in this Accession Deed unless given a different meaning in this Accession Deed.

2 [*Subsidiary*] agrees to become an Additional Guarantor and to be bound by the terms of the Guarantee as an Additional Guarantor pursuant to clause 17.1 (*Additional Guarantors*) of the Guarantee. [*Subsidiary*] is a company duly incorporated under the laws of [*name of relevant jurisdiction*] and is a limited liability company with registered number [*****].

3 [*Subsidiary's*] administrative details for the purposes of the Guarantee are as follows:

Address: [*****]

Fax no: [*****]

Attention: [*****]

4 This Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

THIS ACCESSION DEED has been signed on behalf of the Lender and the Borrower and executed as a deed by [*Subsidiary*] and is delivered on the date stated above.

[*Subsidiary*]

[**EXECUTED AS A DEED**	)
By [*Subsidiary*]	)
_____	Director
_____	Director/Secretary]

OR

[**EXECUTED AS A DEED**	)
By [*Subsidiary*]	)
_____	Signature of Director
_____	Name of Director
in the presence of	
_____	Signature of witness
	Name of witness
_____	
_____	Address of witness
_____	
_____	
	Occupation of witness]
_____	

The Borrower

By:

The Lender

By:

Date:

_____

Signature page

THE GUARANTORS

Executed as a deed, but not delivered until the first date specified on page 1, by **THE BODY SHOP INTERNATIONAL LIMITED** acting by:)
)
)

Director DocuSigned by: [redacted]

Director DocuSigned by: [redacted]

Address: Watersmead, Littlehampton, West Sussex BN17 6LS

Attention:

Executed as a deed, but not delivered until the first date specified on page 1, by **THE BODY SHOP CANADA LIMITED** acting by:)
)
)

Director DocuSigned by: [redacted]

Witness signature DocuSigned by: [redacted]

Witness name: Amanda Baracat

Witness address: 315 Ivy Lane
Weston FL
33326

Address: 89 jefferson St Apt 5A Hoboken NJ 07030

Attention: Benoit Mennegand

Executed as a deed, but not delivered until the first date specified on page 1, by **BUTH-NA-BODHAIGE, INC.** acting by:)
)
)

Director DocuSigned by: [redacted]

Witness signature DocuSigned by: [redacted]

Witness name: Amanda Baracat

Witness address: 315 Ivy Lane
Weston FL
33326

Address: 89 jefferson St Apt 5A Hoboken NJ 07030

Attention: Benoit Mennegand

THE LENDER

Executed as a deed, but not delivered until the first date specified on page 1, by **AURELIUS IV UK ACQUICO SEVEN LIMITED** acting by:)
)
)

Director DocuSigned by: [redacted]

Witness signature DocuSigned by: [redacted]

Witness name: Peter Alldread

Witness address: 47 Thayers farm road
London
BR3 4LY

Address: 6th Floor, 33 Glasshouse Street, London United Kingdom W1B 5DG

Attention: Christina Nayman-Mills

Exhibit B

CONFIDENTIAL

Dated 29 **December 2023**

Lender

AURELIUS IV UK ACQUICO SEVEN LIMITED

Borrower

THE BODY SHOP INTERNATIONAL LIMITED

Loan agreement

THIS AGREEMENT is dated 29 December 2023 and made by:

(1) **AURELIUS IV UK ACQUICO SEVEN LIMITED,** a company registered in England and Wales with company number 01284170, whose registered address is at 6th Floor, 33 Glasshouse Street, London, United Kingdom W1B 5DG (the **Lender**); and

(2) **THE BODY SHOP INTERNATIONAL LIMITED,** a company registered in England and Wales with company number 01284170, whose registered address is at Watersmead, Littlehampton, West Sussex BN17 6LS (the **Borrower**).

IT IS AGREED as follows:

1 Definitions

The following terms shall have the following meanings:

Acquisition means the acquisition by the Purchaser of the entire issued share capital of the Target.

Canadian Obligor means The Body Shop Canada Limited, incorporated in the province of Ontario, Canada with registered number 417311-2.

Canadian Security means a general security agreement and (in respect of the province of Quebec) a hypothec, each executed by the Canadian Obligor.

Charge over Shares means a charge or pledge over the shares in a member of the Group, executed by an Obligor in favour of the Lender.

Debenture means the all-asset debenture dated on or about the date of this Agreement between the Lender and the Borrower.

EBITDA means the consolidated operating profit of the Group before interest, taxation, depreciation or amortisation, as determined by the Lender from time to time.

Event of Default means an event of default as set out in clause 10.1 below.

Facility has the meaning given to it in Clause 4.1.

Facility Limit means GBP 2,720,741.98 (two million, seven hundred and twenty thousand, seven hundred and forty one pounds and 98 pence).

Finance Documents means this Agreement, the Security Documents, the Guarantee, the Intercreditor Deed and any other document designated as a "Finance Document" by the Lender and the Borrower.

Group means the Parent and its subsidiaries from time to time.

Guarantee means any guarantee entered into by the Canadian Obligor, the US Obligor and/or any other member of the Group in favour of the Lender.

Intercreditor Deed means any intercreditor deed entered into after the date of this Agreement between, among others, the Lender, the Borrower and a Senior Lender.

Loan has the meaning given to it in Clause 5.3.

Material Adverse Effect means any event or circumstance which has in the opinion of the Lender (acting reasonably) a material adverse effect on (a) the business, operations or financial condition of the Borrower, an Obligor or a Material Company or (b) the ability of an Obligor to perform its obligations under the Finance Documents or any Senior Facilities Agreement; or (c) the validity or enforceability of, or the effectiveness or ranking of any security granted or purported to be granted pursuant to any of the Finance Documents.

Material Company means the Borrower, an Obligor and/or a subsidiary of the Parent that has earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 5 per cent. or more of EBITDA or has net assets or turnover (excluding intra-group items) representing 5 per cent. or more of the net assets or turnover of the Group, calculated on a consolidated basis.

Obligors means the Borrower, the US Obligor, the Canadian Obligor and any other member of the Group which enters into a Guarantee or gives security to the Lender.

Parent means the Target.

Purchaser means Aurelius IV UK Acquico Eight Limited.

Sale and Purchase Agreement means the sale and purchase agreement dated 13 November 2023 entered into between Natura Cosmeticos S.A. as seller and the Purchaser in respect of the Acquisition.

Security Documents means the Debenture, each Charge over Shares, the US Security Documents, the Canadian Security Documents and any other document, agreement or deed creating security over the assets of an Obligor in favour of the Lender.

Senior Facilities Agreement means any facility agreement entered into after the date of this Agreement between a Senior Lender and the Borrower.

Senior Lender means any third party bank, fund or financial institution providing loan facilities to the Borrower.

Target means Natura (Brasil) International B.V.

Termination Date has the meaning given to it in Clause 8.2 below.

Transaction Security means the security created by the Security Documents.

US Obligor means Buth-Na-Bodhaige, Inc., incorporated in Virginia, United States of America with Federal identification number 22-2883487.

US Property means the property at 5036 One World Way, Wake Forest, North Carolina 27587 owned by the US Obligor.

US Security means in respect of the US Obligor, (1) a pledge and security agreement executed by (A) the Borrower and (B) the US Obligor and (2) a legal mortgage over the US Property.

2 Interpretation

2.1 In this Agreement:

(a) the headings are inserted for convenience only and do not affect the interpretation of this Agreement;

(b) references to clauses and schedules are to clauses of, and schedules to, this Agreement;

(c) references to this Agreement, or any other document are to this Agreement or that document as from time to time amended, restated, novated, or replaced, however fundamentally;

(d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;

(e) words importing the plural include the singular and vice versa;

(f) references to any enactment include that enactment as re-enacted; and, if an enactment is amended, any provision of this Agreement which refers to that enactment will be amended in such manner as the Lender, after consultation with the Borrower, determines to be necessary in order to preserve the intended effect of this Agreement;

(g) an Event of Default is “continuing” if it has not been remedied or waived (with such remedy or waiver being confirmed by the Lender in writing); and

(h) references to a business day means a day (other than a Saturday or a Sunday) on which banks are open for general banking business in Luxembourg, London and Munich.

3 Intercreditor Deed

3.1 This Agreement is subject to the terms and conditions of the Intercreditor Deed.

3.2 In respect of the due dates of repayment and interest payment and the other provisions of this Agreement, the pertinent provisions of the Intercreditor Deed shall take precedence over the

provisions of this Agreement to the extent there is a conflict between the terms of the Intercreditor Deed and the terms of this Agreement.

4 The Facility

4.1 The Lender will make available to the Borrower a GBP 2,720,741.98 secured term loan facility (the **Facility**). Its obligation to do so is subject to the terms of this Agreement.

4.2 The purpose of the Facility is to assist the Purchaser with funding the Acquisition. For this purpose, the Borrower may on-lend the proceeds of any Loan to the Purchaser.

4.3 The obligations of the Borrower under this Facility are guaranteed pursuant to the Guarantee and secured in favour of the Lender pursuant to the Security Documents.

5 Availability and Drawdown

5.1 The Facility will be available at any time from the date of this Agreement subject to the satisfaction of the conditions set out in Clause 5.2 below.

5.2 The Lender's obligation to pay each Loan is subject to the following conditions:

(a) no Event of Default has occurred and is continuing or will result from the advance of the Loan;

(b) the Lender has received all of the documents and evidence listed in clause 6 (*Conditions Precedent*) in form and substance satisfactory to it; and

(c) the Sale and Purchase Agreement is unconditional (save for payment of the consideration).

5.3 Once the conditions set out at Clause 5.2 above have been satisfied, the Borrower shall be entitled to draw any amount (each a "**Loan**") provided that all Loans at the time immediately prior to Utilisation do not exceed the Facility Limit.

6 Conditions Precedent

The Borrower must deliver to the Lender:

6.1 the Debenture, duly executed by the Borrower;

6.2 a Charge over Shares in respect of the shares in the capital of the Canadian Obligor, duly executed;

6.3 such documents of title and/or notices of assignment in relation to the assets charged or assigned under the Debenture and the Charge over Shares as the Lender may require;

6.4 the Guarantee, duly executed by the Borrower, the US Obligor and the Canadian Obligor;

6.5 such board and shareholder resolutions as the Lender may require for each Obligor which is party to a Finance Document;

6.6 a copy of the constitutional documents of the Borrower;

6.7 a certificate of a director of the Borrower giving such confirmations as the Lender may require;

6.8 in respect of the US Obligor, (1) the US Security (other than in respect of the US Property) (2) satisfactory UCC lien searches (3) such board and shareholder resolutions as the Lender may require (4) an officer's certificate and (5) any other documents recommended by the Lender's US counsel;

6.9 in respect of the Canadian Obligor, (1) a general security agreement (2) satisfactory pre-emptive PPSA registrations (3) satisfactory lien searches and (4) any other documents recommended by the Lender's Canadian counsel;

6.10 the upstream loan agreement between the Borrower and the Purchaser; and

6.11 a copy of any other authorisation, or other document, opinion or assurance which the Lender considers necessary or desirable.

7 Conditions Subsequent

The Borrower must ensure that:

7.1 within 30 days of the date of this Agreement, the US Obligor executes and delivers to the Lender a legal mortgage of the US Property in a form satisfactory to the Lender, together with such ancillary documents, filings and resolutions as the Lender may require;

7.2 within 30 days of the date of this Agreement, the Canadian Obligor executes and delivers to the Lender a hypothec in a form satisfactory to the Lender together with such ancillary documents and filings as the Lender may require; and

7.3 if requested by the Lender, within 30 days of such request, the Borrower procures that any other member of the Group becomes an Obligor by delivering to the Lender such security documents (including a Charge over Shares), guarantees, resolutions and ancillary documents as the Lender may require.

8 Repayment

8.1 Subject to the Intercreditor Deed, the Borrower may repay the Facility at any time.

8.2 The Borrower will repay all Loans, together with any interest and fees outstanding in respect thereof, in full on the date falling three years and three months following the date of this Agreement, on which date the Facility shall terminate (the **Termination Date**). If however, the

Facility is not repaid in full on such date, the Facility shall automatically extend by one additional year.

9 Interest

9.1 The Borrower will pay interest in arrears on the Loan at the rate of 8.5% per annum.

9.2 Interest will accrue from day to day on the aggregate outstanding balance of the Loan under the Facility. It will be calculated on the basis of actual days elapsed and a 365 day year.

9.3 Subject to clause 9.4, interest on the Loan will be paid on the Termination Date.

9.4 Interest and any fees payable under this Agreement (including default interest under clause 9.5) shall be capitalised and added to the outstanding principal amounts of the Loan on the last London business day of each calendar month, with interest and fees accruing on such capitalised amounts, until such date that all outstanding amounts under the Finance Documents are repaid (including outstanding amounts both before and after judgment).

9.5 If an Event of Default occurs and so long as the same is continuing, the Lender may accrue interest on all amounts owing under the Finance Documents while such Event of Default is continuing (both before and after judgment) compounded at a rate which is 7% per annum higher than the rate payable under clause 9.1. Any interest accruing under this clause 9.5 shall be immediately payable by the Borrower on demand by the Lender at the option of the Lender.

10 Events of Default

Identity of Events of Default

10.1 Each of the matters listed in the rest of this clause 10.1 is an event of default:

(a) the Borrower fails to pay any amount payable by it under this Agreement in the manner stipulated.

(b) an Obligor breaches any provision of a Finance Document.

(c) an event of default (howsoever defined) occurs under a Senior Facilities Agreement.

(d) an Obligor becomes insolvent or unable to pay its debts.

(e) an Obligor ceases to carry on business, stops payment of its debts or any class of them or enters into any compromise or arrangement in respect of its debts or any class of them; or any step is taken to do any of those things.

(f) an Obligor is dissolved or enters into liquidation, administration, administrative receivership, receivership, a voluntary arrangement, a scheme of arrangement with

creditors or bankruptcy or any step is taken by any person with a view to any of those things.

(g) any judgment or order against an Obligor is not stayed or complied with within 14 days.

(h) any execution, sequestration or other enforcement action is commenced against any of the assets of an Obligor and is not discharged within 7 days.

(i) any analogous or similar procedure to those mentioned in clauses 10.1(e) to (h) occurs or is taken in any jurisdiction.

(j) any steps are taken to enforce any security interest, proprietary interest or contractual right having the commercial effect of a security interest, over any assets of an Obligor.

(k) it becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents, or for the Lender to provide or continue to provide the Facility.

(l) any Finance Document ceases to be valid, binding or enforceable.

(m) any representation in Clause 13 is untrue, incorrect or deemed not to be made correctly made.

(n) any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

Consequences of an Event of Default

10.2 Subject to the Intercreditor Deed, if an Event of Default has occurred pursuant to clause 10.1 and is continuing, the Lender may at any time, by giving notice to the Borrower:

(a) terminate the Facility (thereby reducing the Facility to zero);

(b) demand repayment of all or any part of any Loan and payment of any other amounts accrued, due, owing or payable under this Agreement;

(c) declare that all or any part of any Loan is repayable, and any other amounts accrued under this Agreement are payable, on demand by the Lender at any time;

(d) make demand under the Guarantee; and/or

(e) exercise its rights and remedies under the Security Documents.

10.3 For the avoidance of doubt, if an Event of Default has occurred pursuant to clause 10.1 and is continuing, the Borrower shall have no ability, right, title or claim to utilise any Loan.

11 Payments

11.1 Each payment to be made by the Borrower under this Agreement will be made in full, without any set-off or deduction.

11.2 If the Borrower is required to make a deduction in respect of tax from any payment for the account of the Lender under this Agreement, the amount payable by the Borrower will be increased to the extent necessary to ensure that, after such deduction has been made, the Lender receives (and is able to retain) a net sum equal to the amount which it would have received had no such deduction been required to be made.

12 Costs and indemnities

12.1 The Borrower will reimburse the Lender on demand in respect of all legal and other expenses incurred by it, before or after the date of this Agreement, in connection with this Agreement.

12.2 The Borrower shall indemnify the Lender against any cost, loss or liability incurred by it as a result of:

(a) the occurrence of an Event of Default;

(b) the taking, holding, protection or enforcement of the Transaction Security; and

(c) the exercise of any of the rights, powers, discretions and remedies vested in the Lender by the Finance Documents or by law.

13 Representation and warranties

The Borrower makes the following representations and warranties to the Lender on the date of this Agreement and on the date of utilisation of each Loan:

13.1 Status: It is a limited liability company, duly incorporated and validly existing under the laws of England and it has the power to own its assets and carry on its business as it is being conducted.

13.2 Binding obligations: The obligations assumed by it in the Finance Documents are legal, valid, binding and enforceable obligations.

13.3 Non-conflict with other obligations: The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with any law or regulation applicable to it or its constitutional documents.

13.4 Power and authority: It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is or will be a party and the transactions contemplated by those Finance Documents.

14 Further assurance

The Borrower will take (and in the case of the Obligors, will procure the taking of) all such action (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any right, obligation conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents.

15 Assignment

15.1 The Borrower may not transfer (either by assignment or novation) any of its rights or obligations under this Agreement without the prior written consent of the Lender.

15.2 The Lender may assign any of its rights (or transfer by novation any of its rights and obligations) under any Finance Document.

16 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

17 Notices

Any notice or other communication to a party to this Agreement must be in writing. It must be addressed for the attention of such person, and sent to such address, fax number or email address as that party may from time to time notify to the other party. It will be deemed to have been received by the relevant party on receipt at that address, fax number or email address.

18 Law and jurisdiction

18.1 This Agreement shall be governed by and construed in accordance with the laws of England. The courts of England, have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to any non-contractual obligation arising out of or in connection with either this Agreement or the negotiation of the transaction contemplated by this Agreement).

18.2 If a provision of this Agreement is or becomes invalid, illegal or unenforceable or if an illegal or unenforceable provision affects the entire nature of this Agreement, each Party shall use its best endeavours to promptly negotiate a legally valid replacement provision.

18.3 This Agreement and any other documents referred to in this Agreement constitute the entire agreement and understanding between the Parties in respect of the subject matter of this Agreement.

18.4 With the exception of the Parties, no other person has a right to claim a beneficial interest in this Agreement or in any rights occurring by virtue of this Agreement.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement

EXECUTED	)	
for and on behalf of	)	[redacted]
AURELIUS IV UK ACQUICO SEVEN	)	
LIMITED	)	
	)	**Doreen Alldread**
		Authorised signatory

EXECUTED	)
for and on behalf of	)
THE BODY SHOP INTERNATIONAL	)
LIMITED	)

DocuSigned by:
[redacted]
X3A01E9818EZ464...

Authorised signatory

DocuSigned by:
[redacted]
E4D847A6ADAC497...

Authorised signatory

CONFIDENTIAL

Dated 9 **January 2024**

Lender

AURELIUS IV UK ACQUICO SEVEN LIMITED

Borrower

THE BODY SHOP INTERNATIONAL LIMITED

Loan agreement

THIS AGREEMENT is dated 9 January 2024 and made by:

(1) **AURELIUS IV UK ACQUICO SEVEN LIMITED,** a company registered in England and Wales with company number 01284170, whose registered address is at 6th Floor, 33 Glasshouse Street, London, United Kingdom W1B 5DG (the **Lender**); and

(2) **THE BODY SHOP INTERNATIONAL LIMITED,** a company registered in England and Wales with company number 01284170, whose registered address is at Watersmead, Littlehampton, West Sussex BN17 6LS (the **Borrower**).

IT IS AGREED as follows:

1 Definitions

The following terms shall have the following meanings:

Acquisition means the acquisition by the Purchaser of the entire issued share capital of the Target.

Canadian Obligor means The Body Shop Canada Limited, incorporated in the province of Ontario, Canada with registered number 417311-2.

Canadian Security means a general security agreement and (in respect of the province of Quebec) a hypothec, each executed by the Canadian Obligor.

Charge over Shares means a charge or pledge over the shares in a member of the Group, executed by an Obligor in favour of the Lender.

Debenture means the all-asset debenture dated on or about 29 December 2023 between the Lender and the Borrower.

EBITDA means the consolidated operating profit of the Group before interest, taxation, depreciation or amortisation, as determined by the Lender from time to time.

Event of Default means an event of default as set out in clause 10.1 below.

Facility has the meaning given to it in Clause 4.1.

Facility Limit means GBP 104,384.54 (one hundred and four thousand, three hundred and eighty four pounds and 54 pence).

Finance Documents means this Agreement, the Security Documents, the Guarantee, the Intercreditor Deed and any other document designated as a "Finance Document" by the Lender and the Borrower.

Group means the Parent and its subsidiaries from time to time.

Guarantee means any guarantee entered into by the Canadian Obligor, the US Obligor and/or any other member of the Group in favour of the Lender.

Intercreditor Deed means any intercreditor deed entered into on or about 29 December 2023 between, among others, the Lender, the Borrower and a Senior Lender.

Loan has the meaning given to it in Clause 5.3.

Material Adverse Effect means any event or circumstance which has in the opinion of the Lender (acting reasonably) a material adverse effect on (a) the business, operations or financial condition of the Borrower, an Obligor or a Material Company or (b) the ability of an Obligor to perform its obligations under the Finance Documents or any Senior Facilities Agreement; or (c) the validity or enforceability of, or the effectiveness or ranking of any security granted or purported to be granted pursuant to any of the Finance Documents.

Material Company means the Borrower, an Obligor and/or a subsidiary of the Parent that has earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 5 per cent. or more of EBITDA or has net assets or turnover (excluding intra-group items) representing 5 per cent. or more of the net assets or turnover of the Group, calculated on a consolidated basis.

Obligors means the Borrower, the US Obligor, the Canadian Obligor and any other member of the Group which enters into a Guarantee or gives security to the Lender.

Parent means the Target.

Purchaser means Aurelius IV UK Acquico Eight Limited.

Sale and Purchase Agreement means the sale and purchase agreement dated 13 November 2023 entered into between Natura Cosmeticos S.A. as seller and the Purchaser in respect of the Acquisition.

Security Documents means the Debenture, each Charge over Shares, the US Security Documents, the Canadian Security Documents and any other document, agreement or deed creating security over the assets of an Obligor in favour of the Lender.

Senior Facilities Agreement means any facility agreement entered into after the date of this Agreement between a Senior Lender and the Borrower.

Senior Lender means any third party bank, fund or financial institution providing loan facilities to the Borrower.

Target means Natura (Brasil) International B.V.

Termination Date has the meaning given to it in Clause 8.2 below.

Transaction Security means the security created by the Security Documents.

US Obligor means Buth-Na-Bodhaige, Inc., incorporated in Virginia, United States of America with Federal identification number 22-2883487.

US Property means the property at 5036 One World Way, Wake Forest, North Carolina 27587 owned by the US Obligor.

US Security means in respect of the US Obligor, (1) a pledge and security agreement executed by (A) the Borrower and (B) the US Obligor and (2) a legal mortgage over the US Property.

2 Interpretation

2.1 In this Agreement:

(a) the headings are inserted for convenience only and do not affect the interpretation of this Agreement;

(b) references to clauses and schedules are to clauses of, and schedules to, this Agreement;

(c) references to this Agreement, or any other document are to this Agreement or that document as from time to time amended, restated, novated, or replaced, however fundamentally;

(d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;

(e) words importing the plural include the singular and vice versa;

(f) references to any enactment include that enactment as re-enacted; and, if an enactment is amended, any provision of this Agreement which refers to that enactment will be amended in such manner as the Lender, after consultation with the Borrower, determines to be necessary in order to preserve the intended effect of this Agreement;

(g) an Event of Default is “continuing” if it has not been remedied or waived (with such remedy or waiver being confirmed by the Lender in writing); and

(h) references to a business day means a day (other than a Saturday or a Sunday) on which banks are open for general banking business in Luxembourg, London and Munich.

3 Intercreditor Deed

3.1 This Agreement is subject to the terms and conditions of the Intercreditor Deed.

3.2 In respect of the due dates of repayment and interest payment and the other provisions of this Agreement, the pertinent provisions of the Intercreditor Deed shall take precedence over the

provisions of this Agreement to the extent there is a conflict between the terms of the Intercreditor Deed and the terms of this Agreement.

4 The Facility

4.1 The Lender will make available to the Borrower a GBP £104,384.54 secured term loan facility (the **Facility**). Its obligation to do so is subject to the terms of this Agreement.

4.2 The purpose of the Facility is to assist the Purchaser with funding the Acquisition. For this purpose, the Borrower may on-lend the proceeds of any Loan to the Purchaser.

4.3 The obligations of the Borrower under this Facility are guaranteed pursuant to the Guarantee and secured in favour of the Lender pursuant to the Security Documents.

5 Availability and Drawdown

5.1 The Facility will be available at any time from the date of this Agreement subject to the satisfaction of the conditions set out in Clause 5.2 below.

5.2 The Lender's obligation to pay each Loan is subject to the following conditions:

(a) no Event of Default has occurred and is continuing or will result from the advance of the Loan;

(b) the Lender has received all of the documents and evidence listed in clause 6 (*Conditions Precedent*) in form and substance satisfactory to it; and

(c) the Sale and Purchase Agreement is unconditional (save for payment of the consideration).

5.3 Once the conditions set out at Clause 5.2 above have been satisfied, the Borrower shall be entitled to draw any amount (each a "**Loan**") provided that all Loans at the time immediately prior to Utilisation do not exceed the Facility Limit.

6 Conditions Precedent

The Borrower must deliver to the Lender:

6.1 the upstream loan agreement between the Borrower and the Purchaser; and

6.2 a copy of any other authorisation, or other document, opinion or assurance which the Lender considers necessary or desirable.

7 Conditions Subsequent

No conditions subsequent apply in respect of this Agreement.

8 Repayment

8.1 Subject to the Intercreditor Deed, the Borrower may repay the Facility at any time.

8.2 The Borrower will repay all Loans, together with any interest and fees outstanding in respect thereof, in full on the date falling three years and three months following the date of this Agreement, on which date the Facility shall terminate (the **Termination Date**). If however, the Facility is not repaid in full on such date, the Facility shall automatically extend by one additional year.

9 Interest

9.1 The Borrower will pay interest in arrears on the Loan at the rate of 8.5% per annum.

9.2 Interest will accrue from day to day on the aggregate outstanding balance of the Loan under the Facility. It will be calculated on the basis of actual days elapsed and a 365 day year.

9.3 Subject to clause 9.4, interest on the Loan will be paid on the Termination Date.

9.4 Interest and any fees payable under this Agreement (including default interest under clause 9.5) shall be capitalised and added to the outstanding principal amounts of the Loan on the last London business day of each calendar month, with interest and fees accruing on such capitalised amounts, until such date that all outstanding amounts under the Finance Documents are repaid (including outstanding amounts both before and after judgment).

9.5 If an Event of Default occurs and so long as the same is continuing, the Lender may accrue interest on all amounts owing under the Finance Documents while such Event of Default is continuing (both before and after judgment) compounded at a rate which is 7% per annum higher than the rate payable under clause 9.1. Any interest accruing under this clause 9.5 shall be immediately payable by the Borrower on demand by the Lender at the option of the Lender.

10 Events of Default

Identity of Events of Default

10.1 Each of the matters listed in the rest of this clause 10.1 is an event of default:

(a) the Borrower fails to pay any amount payable by it under this Agreement in the manner stipulated.

(b) an Obligor breaches any provision of a Finance Document.

(c) an event of default (howsoever defined) occurs under a Senior Facilities Agreement.

(d) an Obligor becomes insolvent or unable to pay its debts.

(e) an Obligor ceases to carry on business, stops payment of its debts or any class of them or enters into any compromise or arrangement in respect of its debts or any class of them; or any step is taken to do any of those things.

(f) an Obligor is dissolved or enters into liquidation, administration, administrative receivership, receivership, a voluntary arrangement, a scheme of arrangement with creditors or bankruptcy or any step is taken by any person with a view to any of those things.

(g) any judgment or order against an Obligor is not stayed or complied with within 14 days.

(h) any execution, sequestration or other enforcement action is commenced against any of the assets of an Obligor and is not discharged within 7 days.

(i) any analogous or similar procedure to those mentioned in clauses 10.1(e) to (h) occurs or is taken in any jurisdiction.

(j) any steps are taken to enforce any security interest, proprietary interest or contractual right having the commercial effect of a security interest, over any assets of an Obligor.

(k) it becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents, or for the Lender to provide or continue to provide the Facility.

(l) any Finance Document ceases to be valid, binding or enforceable.

(m) any representation in Clause 13 is untrue, incorrect or deemed not to be made correctly made.

(n) any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

Consequences of an Event of Default

10.2 Subject to the Intercreditor Deed, if an Event of Default has occurred pursuant to clause 10.1 and is continuing, the Lender may at any time, by giving notice to the Borrower:

(a) terminate the Facility (thereby reducing the Facility to zero);

(b) demand repayment of all or any part of any Loan and payment of any other amounts accrued, due, owing or payable under this Agreement;

(c) declare that all or any part of any Loan is repayable, and any other amounts accrued under this Agreement are payable, on demand by the Lender at any time;

(d) make demand under the Guarantee; and/or

(e) exercise its rights and remedies under the Security Documents.

10.3 For the avoidance of doubt, if an Event of Default has occurred pursuant to clause 10.1 and is continuing, the Borrower shall have no ability, right, title or claim to utilise any Loan.

11 Payments

11.1 Each payment to be made by the Borrower under this Agreement will be made in full, without any set-off or deduction.

11.2 If the Borrower is required to make a deduction in respect of tax from any payment for the account of the Lender under this Agreement, the amount payable by the Borrower will be increased to the extent necessary to ensure that, after such deduction has been made, the Lender receives (and is able to retain) a net sum equal to the amount which it would have received had no such deduction been required to be made.

12 Costs and indemnities

12.1 The Borrower will reimburse the Lender on demand in respect of all legal and other expenses incurred by it, before or after the date of this Agreement, in connection with this Agreement.

12.2 The Borrower shall indemnify the Lender against any cost, loss or liability incurred by it as a result of:

(a) the occurrence of an Event of Default;

(b) the taking, holding, protection or enforcement of the Transaction Security; and

(c) the exercise of any of the rights, powers, discretions and remedies vested in the Lender by the Finance Documents or by law.

13 Representation and warranties

The Borrower makes the following representations and warranties to the Lender on the date of this Agreement and on the date of utilisation of each Loan:

13.1 Status: It is a limited liability company, duly incorporated and validly existing under the laws of England and it has the power to own its assets and carry on its business as it is being conducted.

13.2 Binding obligations: The obligations assumed by it in the Finance Documents are legal, valid, binding and enforceable obligations.

13.3 Non-conflict with other obligations: The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with any law or regulation applicable to it or its constitutional documents.

13.4 Power and authority: It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is or will be a party and the transactions contemplated by those Finance Documents.

14 Further assurance

The Borrower will take (and in the case of the Obligors, will procure the taking of) all such action (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any right, obligation conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents.

15 Assignment

15.1 The Borrower may not transfer (either by assignment or novation) any of its rights or obligations under this Agreement without the prior written consent of the Lender.

15.2 The Lender may assign any of its rights (or transfer by novation any of its rights and obligations) under any Finance Document.

16 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

17 Notices

Any notice or other communication to a party to this Agreement must be in writing. It must be addressed for the attention of such person, and sent to such address, fax number or email address as that party may from time to time notify to the other party. It will be deemed to have been received by the relevant party on receipt at that address, fax number or email address.

18 Law and jurisdiction

18.1 This Agreement shall be governed by and construed in accordance with the laws of England. The courts of England, have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to any non-contractual obligation arising out of or in connection with either this Agreement or the negotiation of the transaction contemplated by this Agreement).

18.2 If a provision of this Agreement is or becomes invalid, illegal or unenforceable or if an illegal or unenforceable provision affects the entire nature of this Agreement, each Party shall use its best endeavours to promptly negotiate a legally valid replacement provision.

18.3 This Agreement and any other documents referred to in this Agreement constitute the entire agreement and understanding between the Parties in respect of the subject matter of this Agreement.

18.4 With the exception of the Parties, no other person has a right to claim a beneficial interest in this Agreement or in any rights occurring by virtue of this Agreement.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

EXECUTED	)	
for and on behalf of	)	[redacted]
AURELIUS IV UK ACQUICO SEVEN	)	
LIMITED	)	
	)	[redacted]
		Authorised signatory

EXECUTED	)	[redacted]
for and on behalf of	)	Graham Wiseman
THE BODY SHOP INTERNATIONAL	)	
LIMITED	)	

.....

Authorised signatory

CONFIDENTIAL

Dated 29 **January 2024**

Lender

AURELIUS IV UK ACQUICO SEVEN LIMITED

Borrower

THE BODY SHOP INTERNATIONAL LIMITED

Loan agreement

THIS AGREEMENT is dated 29 January 2024 and made by:

(1) **AURELIUS IV UK ACQUICO SEVEN LIMITED,** a company registered in England and Wales with company number 01284170, whose registered address is at 6th Floor, 33 Glasshouse Street, London, United Kingdom W1B 5DG (the **Lender**); and

(2) **THE BODY SHOP INTERNATIONAL LIMITED,** a company registered in England and Wales with company number 01284170, whose registered address is at Watersmead, Littlehampton, West Sussex BN17 6LS (the **Borrower**).

IT IS AGREED as follows:

1 Definitions

The following terms shall have the following meanings:

Acquisition means the acquisition by the Purchaser of the entire issued share capital of the Target.

Canadian Obligor means The Body Shop Canada Limited, incorporated in the province of Ontario, Canada with registered number 417311-2.

Canadian Security means a general security agreement and (in respect of the province of Quebec) a hypothec, each executed by the Canadian Obligor.

Charge over Shares means a charge or pledge over the shares in a member of the Group, executed by an Obligor in favour of the Lender.

Debenture means the all-asset debenture dated on or about 29 December 2023 between the Lender and the Borrower.

EBITDA means the consolidated operating profit of the Group before interest, taxation, depreciation or amortisation, as determined by the Lender from time to time.

Event of Default means an event of default as set out in clause 10.1 below.

Facility has the meaning given to it in Clause 4.1.

Facility Limit means GBP 5,438,739.67 (five million, four hundred thirty-eight thousand, seven hundred thirty-nine and 67 pence).

Finance Documents means this Agreement, the Security Documents, the Guarantee, the Intercreditor Deed and any other document designated as a "Finance Document" by the Lender and the Borrower.

Group means the Parent and its subsidiaries from time to time.

Guarantee means any guarantee entered into by the Canadian Obligor, the US Obligor and/or any other member of the Group in favour of the Lender.

Intercreditor Deed means any intercreditor deed entered into on or about 29 December 2023 between, among others, the Lender, the Borrower and a Senior Lender.

Loan has the meaning given to it in Clause 5.3.

Material Adverse Effect means any event or circumstance which has in the opinion of the Lender (acting reasonably) a material adverse effect on (a) the business, operations or financial condition of the Borrower, an Obligor or a Material Company or (b) the ability of an Obligor to perform its obligations under the Finance Documents or any Senior Facilities Agreement; or (c) the validity or enforceability of, or the effectiveness or ranking of any security granted or purported to be granted pursuant to any of the Finance Documents.

Material Company means the Borrower, an Obligor and/or a subsidiary of the Parent that has earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 5 per cent. or more of EBITDA or has net assets or turnover (excluding intra-group items) representing 5 per cent. or more of the net assets or turnover of the Group, calculated on a consolidated basis.

Obligors means the Borrower, the US Obligor, the Canadian Obligor and any other member of the Group which enters into a Guarantee or gives security to the Lender.

Parent means the Target.

Purchaser means Aurelius IV UK Acquico Eight Limited.

Sale and Purchase Agreement means the sale and purchase agreement dated 13 November 2023 entered into between Natura Cosmeticos S.A. as seller and the Purchaser in respect of the Acquisition.

Security Documents means the Debenture, each Charge over Shares, the US Security Documents, the Canadian Security Documents and any other document, agreement or deed creating security over the assets of an Obligor in favour of the Lender.

Senior Facilities Agreement means any facility agreement entered into after the date of this Agreement between a Senior Lender and the Borrower.

Senior Lender means any third party bank, fund or financial institution providing loan facilities to the Borrower.

Target means Natura (Brasil) International B.V.

Termination Date has the meaning given to it in Clause 8.2 below.

Transaction Security means the security created by the Security Documents.

US Obligor means Buth-Na-Bodhaige, Inc., incorporated in Virginia, United States of America with Federal identification number 22-2883487.

US Property means the property at 5036 One World Way, Wake Forest, North Carolina 27587 owned by the US Obligor.

US Security means in respect of the US Obligor, (1) a pledge and security agreement executed by (A) the Borrower and (B) the US Obligor and (2) a legal mortgage over the US Property.

2 Interpretation

2.1 In this Agreement:

(a) the headings are inserted for convenience only and do not affect the interpretation of this Agreement;

(b) references to clauses and schedules are to clauses of, and schedules to, this Agreement;

(c) references to this Agreement, or any other document are to this Agreement or that document as from time to time amended, restated, novated, or replaced, however fundamentally;

(d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;

(e) words importing the plural include the singular and vice versa;

(f) references to any enactment include that enactment as re-enacted; and, if an enactment is amended, any provision of this Agreement which refers to that enactment will be amended in such manner as the Lender, after consultation with the Borrower, determines to be necessary in order to preserve the intended effect of this Agreement;

(g) an Event of Default is “continuing” if it has not been remedied or waived (with such remedy or waiver being confirmed by the Lender in writing); and

(h) references to a business day means a day (other than a Saturday or a Sunday) on which banks are open for general banking business in Luxembourg, London and Munich.

3 Intercreditor Deed

3.1 This Agreement is subject to the terms and conditions of the Intercreditor Deed.

3.2 In respect of the due dates of repayment and interest payment and the other provisions of this Agreement, the pertinent provisions of the Intercreditor Deed shall take precedence over the

provisions of this Agreement to the extent there is a conflict between the terms of the Intercreditor Deed and the terms of this Agreement.

4 The Facility

4.1 The Lender will make available to the Borrower a GBP 5,438,739.67 secured term loan facility (the **Facility**). Its obligation to do so is subject to the terms of this Agreement.

4.2 The purpose of the Facility is to assist the Purchaser with funding the Acquisition. For this purpose, the Borrower may on-lend the proceeds of any Loan to the Purchaser.

4.3 The obligations of the Borrower under this Facility are guaranteed pursuant to the Guarantee and secured in favour of the Lender pursuant to the Security Documents.

5 Availability and Drawdown

5.1 The Facility will be available at any time from the date of this Agreement subject to the satisfaction of the conditions set out in Clause 5.2 below.

5.2 The Lender's obligation to pay each Loan is subject to the following conditions:

(a) no Event of Default has occurred and is continuing or will result from the advance of the Loan;

(b) the Lender has received all of the documents and evidence listed in clause 6 (*Conditions Precedent*) in form and substance satisfactory to it; and

(c) the Sale and Purchase Agreement is unconditional (save for payment of the consideration).

5.3 Once the conditions set out at Clause 5.2 above have been satisfied, the Borrower shall be entitled to draw any amount (each a "**Loan**") provided that all Loans at the time immediately prior to Utilisation do not exceed the Facility Limit.

6 Conditions Precedent

The Borrower must deliver to the Lender:

6.1 the upstream loan agreement between the Borrower and the Purchaser; and

6.2 a copy of any other authorisation, or other document, opinion or assurance which the Lender considers necessary or desirable.

7 Conditions Subsequent

No conditions subsequent apply in respect of this Agreement.

8 Repayment

8.1 Subject to the Intercreditor Deed, the Borrower may repay the Facility at any time.

8.2 The Borrower will repay all Loans, together with any interest and fees outstanding in respect thereof, in full on the date falling three years and three months following the date of this Agreement, on which date the Facility shall terminate (the **Termination Date**). If however, the Facility is not repaid in full on such date, the Facility shall automatically extend by one additional year.

9 Interest

9.1 The Borrower will pay interest in arrears on the Loan at the rate of 8.5% per annum.

9.2 Interest will accrue from day to day on the aggregate outstanding balance of the Loan under the Facility. It will be calculated on the basis of actual days elapsed and a 365 day year.

9.3 Subject to clause 9.4, interest on the Loan will be paid on the Termination Date.

9.4 Interest and any fees payable under this Agreement (including default interest under clause 9.5) shall be capitalised and added to the outstanding principal amounts of the Loan on the last London business day of each calendar month, with interest and fees accruing on such capitalised amounts, until such date that all outstanding amounts under the Finance Documents are repaid (including outstanding amounts both before and after judgment).

9.5 If an Event of Default occurs and so long as the same is continuing, the Lender may accrue interest on all amounts owing under the Finance Documents while such Event of Default is continuing (both before and after judgment) compounded at a rate which is 7% per annum higher than the rate payable under clause 9.1. Any interest accruing under this clause 9.5 shall be immediately payable by the Borrower on demand by the Lender at the option of the Lender.

10 Events of Default

Identity of Events of Default

10.1 Each of the matters listed in the rest of this clause 10.1 is an event of default:

(a) the Borrower fails to pay any amount payable by it under this Agreement in the manner stipulated.

(b) an Obligor breaches any provision of a Finance Document.

(c) an event of default (howsoever defined) occurs under a Senior Facilities Agreement.

(d) an Obligor becomes insolvent or unable to pay its debts.

(e) an Obligor ceases to carry on business, stops payment of its debts or any class of them or enters into any compromise or arrangement in respect of its debts or any class of them; or any step is taken to do any of those things.

(f) an Obligor is dissolved or enters into liquidation, administration, administrative receivership, receivership, a voluntary arrangement, a scheme of arrangement with creditors or bankruptcy or any step is taken by any person with a view to any of those things.

(g) any judgment or order against an Obligor is not stayed or complied with within 14 days.

(h) any execution, sequestration or other enforcement action is commenced against any of the assets of an Obligor and is not discharged within 7 days.

(i) any analogous or similar procedure to those mentioned in clauses 10.1(e) to (h) occurs or is taken in any jurisdiction.

(j) any steps are taken to enforce any security interest, proprietary interest or contractual right having the commercial effect of a security interest, over any assets of an Obligor.

(k) it becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents, or for the Lender to provide or continue to provide the Facility.

(l) any Finance Document ceases to be valid, binding or enforceable.

(m) any representation in Clause 13 is untrue, incorrect or deemed not to be made correctly made.

(n) any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

Consequences of an Event of Default

10.2 Subject to the Intercreditor Deed, if an Event of Default has occurred pursuant to clause 10.1 and is continuing, the Lender may at any time, by giving notice to the Borrower:

(a) terminate the Facility (thereby reducing the Facility to zero);

(b) demand repayment of all or any part of any Loan and payment of any other amounts accrued, due, owing or payable under this Agreement;

(c) declare that all or any part of any Loan is repayable, and any other amounts accrued under this Agreement are payable, on demand by the Lender at any time;

(d) make demand under the Guarantee; and/or

(e) exercise its rights and remedies under the Security Documents.

10.3 For the avoidance of doubt, if an Event of Default has occurred pursuant to clause 10.1 and is continuing, the Borrower shall have no ability, right, title or claim to utilise any Loan.

11 Payments

11.1 Each payment to be made by the Borrower under this Agreement will be made in full, without any set-off or deduction.

11.2 If the Borrower is required to make a deduction in respect of tax from any payment for the account of the Lender under this Agreement, the amount payable by the Borrower will be increased to the extent necessary to ensure that, after such deduction has been made, the Lender receives (and is able to retain) a net sum equal to the amount which it would have received had no such deduction been required to be made.

12 Costs and indemnities

12.1 The Borrower will reimburse the Lender on demand in respect of all legal and other expenses incurred by it, before or after the date of this Agreement, in connection with this Agreement.

12.2 The Borrower shall indemnify the Lender against any cost, loss or liability incurred by it as a result of:

(a) the occurrence of an Event of Default;

(b) the taking, holding, protection or enforcement of the Transaction Security; and

(c) the exercise of any of the rights, powers, discretions and remedies vested in the Lender by the Finance Documents or by law.

13 Representation and warranties

The Borrower makes the following representations and warranties to the Lender on the date of this Agreement and on the date of utilisation of each Loan:

13.1 Status: It is a limited liability company, duly incorporated and validly existing under the laws of England and it has the power to own its assets and carry on its business as it is being conducted.

13.2 Binding obligations: The obligations assumed by it in the Finance Documents are legal, valid, binding and enforceable obligations.

13.3 Non-conflict with other obligations: The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with any law or regulation applicable to it or its constitutional documents.

13.4 Power and authority: It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is or will be a party and the transactions contemplated by those Finance Documents.

14 Further assurance

The Borrower will take (and in the case of the Obligors, will procure the taking of) all such action (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any right, obligation conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents.

15 Assignment

15.1 The Borrower may not transfer (either by assignment or novation) any of its rights or obligations under this Agreement without the prior written consent of the Lender.

15.2 The Lender may assign any of its rights (or transfer by novation any of its rights and obligations) under any Finance Document.

16 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

17 Notices

Any notice or other communication to a party to this Agreement must be in writing. It must be addressed for the attention of such person, and sent to such address, fax number or email address as that party may from time to time notify to the other party. It will be deemed to have been received by the relevant party on receipt at that address, fax number or email address.

18 Law and jurisdiction

18.1 This Agreement shall be governed by and construed in accordance with the laws of England. The courts of England, have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to any non-contractual obligation arising out of or in connection with either this Agreement or the negotiation of the transaction contemplated by this Agreement).

18.2 If a provision of this Agreement is or becomes invalid, illegal or unenforceable or if an illegal or unenforceable provision affects the entire nature of this Agreement, each Party shall use its best endeavours to promptly negotiate a legally valid replacement provision.

18.3 This Agreement and any other documents referred to in this Agreement constitute the entire agreement and understanding between the Parties in respect of the subject matter of this Agreement.

18.4 With the exception of the Parties, no other person has a right to claim a beneficial interest in this Agreement or in any rights occurring by virtue of this Agreement.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement

EXECUTED	)	
for and on behalf of	)	[redacted]
AURELIUS IV UK ACQUICO SEVEN	)	
LIMITED	)	Doreen Alldread
	)	Director
		Authorised signatory

EXECUTED	)	
for and on behalf of	)	
THE BODY SHOP INTERNATIONAL	)	
LIMITED	)	[redacted]
		Graham Wiseman (Jan 29, 2024 16:10 GMT)
		.....
		Authorised signatory

1. Aurelius Seven to TBSI Loan Agreement - 29.01.24

Final Audit Report 2024-01-29

Created:	2024-01-29
By:	Zahrah Mohammad (zahrah.mohammad@aureliusinvest.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAL3Ymz7FrXDhL1qDPbef1yAunBba7Kb5h

"1. Aurelius Seven to TBSI Loan Agreement - 29.01.24" History

Document created by Zahrah Mohammad (zahrah.mohammad@aureliusinvest.co.uk)
2024-01-29 - 1:47:58 PM GMT

Document emailed to Graham Wiseman (grahamwiseman52@gmail.com) for signature
2024-01-29 - 1:48:18 PM GMT

Email viewed by Graham Wiseman (grahamwiseman52@gmail.com)
2024-01-29 - 4:09:46 PM GMT

Document e-signed by Graham Wiseman (grahamwiseman52@gmail.com)
Signature Date: 2024-01-29 - 4:10:04 PM GMT - Time Source: server

Agreement completed.
2024-01-29 - 4:10:04 PM GMT

Exhibit C

Exhbit C

Loan to TBSI

12/29/2023	**£2,720,741.98**	**loan agreement**
1/9/2024	**£104,384.54**	**loan agreement**
1/29/2024	**£5,438,739.67**	**loan agreement**
	£8,263,866.19	

	days	interest %	base rate %	total interest %	GBP interest
12/31/2023	2	8.5%		8.5%	£1,267.19
1/28/2024	19	8.5%		8.5%	£12,500.22
31/01/2024	3	8.5%		8.5%	£5,773.39
28/02/2024	28	8.5%		8.5%	£53,884.94
					£73,425.73

loan amount	£8,263,866.19
interest	£73,425.73
	£8,337,291.92

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FRP

THE BODY SHOP INTERNATIONAL LIMITED (IN ADMINISTRATION)

The High Court of Justice No. CR-2024-000858

The Administrator's Progress Report for the period 13 February 2024 to 12 August 2024 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

12 September 2024

FRP

Contents and abbreviations

Section	Content
1.	Progress of the Administration in the Period
2.	Estimated outcome for creditors
3.	Administrators' remuneration, disbursements, expenses and pre-appointment costs

Appendix	Content
A.	Statutory information regarding the Company and the appointment of the Administrators
B.	A schedule of work
C.	A receipts and payments account for the Period
D.	Details of the Administrators' time costs and disbursements for the Period
E.	A statement of expenses incurred in the Period
F.	Form AM10 - formal notice of the progress report

The following abbreviations may be used in this report:

The Administrators	Anthony John Wright, Alastair Rex Massey and Geoffrey Paul Rowley of FRP Advisory Trading Limited
A&L	A&L Goodbody LLP
Baker McKenzie	Baker McKenzie LLP
BP	Burness Paull LLP
B&B	Bird & Bird LLP
CoCo	Company owned; Company operated
The Company/TBSIL	The Body Shop International Limited (in Administration)
CVL	Creditors' Voluntary Liquidation
CVA	Company Voluntary Arrangement
FoFo	Franchise Owned; Franchise Operated
Gordon Brothers	Gordon Brothers (UK) Limited
HMRC	HM Revenue & Customs
HSBC	HSBC Holdings plc
FRP	FRP Advisory Trading Limited
JD	Jones Day
Kennedys	Kennedys Law LLP
Knights	Knights plc
LTO	Licence to Occupy
Newco	The Body Shop Group Limited

Contents and abbreviations

The Period	The reporting period 13 February 2024 to 12 August 2024
Proposals	The Administrators proposals dated 4 April 2024 and approved on 2 May 2024
QFCH	Qualifying floating charge holder
ROT	Retention of Title
RPS	Redundancy Payments Service
Secured Creditors	ALMA24 Ltd and Aurelius IV UK Acquico Seven Ltd
SIA	SIA Group UK London
SIP	Statement of Insolvency Practice
TBS	The Body Shop
TBSAH	The Body Shop At Home
TSA	Transitional Services Agreement

1. Progress of the Administration

This report should be read in conjunction with the Administrators' Proposals dated 4 April 2024.

Work undertaken during the period

A schedule of work undertaken during the Period together with a summary of work still to be completed is attached at **Appendix B.**

Key developments in the Period are summarised below.

Stablising the business

At the outset of the administration the Administrators considered the viability of trading the business on, assessing the impact of trading on the position of creditors and ensuring that this decision benefitted the creditor body as a whole. Upon agreeing that continued trading was for the benefit of the administration estate, the Administrators took immediate steps to stabilise the business, which included the following:

- Unlocking the UK ecommerce sales channel by securing ongoing access to systems/supply chain;
- Unlocking the UK store network by securing the supply chain, restocking stores, ensuring merchant providers and onsite till processes were in place alongside appropriate cash collection controls, undertaking all required maintenance work across the estate, liaising with landlords and obtaining appropriate insurance;
- Obtaining an understanding of and unlocking the international supply chain network that underpins the FoFo and CoCo markets;
- Obtaining an understanding of the import/export requirements and liaising with customs brokers to ensure that worldwide import/export could continue as appropriate;
- Liaising with other key suppliers as needed to ensure continuity of supply in respect of a significant number of interconnected essential systems and services;
- Liaising with HMRC as regards the 'bonded warehouse' status of the main distribution centre in Littlehampton and agreeing workarounds to keep the warehouse running; and
- Liaising with the 3PL distribution centre in Germany as regards a lien over stock and to ensure continuity of supply to the EU markets.

CVA

It was initially expected that the Administrators would propose a CVA to the Company's creditors, allowing the Company to be rescued and exit from administration. Extensive efforts were made to engage with key stakeholders to agree terms over various matters. However, it was not possible to reach the necessary agreements which would have enabled a CVA to be launched.

In the absence of a CVA, the Administrators considered that a sale of the business as a going concern would maximise asset realisations for the benefit of the creditors whilst minimising additional preferential claims from the employees of the Company.

FoFo

As reported in the Proposals, the Administrators have preserved the relationships across the various jurisdictions and continued trading with these partners.

The Administrators have continued to monitor debtor collections and assess new orders to ensure the Company is not exposing itself to undue credit risk with a view to maximising realisations and preserving the value in these key relationships.

The Administrators have taken all appropriate steps to preserve FoFo opportunities worldwide, where either CoCo markets were at threat of falling away or where work had been undertaken pre-appointment to establish other FoFo markets.

1. Progress of the Administration

CoCo

Where appropriate, the Administrators have ensured that TBSIL has continued to supply CoCo markets in order to preserve value in those markets.

Some of the CoCo markets are in separate insolvency processes in their own jurisdictions and the Administrators have liaised with the local office holders in a constructive manner and ensured that TBSIL has continued to supply those markets on appropriate credit terms to preserve value where possible.

Physical meeting of creditors

Following the circulation of the Proposals on 4 April 2024, the Administrators received the number of votes required to convene a physical meeting of creditors for the approval of the Administrators proposals, the basis of the Administrators' remuneration and the approval of the timing of the Administrators' discharge from liability.

Following the physical meeting of creditors held on 2 May, all decisions were approved, with the exception of the formation of a creditors' committee.

Employees

As referred to in the Proposals, following consultation with the Company's human resources team, the Administrators announced the redundancy of 346 head office and distribution centre staff with immediate effect on 20 February 2024.

These redundancies were made to rightsize the Company and move away from the management of global operations, focussing on the more profitable areas of the business such as the UK store network, Ecommerce, Wholesale and Head Franchise operators.

Store closures and further redundancies relating to further streamlining within the head office operations led to an additional 504 redundancies between 8 March 2024 and 31 August. Thees further redundancies arose following additional store closures and the Administrators' ongoing reviews of staffing levels. 35 employees were also placed on transition roles with redundancies planned for these in due course once those roles had been appropriately handed over to fit into the revised organisational structure. Eight of these individuals were subsequently placed elsewhere in the business due to other employee resignations.

The Administrators have also continued to monitor resignations to ensure there are no knowledge gaps that would place a risk on ongoing and future operations.

The Administrators continue to liaise with former employees regarding their claim submissions and any other inbound queries. Any correspondence regarding employment tribunal claims are being dealt with by Kennedys.

Employees have been kept appraised on the progress of the administration throughout the Period.

Insurance

Marsh (the Administrators' insurance brokers) were advised immediately following the appointment, and open cover arranged. Steps were taken to review the Company's existing insurances and ensure the Administrators had taken the necessary level of insurance cover in place to fulfil their responsibilities.

Marsh have been engaged to review the policies and advise accordingly, with the Administrators securing appropriate insurance cover across the different trading processes across the estate.

Intellectual Property

The Administrators have taken all steps necessary to secure and preserve all of the Company's intellectual property throughout the period, paying all registration and licence fees required across all jurisdictions in which the Company operates (or supports through FoFo markets), taking advice from Baker McKenzie as required.

1. Progress of the Administration

Debtors

On appointment, the Company had debtors of approximately £21m, these debts predominantly related to franchise partners. Since appointment £17m of this balance has been collected. These funds have primarily been receipted into the pre-appointment bank account and will be shown within the Receipts and Payments account once these funds have been transferred to the administration estate.

Property matters

Following their appointment, the Administrators proceeded with the immediate closure of seven (7) stores. Subsequently, after further analysis of the property portfolio, the Administrators proceeded with the closure of an additional 77 stores between March and August 2024. A small portion of these store closures arose at the request of specific landlords, with those closures being facilitated with advice from Bird & Bird. This resulted in a significant number of the redundancies as described in the employee section above.

During the Period, the Administrators have continued to engage in discussions with landlords on the following matters:

- The closure of the aforementioned stores and subsequent surrender of the various leases;
- Lease renewal negotiations;
- The preservation of the Company's rights under the Landlord and Tenants Act 1985; and
- All maintenance and repair requests received from stores.

As part of trading activities, the Administrators have continued to facilitate payment of the liabilities arising under the leases for the remaining stores as an expense of the Administration. Further comment regarding the trading activity undertaken is provided in the sections below.

Cash at bank

On the Administrators appointment, the Company's bank account balances totalled approximately £9m.

To date, approximately £5m has been realised and the Administrators continue to liaise with HSBC to gain access to the balance of these funds.

HSBC had also given guarantees to a number of subsidiaries' landlords which have been cash backed by the Company, these guarantees total £8.9m. Part of this balance will be lost as guarantees are called upon and part of this balance will be released as securities are replaced with the various landlords in go forward markets.

Trading

Upon appointment, the Administrators undertook an immediate assessment of the Company's financial position and their ability to continue trading the business.

In addition to stabilising the business as set out earlier in the report, immediate contact was made with the merchant providers and HSBC to advise of the administration such that pre administration facilities could continue to accept cash and card transactions, as well as processing head franchise receipts. The merchant providers forwarded daily sales receipts to the Administrators bank account and are continuing to support the process.

Due to the global network and complexity of the Company's operations there was a heavy reliance on the IT and ERP systems. This was an immediate area of focus for the Administrators to ensure continuity of services and subsequently trade. These have been maintained throughout the Period as required.

Landlords and other trade suppliers were contacted as soon as possible after the appointment and have been updated throughout the process.

1. Progress of the Administration

Discussions took place between the Administrator's team, the Company's employees and various direct trade suppliers who produced the ingredients, packaging and finished goods for the Company to explain the proposed strategy for the Administration.

The Administrators maintained a constant staff presence at the headquarters in London and in the Watersmead distribution centre to address day to day queries and to support the Company's employees in facilitating the business-as-usual trading.

It was also announced on 20 February 2024, that 7 loss making retail stores would close and associated staff would be made redundant (assuming they could not be redeployed elsewhere within the estate).

Following a review of the store portfolio regarding recent and forecast financial performance, along with various other factors such as capital expenditure requirements, lease expiry dates, abnormal recent performance trends and potential dilapidation claims, the Administrators announced the closure of a further 75 retail stores on 1 March 2024. This impacted a further 425 staff members at those stores, with a phased closedown having now been completed.

The Administrators continued to trade the Company while pursuing the CVA and Sale of the business and assets. Please see **CVA** and **Sale of the business and assets** sections above and across for more details.

On 7 September 2024, the Administrators completed a going concern sale of the underlying business and assets of the Company. Due to the sale completing shortly before this report being issued the overall trading outcome has not yet been finalised and will be reported on in future reports.

During the trading period, the Administrators utilised assets available at appointment including but not limited to stock, plant and machinery, furniture & equipment, contents of the stores, premises and computer systems to trade the business.

A separate trading receipts and payments account is attached at **Appendix E**. Further detail is set out in the Schedule of Work attached.

The schedule of work details the work required to realise the following assets:

- Rates refunds
- Insurance refunds
- Cash at bank
- Funds held on account
- Trade Receivables

At the time of writing this report, trading has now ceased following the sale of the business and assets. Full details of this performance will be disclosed in future reports.

The Administrators subcontracted work associated with the store closures, including but not limited to the collection and relocation of stock, securing the sites and the collection of keys.

Attached at **Appendix C** is a receipts and payments account detailing both transactions for the Period of this report and also cumulatively since the appointment of the Administrators.

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency.

No payments have been made to associates of the Administrators without the prior approval of creditors as required by SIP9.

Sale of the business and assets

Following the conclusion that a CVA was not viable (as referenced above), on 20 May 2024, the Administrators launched a sales process for the underlying business and assets of the Company by issuing a teaser document to a combination of large retailers, inbound contacts and other known parties.

1. Progress of the Administration

In total 87 parties were approached as part of the process, of which 67 acknowledged the contact. 11 parties submitted indicative offers.

Following indicative bids we progressed into a secondary process with four parties and, after a period of due diligence, requested best and final indicative offers.

The Administrators assessed the offers received and selected one party to progress into exclusivity with, based on a combination of price and completion risk.

The Administrators entered exclusivity with the preferred bidder, the Investment Group Aurea, on 15 July 2024. This was subsequently extended on a weekly basis whilst final commercial terms were agreed and the extensive due diligence process completed, with this preferred party also reconfirming their offer on a weekly basis.

On 7 September 2024, the Administrators completed a going concern sale of the underlying business and assets of the Company to the investment group Aurea. This has resulted in over 1,300 jobs being saved in the UK along with the ability to continue to supply both the FoFo and CoCo markets across the globe. The transaction is anticipated to enhance the outcome for creditors. As the transaction completed outside of the reporting period of this report, the sale consideration does not show in the receipts and payments account and full details of the sale will be reported in our next progress report.

Investigations

The Administrators have obtained books and records contained on the Company's server (which includes emails, financial documents etc) and a review of certain email mailboxes and financial data was undertaken. We are following up on this as appropriate and will report on this further in our next report. In addition, the Administrators have a duty to review of the conduct of the directors of the Company and report their findings to the Insolvency Service. This report has been submitted and the contents remain confidential.

The general investigation remains ongoing and any material updates will be provided within our next progress report.

In addition, the Administrators have a duty to review the conduct of the directors of the Company and report on their findings to the Insolvency Service. This report has been submitted and the contents remain confidential.

Extension to the initial period of the administration

It is anticipated the administration will be extended for a period of 12 months. Consent for an extension will be sought from creditors under separate cover.

Anticipated exit strategy

As mentioned earlier in the report, the Administrators completed the sale of the business and most underlying assets on 7 September 2024. The Administrators will now work to realise the remaining assets of the Company. We anticipate that there will be a distribution to unsecured creditors, however, at this time we are not able to confirm the level of dividend. Following the realisation of the remaining assets the Administrators will take steps to move from administration to CVL pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986.

Upon conversion to CVL, the subsequently appointed liquidators will take steps to distribute the balance of funds to creditors.

2. Estimated Outcome for the creditors

The estimated outcome for creditors was set out in the Proposals.

Outcome for the secured creditors

The Administrators requested a security review to assess both secured charges against the Company being Aurelius and ALMA. An agreement has subsequently been reached and full security releases for Aurelius was agreed during the Period. Security releases from ALMA were obtained after the Period to facilitate the sale described previously.

A further update will be provided to creditors in the next reporting Period.

Outcome for the preferential creditors

During the Period 850 employees were made redundant, as a result of a reduction of staff in the head offices to support the ongoing business functions and arising from store closures.

Preferential claims have been limited following the 1,300 jobs saved as a result of the going concern sale.

The RPS preferential claim is currently estimated at £356,527 including redundancy and pension claims.

The employee residual preferential claims currently total £200,384, relating to holiday pay.

Outcome for the secondary preferential creditors

From 1 December 2020 HMRC rank as a secondary preferential creditor in respect of the following:

- VAT;
- PAYE (including student loan repayments);
- Construction Industry Scheme Deductions; and
- Employees' NI Contributions

Secondary preferential claims totalling £2,347,328 have been received from HMRC in the form of an interim proof of debt. This figure is subject to further review by HMRC and the office holder as appropriate.

Preferential and secondary preferential creditors will be paid in full.

Outcome for the unsecured creditors

To date, unsecured claims totalling £210,838,480 have been received, which includes significant intercompany creditor balances. As a result of the sale we anticipate that the overall creditor claims will reduce and that the dividend to unsecured creditors will be no less than what was previously considered in initial CVA estimates of 15p in the pound.

However, at present, the Administrators are unable to confirm the exact amount or timing of the proposed distribution.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

The security position is being reviewed and we will advise in due course if the prescribed part is applicable.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

FRP

Administrators' remuneration

Following circulation of the Administrators' proposals the creditors passed a resolution that the Administrators' remuneration should be calculated on a time cost basis. Details of remuneration charged during the period of the report are set out in the statement of expenses attached. To date fees of £3,500,000 excluding VAT have been drawn from the funds available.

A breakdown of our time costs incurred during the period of this report and to date is attached at **Appendix D**. The remuneration anticipated to be recovered by the Administrators based on time costs, is likely to exceed the sum provided in the fees estimate circulated to creditors with the proposals.

The time costs for the period have exceeded the initial fee estimate provided in the Proposals. This increase is primarily attributed to a shift in the Administrators' strategy from a CVA to a sale process in May, as detailed earlier in this report. The sale process was prolonged due to a competitive two-tier bidding process, driven by high interest from potential buyers. Following the selection of a bidder, extensive negotiations and a thorough due diligence process further extended the timeline. Consequently, these factors have led to a substantial increase in the Administrators' time costs.

The Administrators are unable to draw fees based on time costs exceeding the total amount set out in the fees estimate without further approval of the creditors. Approval will be sought under separate cover.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

Administrators' expenses

An estimate of the Administrators' expenses was set out in the Administrators' proposals. Attached at **Appendix E** a statement of expenses that have been incurred during the period covered by this report. It is currently expected that the expenses incurred or anticipated to be incurred are likely to exceed the details previously provided. This is primarily as a result of extensive time undertaken to stabilise the business resulting in substantial additional Administrators' and legal costs, alongside the work involved in both the extended trading timeframe and facilitating the sale of the business following the conclusion that a CVA was not viable.

The increase in the Administrators' expenses mirror the reasons highlighted in the preceding Administrators' remuneration section.

In the table below is the estimate of the anticipated costs:

Expense	Estimated cost per initial estimate £	Revised anticipated costs £	Paid to date £
Jones Day	2,500,000	4,000,000	Nil
Gordon Brothers (asset valuation)	72,500	72,500	Nil
Gordon Brothers (store closures)	300,000	400,000	Nil
CBRE	200,000	200,000	118,947

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

Bird and Bird LLP	350,000	450,000	229,189
Knights	150,000	100,000	47,184
Baker McKenzie	250,000	250,000	51,874
Courts Advertising	500	500	103
Marsh Insurance	10,000	10,000	Nil
Accurate Mailing	30,000	30,000	11,051
Kennedys	No estimate previously provided	50,000	Nil
Burness Paull	No estimate previously provided	100,000	33,793
SIA	No estimate previously provided	50,000	Nil
A&L	No estimate previously provided	30,000	Nil

The estimated costs, as per the above table, have exceeded the original estimate for the following reasons:

- The change of strategy from a CVA to a sale process;
- The extensive and protracted sales process;
- The complexity of the business, structure and markets that the Company operated in.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Administrators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Administrators periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Administrators and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

The Administrators have engaged the following agents or professional advisors:

Professional Advisor	**Nature of work**	**Basis of fees**
Jones Day	Legal advice	Time Costs
Gordon Brothers	Asset valuation	Fixed Fee
Gordon Brothers	Store Closure	Time costs
CBRE	Landlord advice	Fixed fee
BP	Legal property advice	Time costs
A&L	Legal property advice	Time costs
Bird and Bird	Legal property advice	Time costs
Knights	Legal property advice	Time costs

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

Baker McKenzie	Intellectual property advice	Time costs
Courts Advertising	Statutory advertising	Fixed fee
Marsh Insurance	Insurance	Premium
Accurate Mailing	Printing and postage	Per letter
Kennedys	Employee legal advice	Time costs
SIA	Valuation advice	Time costs

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix E** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link https://www.frpadvisory.com/legal-and-regulatory-notices/information-creditors-insolvency-proceedings/ and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Administrators' pre-appointment costs

On 2 May 2024, the unsecured creditors passed a resolution that the pre-appointment costs, capped at the sum of £58,473 be approved for payment as an expense of the administration. Please note these costs have not yet been paid but they will be in the next reporting period.

Appendix A

Statutory Information

COMPANY INFORMATION:

Other trading names:	The Body Shop
Company number:	01284170
Registered office:	c/o FRP Advisory Trading Limited, 2nd Floor, 110 Cannon Street, London, EC4N 6EU
Previous registered office:	Watersmead, Littlehampton, West Sussex, BN17 6LS
Business address:	Watersmead, Littlehampton, West Sussex, BN17 6LS

ADMINISTRATION DETAILS:

Administrator(s):	Anthony John Wright, Alastair Rex Massey and Geoffrey Paul Rowley
Address of Administrator(s):	FRP Advisory Trading Limited 2nd Floor, 110 Cannon Street, London, EC4N 6EU
Date of appointment of Administrator(s):	13 February 2024
Court in which administration proceedings were brought:	The High Court of Justice
Court reference number:	CR-2024-000858
Appointor details:	Graham Wiseman Watersmead, Littlehampton, West Sussex, BN17 6LS
Previous office holders, if any:	N/A
Extensions to the initial period of appointment:	N/A
Date of approval of Administrators' proposals:	2 May 2024

Appendix B

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below.

Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and/or is sold following appointment; recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case, work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
• The records received are complete and up to date • There are no matters to investigate or pursue • The work that may be undertaken by any subsequently appointed Liquidator has been excluded • No financial irregularities are identified • A committee of creditors is not appointed • There are no exceptional queries from stakeholders • Full co-operation of the director and other relevant parties is received as required by legislation • There are no health and safety or environmental issues to be dealt with • The case will be closed within 2 years

Appendix B

Schedule of Work

Note	Category		
1	**ADMINISTRATION AND PLANNING** **Work undertaken during the reporting period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**
	General Matters		**General Matters**
	Formulated, monitored, and reviewed the strategy for case progression. Dealt with administrative matters and any queries. Ensured appropriate administration staff members were secured for the duration of the administration across the different workstreams and appropriately briefed in relation to the various roles required. Obtained the Company records to identify all relevant references and information necessary to conduct the administration.		Continue ongoing discussions pertaining to the strategy and ensure this is documented. Review staffing allocations for the duration of the administration. Continue to obtain further information from the Company, as and when required.
	Regulatory Requirements		**Regulatory Requirements**
	Completion of money laundering risk assessment procedures and Know Your Client checks in accordance with the Money Laundering Regulations. Completed our internal compliance requirements of take on procedures which included consideration of professional and ethical matters and other legislation such as the Bribery Act and Data Protection Act. Consideration of health and safety matters requiring specific regulatory approvals; and environmental concerns regarding the products being sold. Adhered to internal and regulatory protocols as appropriate. Dealing with any GDPR enquiries.		Continue ongoing review of regulatory compliance and take any further actions necessary in accordance with the Money Laundering Regulations, Bribery Act and Data Protection Act. Regular reviews of the conduct of the case and the case strategy as required by the Administrators' regulatory professional body to ensure all statutory matters are attended to and to aid case management and progression. Continue to adhere to GDPR requirements.

Appendix B

Schedule of Work

FRP

	Ethical Requirements		Ethical Requirements
	Prior to the Administrator's appointment, a review of ethical issues was undertaken, and no ethical threats were identified. Further ethical reviews are carried out periodically and no threats have been identified in respect of the management of the insolvency appointment over the period of this report.		Continue to review the case to ensure no ethical issues are identified.
	Case Management Requirements		**Case Management Requirements**
	Devised and documented a case strategy, including the decision and justification to continue to trade. This is regularly reviewed to ensure the case is progressed in a timely manner and to explore options available. Setup and administered administration bank accounts. Processed and recorded all receipts and payments on the Insolvency Practitioners System. Setup new payees and ensured complied with cashiers' compliance requirements. Ensured accounts were regularly reconciled to produce accurate and timely reports internally and to creditors as and when required. Contacted the Company's pre-appointment bankers to arrange for all receipts from the date of appointment to be remitted into the administration estate. Reviewed the bank accounts daily and arranged for a sweep of any post-appointments funds/receipts to be remitted to us. Accounted for all payments and receipts of funds. Carried out regular reconciliations of the estate bank accounts. Arranged for insurance of the Company's assets and liaised with our specialist insurance brokers to ensure the appropriate scope and level of cover is in place. Arranged for our brokers to attend site visits to confirm the adequacy of insurance cover in place across the estate and verification that the appropriate health and safety systems and controls were in place.		Continue to review and document the case strategy to ensure the case is progressed, as required. Continue to collect all funds paid into the pre-appointment bank accounts and prepare bank reconciliations. Undertake regular reconciliations of the administration estate bank accounts to enable the production of accurate receipts and payments accounts for reporting purposes. Continue to setup new payees as and when required. Maintain and develop case specific paper and electronic files on behalf of the Administrators aside from other records pertaining to the Company directly. Conduct regular case and file reviews to monitor statutory compliance and case progression. Ongoing liaison with our insurance brokers to ensure correct covers are in place for the duration of the administration and facilitate any further site visits to comply with insurance requirements. Continue to assist our PR agents and manage any media enquiries and press releases. Regular meetings with the administration team and the Company's management team to advise of strategy to progress the administration.

Appendix B

Schedule of Work

	Corresponded with former advisors to the Company to request third party information to assist with the administration. Onboarded and engaged all professional advisors through appropriate conflict checks and in accordance with regulatory requirements. Setup and maintained files for all case-specific documentation. Updated our case diary system to ensure all statutory and other matters were settled in a timely manner and in accordance with legislation and regulations. Undertook a detailed IT systems audit and arranged for secure backups of all relevant data to be obtained. Considered frequency of ongoing backups of administration data relating to the Company in order to adhere to regulatory requirements and implemented the same. Liaised with the Administrators public relations advisors and monitored all press activity relating to the Company, preparing media statements where required. Regular meetings with the administration team and the Company's management team to advise of strategy and progress of the administration. Dealt with all post, telephone and other enquiries received and updated the Administrators' records on an ongoing basis.		Continue to manage incoming and outcoming post and correspondence. Continue to capture data backups to FRP servers. FRP servers are currently being used for 365 data back ups, this will continue to run for another two months. Separate backups for the non-go forward markets are also underway, this will take a further six months to complete.
2	**ASSET REALISATION** **Work undertaken during the reporting period**		**ASSET REALISATION** **Future work to be undertaken**
	Reviewed the books and records to ascertain the asset position. Instructed specialist chattel asset valuers to perform a valuation of the assets. Whilst we continue to trade the stock will be sold via our stores		Continue to liaise with HSBC in order to gain access to pre-appointment funds. Initiate work to realise the remaining assets in the estate.

	and e commerce platform and to our franchise partners on normal credit terms. This continued trading has enabled debtor collections to continue as normal. Instructed specialist valuers to assist with valuations for the sale of the business and assets. Liaised with HSBC to gain access to the Company's pre-appointment bank accounts. Launched a sale process for the underlying business and assets of the Company. Issued a teaser document to a combination of large retailers, inbound enquiries and other known interested parties through FRP's prior dealings in similar sectors and internal database. Progressed bids with a two-tier bidding process in a highly competitive sales process. Negotiated heads of terms for the sale and accompanying exclusivity period to enable comprehensive due diligence required by the purchaser to be successfully undertaken. Diligence support in the form of a daily catch-up calls with RSM (the financial advisors to the purchaser). Progressed a two stage due diligence process with multiple parties on site and in conjunction with Company management. Holding and updating a master tracker of due diligence requests (sale of business and also legal due diligence questions) with queries going between FRP and RSM for the sale of business and between Jones Day and Memery Crystal for the legal due diligence. We updated the document on a daily basis and tracked progress, feeding back to FRP management and chasing outstanding requests on both TBSI and RSM sides.		Finalise the sale of the business and assets through fulfilling all transaction requirements and obligations as seller as contemplated under the asset sale agreement and fulfilling the execution of all accompanying documentation.

Appendix B

Schedule of Work

	Twice weekly calls (Tues and Thursdays) between JD and FRP to ensure we were up to date on the transaction, and updating them on all workstreams. We attended specific calls/meetings with TBSI executive leadership team and franchises on specific matters relating to the transaction, including: • Subsidiary queries on stock • UK distribution centre queries • Product registration • Employee modelling for day one following sale and beyond • Specific supplier calls with the top 5 suppliers (held w/c 6th August) • ALMA 24 calls clarifying which countries were within ALMA 24 • TSA meetings regarding which contracts needed to be included in the TSA and negotiation over the terms of the TSA		

Appendix B

Schedule of Work

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3	**CREDITORS** **Work undertaken during the reporting period**		**CREDITORS** **Future work to be undertaken**
	<u>Unsecured creditors</u> Notified all known creditors and suppliers of the Administrators' appointment and invited creditors to lodge their claims. Uploaded all information to the creditors' portal for future access and provided creditors with details to sign up/access. Imported all relevant creditor information into our internal case management system. Lodged all incoming claims into the case management system and ensured all information was accurate. Each claim and supporting documentation have been saved in the electronic filing system. Responded to creditors' queries via phone, email, or written correspondence. Notified creditors of the decision to proceed with a sale of the business and assets rather than continuing to pursue a CVA. <u>Preferential Creditors</u> Obtained the employee records from the Company's management team to enable any redundancy claims to be processed accordingly. Notified affected employees of their redundancy from the Company. Assisted redundant employees with any queries and processed the employee claims in accordance with the Company records and the Redundancy Payment Services'. Completed RP14 and RP14A forms and submitted them to the Redundancy Payments Service ("RPS").		<u>Unsecured creditors</u> Continue to review and respond to creditors' queries by phone and written correspondence. Ensure all creditor information is accurately recorded and updated where necessary. Continue to lodge all creditor claims into the case management system and all documentation is filed. Upload all relevant information and reports to the creditors' portal. <u>Preferential creditors</u> Request the Redundancy Payment Services' final proof of debt to enable their claims to be reconciled accurately. Continue to assist preferential creditors, including the RPS and HMRC with any queries and process all additional claims. Adjudicate and settle preferential claims if sufficient funds available for such a distribution. <u>Retention of Title ("ROT")</u> Continue to deal with existing creditors and third parties ROT claims to reach conclusion with the assistance of solicitors if required. Deal with any new claims direct with creditors.

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	Contacting HMRC to advise of the appointment and request their claim against the Company. <u>Retention of Title ("ROT")</u> Issued ROT questionnaire to all creditors and third parties who have indicated they retain title over stock and items provided to the Company. Ongoing discussions with creditors to provide additional information to substantiate their claims to allow further assessment. Assistance obtained from our agents to differentiate assets subject to ROT and realisable assets belonging to the Company. Assistance obtained from Jones Day in relation to legal issues surrounding a limited number of ROT claims.		

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4	**INVESTIGATIONS** **Work undertaken during the reporting period**		**INVESTIGATIONS** **Future work to be undertaken**
	An IP has a duty to review the books and records and other information available to identify the assets that may be available to realise for the benefit of the insolvency estate. Furthermore, there may be other antecedent or voidable transactions that are identified which if pursued could swell the funds available for the insolvency estate. Requested all directors of the Company, both current and those holding office within 3 years of the insolvency to complete a questionnaire to assist in the preparation of the statutory return to the Department of Business Energy and Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act. The report was submitted following a two-month extension to the deadline for submission of the directors conduct report. Obtained and reviewed the Company's books and records contained on the Company's servers (which includes emails and financial documents). This involved very significant amounts of data reflecting the global nature and complexities of the Company's overall operations. Liaised with Jones Day on potential rights of claim that the Company may have as regards its historic activities.		Once the DBEIS have reviewed the report, they will confirm whether any supplementary information will be necessary to conclude the investigations. Should further information be required, the Administrators will ensure this is obtained and provided accordingly. Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further and could result in individuals being disqualified from acting as a director.
5	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during the reporting period**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**
	<u>Appointment Formalities</u> Dealt with all appointment formalities including Court documents. Notified relevant parties of the appointment, filed documentation with the Court, creditors, and the Registrar of Companies.		<u>Appointment Formalities</u> Continue to file all notices with Registrar of Companies and Court and courts advertising. Continue to review the insolvency bond to protect the assets available for creditors.

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	Advertised the Administrators' appointment in line with statute. Arranged for an insolvency bond to protect the assets available for creditors. Notified creditors of their rights to set-up a creditors' committee. Drafted and issued the Joint Administrators' Proposals. Notified all stakeholders of the approved Proposals. <u>Statement of Affairs ("SoA")</u> Requested director to complete and submit a SoA. Liaised with director upon completion of the SoA. Prepared a draft financial position from the Company records. Filed the SoA at the Registrar of Companies. <u>Post-appointment Tax/VAT</u> Notified HMRC to send all VAT Returns to the Administrators for completion. Liaised with the Company's former accountants and tax advisors and requesting information on matters they have worked on for the Company. Liaised with HMRC over the VAT status of the bonded warehouse in Littlehampton, taking advice from KMPG and undertaking all steps necessary to enable continued trading of the business. <u>Physical Meeting of Creditors</u> The Administrators received the number of votes required to convene a physical meeting of creditors on 2 May 2024, for the approval of the Administrators proposals, the basis of the Administrators' remuneration		Deal with any creditor committee setup. <u>Post-appointment Tax/VAT</u> Prepare and file with HMRC all periodic VAT and Corporation Tax returns in accordance with the accounting and periods Instruct accountants to assist in the preparation of post appointment tax returns in the appropriate territories. Finalise the VAT status of the bonded warehouse. <u>Statutory Compliance and Reporting</u> Ensure all statutory periodic reports are issued to all relevant parties and filed in accordance with the legislation. Obtain approval to the basis of the Insolvency Practitioners fees by the relevant creditors.

	and the approval of the timing of the Administrators' discharge from liability. <u>Statutory Compliance and Reporting</u> Placed legal advertisements in the London Gazette, as required by statute. Considered any environmental or health and safety issues and dealt with, as appropriate. Regularly reviewed the case to ensure general matters are adhered to and the case is progressed. Prepared the Administrators proposals and issued to members, preferential and unsecured creditors as required by legislation.		
6	**TRADING (where applicable)** **Work undertaken during the reporting period**		**TRADING (where applicable)** **Future work to be undertaken**
	Adhering to FRP's internal protocols to obtain approval to continue to trade and provided periodic updates to FRP's compliance team. Liaised with the Company's management team on appointment and outlined and implemented a strategy to continue to operate the business on an ongoing basis. Requested company information and setup a fileshare to transfer sensitive data. Daily / Weekly internal meetings with team to provide updates and highlight any issues. <u>Suppliers</u> Contact made with key suppliers and notified them of the administration to ensure working relationships to stabilise the business and continue supply of stock. Provided professional undertakings to required suppliers to ensure uninterrupted operations. Collated a schedule of undertakings and reviewed the requirements on an ongoing basis.		Following the completion of the sale of the business and assets on 7 September 2024 the estate has ceased to trade. The Administrators continue to liaise with Newco in regard to a TSA and LTO agreement, this will be ongoing while Newco arrange new agreements. Continue to deal with any outstanding trading expenses. Processing all returns and refunds arising from administration trading. Liaising with merchant service providers to release all funds arising during the administration trading and correctly allocate sales to the administration and purchaser of the business. Release all creditor undertakings provided during the administration trading period and settling all accounts. Issuing emails to all suppliers required under the TSA, issuing new PO's for TSA suppliers as requested by the Purchaser.

	Regular meetings with key Company employees and suppliers as appropriate. Liaised with key digital media providers to continue to provide services to enable continuance of customer mail outs and promotional marketing. Approving purchase orders within the Company's SAP system, reviewing payment runs and processing payments to suppliers. Entered lengthy negotiations with stock distribution agents in Germany to enable European franchise partners to receive stock from a warehouse in Germany holding our stock. <u>Sales</u> Monitored the daily trading cash flow forecasts and sales to ensure sufficient funding available to discharge the expenses of the administration as they fall due. Oversaw and assisted with the daily operational issues with the Company's finance and operational teams. Reviewed and approved orders for stock replenishment. Forwarded post appointment supplier invoices to the finance team to schedule for payment in accordance with the undertaking. Processed daily supplier payments. <u>Property Matters</u> Contacted utility providers in respect to the supply of services to the Company's retail portfolio and head office. Maintained a property schedule to highlight the stores open and trading, and ensure all payment liabilities are met.		Continued liaison with HSBC to correctly allocate receipts into the administration estate wherever appropriate. <u>Property Matters</u> Continue to liaise with utility providers and rates authorities regarding the sale of business and any outstanding liabilities attributable to the period of beneficial occupation.

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	Monitored store performance, assisted Company staff with all trading activity including promotional activity, decisions and events. Facilitated store closures with the assistance of Gordon Brothers. Notified utility provides and rates authorities of the closure of stores, as required. Facilitated payment of outstanding rent and other property costs as an expense of the Administration. Liaised with Company staff regarding the following matters: • Preservation of the Company's rights under the Landlord and Tenants Act 1985 (L&T Act); • Base rent calculations; • Rent reviews; and • Maintenance requests. Attended daily strategy meetings with Company staff. Discussed the required extension of the Company's rights under the L&T Act with B&B / Knights. Liaised with landlords regarding the above closures and other property matters arising during the appointment. Liaised with CBRE regarding the potential CVA and the market rate for rents across the retail portfolio. Liaised with CBRE regarding the rating appeals commenced by the Company prior to appointment. Liaised with the purchaser regarding the properties to be included as part of the sale of business and the Licence to Occupy (LTO).		Advise suppliers and other relevant parties if any further stores are no longer required and ensure these accounts are closed. Finalise any outstanding amounts owed by the Company in respect of the trading period, including rent, service charge and insurance costs. Liaising with landlords regarding the outstanding rent and property costs attributable to the period of beneficial occupation. Review and update the property schedule as and when required. Liaising with the purchaser and landlords regarding the assignment and/or surrender of leases held in the name of the Company. Coordinating with solicitors regarding the surrender/assignment of leases held in the name of the Company as required. Liaising with the purchaser in respect of the amounts due under the LTO and any other property matters that may arise. Prepare and issue invoices to the purchaser regarding the licence fee due under the LTO. Continuing to facilitate payment of the rent, service charge and insurance costs attributable to the post-completion period. Liaising with the purchaser regarding the preservation of the Company's rights under the L&T act. Liaising with the purchaser, landlords and solicitors regarding any other property matters that may arise. Liaising with the purchaser regarding the extension of the LTO, if required.

	<u>Merchant Service Providers</u> Engaged with the Company's merchant service providers to notify them of the Administration and make arrangements for all sale proceeds to paid directly to the Administration bank accounts on a daily basis. Liaised with the merchants' credit risk teams on risk exposures and deposits held. Prepared bank reconciliation and instructed bank to sweep the accounts and remit funds to our estate bank accounts. Ensured continued collection of all cash takings from stores and change service back to stores. <u>Employees and Pensions and Payrolls</u> Obtained the employee records and established the position of each employee. Wrote to the retained employees to advise of the administration and confirm their ongoing position. Liaised with the Company's payroll provider to issue P45s to redundant employees. Liaised with the Company's management team to prepare the payroll for employees at head office and stores. This was reviewed before salary payments were issued in accordance with the Company's pay day. Prepared payment of the payroll tax liabilities to HMRC. Attended to all inbound employee queries and providing regular updates on Administration progress. Established existence of pension schemes and notified the pension trustees and relevant parties of the administration. Liaised with the management team to prepare a report to the RPS inclusive of any pension arrears prior to the appointment. Requested the		

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	post appointment pension report in preparation for payment to the pension trustees.		
7	**LEGAL AND LITIGATION** **Work undertaken during the reporting period**		**LEGAL AND LITIGATION** **Future work to be undertaken**
	Sought legal advice on several ROT claims and issued creditor information and agreements. Liaised with solicitors on legal agreement from digital suppliers and to reach agreement for continued supply across all key suppliers to the Company. Obtained legal advice around notifications to employees throughout the period. Took extensive advice on treatment of all of the Company's overseas operations in both FoFo and CoCo markets. Meetings with solicitors on administration trading, the CVA proposal and subsequently regarding the sale process and accompanying documentation. Engaging with JD on all sale documents, provision of notifications to employees, obtaining any releases required, transferring of assets.		Continue to liaise with solicitors on ROT claims and communicate outcome to creditors. Continue to liaise with solicitors regarding former employees' employment tribunal claims. Coordinating with solicitors regarding the surrender/assignment of leases held in the name of the Company as required.

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Appendix C

A receipts and payments account for the Period

The Body Shop International Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 13/02/2024 To 12/08/2024 £	From 13/02/2024 To 12/08/2024 £
	POST APPOINTMENT SALES		
	Sales	60,128,392.20	60,128,392.20
		60,128,392.20	60,128,392.20
	PURCHASES		
	Stock Purchases	5,204,610.43	5,204,610.43
		(5,204,610.43)	(5,204,610.43)
	OTHER DIRECT COSTS		
	Direct Wages	16,218,481.88	16,218,481.88
	Direct Expenses	25,237.99	25,237.99
	Court Payroll Deductions	2,277.73	2,277.73
		(16,245,997.60)	(16,245,997.60)
	TRADING EXPENDITURE		
	Indirect Labour	164,171.69	164,171.69
	Rent, Service Charge and Insurance	4,613,135.07	4,613,135.07
	Rates	809,896.07	809,896.07
	Security Costs	350.00	350.00
	Other Costs	23,591.17	23,591.17
	Utilities	668,815.33	668,815.33
	Facilities Costs	1,220,329.39	1,220,329.39
	Insurance	75,246.28	75,246.28
	Professional Fees	1,231,362.81	1,231,362.81
	Bank Charges - Trading	30.98	30.98
	IT Suppliers	9,467,143.62	9,467,143.62
	Hire of Equipment	8,600.31	8,600.31
	Repairs & Maintenance	93,968.14	93,968.14
	Freight	194,525.35	194,525.35
	HMRC	3,575,319.81	3,575,319.81
	Vehicle Running Costs	181,293.37	181,293.37
	Advertising	47,452.25	47,452.25
	Packaging	413,581.84	413,581.84
	Postages	502,659.13	502,659.13
	Logistics costs	3,502,087.90	3,502,087.90
	Engineering	74,232.96	74,232.96
	Cash in Transit Services	95,539.50	95,539.50
	Intercompany Transfer	5,050,576.88	5,050,576.88
	Ransom Payments	2,323,403.72	2,323,403.72
	Employee Expenses	78,866.01	78,866.01
	HF - Marketing Costs	280,981.31	280,981.31
	Storage Costs	10,260.00	10,260.00
	Marketing costs	461,866.45	461,866.45
	Licence fees	874,454.15	874,454.15
	Social Security Contributions	1,924.38	1,924.38
	Guernsey Tax	561.59	561.59
	Health & Safety	12,092.62	12,092.62
	Employee Benefits	334,811.50	334,811.50
	Pension Contributions	451,340.98	451,340.98
	Subsidiary Support	5,623.00	5,623.00
		(36,850,095.56)	(36,850,095.56)
	TRADING SURPLUS/(DEFICIT)	**1,827,688.61**	**1,827,688.61**

The Body Shop International Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/02/2024 To 12/08/2024 £	From 13/02/2024 To 12/08/2024 £
	SECURED ASSETS		
NIL	Intangible Assets	NIL	NIL
570,000.00	Plant & Machinery	NIL	NIL
NIL	Investments	NIL	NIL
7,900,000.00	Intellectual Property	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	288,393.94	288,393.94
9,840,297.00	Cash at Bank	4,961,302.61	4,961,302.61
NIL	Deferred Income tax	NIL	NIL
7,900,000.00	Fixed Charge Surplus	NIL	NIL
	Funds held on account	340,265.32	340,265.32
Uncertain	IFRS16 asset	NIL	NIL
	Insurance Refund	4,856.24	4,856.24
42,383,039.00	Inventory	NIL	NIL
NIL	Other non-current assets	NIL	NIL
Uncertain	Other Receivables	750.12	750.12
570,000.00	Plant & Machinery	NIL	NIL
	Rates Refunds	13,962.68	13,962.68
NIL	Related Parties	NIL	NIL
	Rent	54,740.26	54,740.26
23,489,383.00	Trade Receivables	16,921,960.63	16,921,960.63
	Trading Surplus/(Deficit)	1,827,688.61	1,827,688.61
		24,413,920.41	24,413,920.41
	COST OF REALISATIONS		
	Administrators' Disbursements	53,491.81	53,491.81
	Administrators' Remuneration	3,500,000.00	3,500,000.00
	Director appointment fees	112,228.00	112,228.00
	LBTT Tax	882.00	882.00
	Legal Disbursements - IP	35,350.05	35,350.05
	Legal Disbursements - Property	4,832.30	4,832.30
	Legal Fees - IP	74,027.71	74,027.71
	Legal Fees - Property	263,137.88	263,137.88
	Legal Fees (1)	24,389.13	24,389.13
	Other Property Expenses	23,199.52	23,199.52
	PAYE & NI	13,148.19	13,148.19
	Prism 339	3,600.00	3,600.00
	Statutory Advertising	103.42	103.42
		(4,108,390.01)	(4,108,390.01)
	PREFERENTIAL CREDITORS		
(516,307.00)	Pensions outstanding	NIL	NIL
		NIL	NIL
	SECONDARY PREFERENTIAL CREDITORS		
(2,703,158.00)	HMRC - PAYE	NIL	NIL
(3,545,638.00)	HMRC - VAT	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
	Hypothec Claim Settlements	1,294.54	1,294.54
		(1,294.54)	(1,294.54)
85,887,616.00		**20,304,235.86**	**20,304,235.86**
	REPRESENTED BY		

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Appendix C

A receipts and payments account for the Period

The Body Shop International Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/02/2024 To 12/08/2024 £	From 13/02/2024 To 12/08/2024 £
	REPRESENTED BY CONTINUED		
	Current Floating Int Bearing		20,901,170.21
	Rent Deposit Int Bearing		28,667.41
	Trade Creditors		(203,756.36)
	Vat Control Account		677,838.85
	Vat Payable - Floating		(4,269,074.16)
	Vat Recoverable - Floating		3,169,389.91
			20,304,235.86

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A receipts and payments account for the Period

The Body Shop International Limited (in Administration) – Receipts and Payments Account - Euros

The Body Shop International Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs €		From 13/02/2024 To 12/08/2024 €	From 13/02/2024 To 12/08/2024 €
	POST APPOINTMENT SALES		
	Sales	165,594.65	165,594.65
	Stock sales to subsidiaries	528,168.01	528,168.01
		693,762.66	693,762.66
	TRADING EXPENDITURE		
	Overdraft Interest	35,042.50	35,042.50
		(35,042.50)	(35,042.50)
	TRADING SURPLUS/(DEFICIT)	**658,720.16**	**658,720.16**

The Body Shop International Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs €		From 13/02/2024 To 12/08/2024 €	From 13/02/2024 To 12/08/2024 €
	ASSET REALISATIONS		
	Stock Sales to Subsidiaries	182,693.10	182,693.10
	Trading Surplus/(Deficit)	658,720.16	658,720.16
		841,413.26	841,413.26
		841,413.26	**841,413.26**
	REPRESENTED BY		
	Euro Account Int Bearing		841,413.26
			841,413.26

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Appendix D

Details of the Administrators' time costs and disbursements for the Period

The Body Shop International - Post (In Administration)
Time charged for the period 13 February 2024 to 12 August 2024

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	**177.35**	**152.85**	**645.50**	**153.00**	**1,128.70**	**535,389.25**	**474.34**
A&P - Admin & Planning	0.70		65.40	0.10	66.20	27,659.50	417.82
A& P - Strategy and Planning	112.95	68.10	179.85		360.90	205,728.75	570.04
A&P - Case Accounting - General	36.05		0.95		37.00	29,372.50	793.85
A&P - Case Accounting	2.70	1.55	64.75	59.70	128.70	44,631.50	346.79
A&P - Case Control and Review	10.00	0.70	12.60		23.30	13,484.50	578.73
A&P - Fee and WIP			0.60		0.60	243.00	405.00
A&P - General Administration	1.60	0.70	53.25	5.50	61.05	23,625.75	386.99
A&P - Travel		68.70	77.70	5.50	151.90	69,514.50	457.63
A&P - Insurance	1.15	0.70	5.10		6.95	3,702.75	532.77
A&P - Media	11.45	1.10			12.55	9,730.75	775.36
D&C – IT – Discovery / Collection	0.75	11.30	185.30	82.20	279.55	107,695.75	385.25
Asset Realisation	**1,136.32**	**895.39**	**96.15**		**2,127.86**	**1,514,831.40**	**711.90**
ROA - Asset Realisation	47.05	24.20	3.60		74.85	54,408.75	726.90
ROA - Debt Collection			0.10		0.10	48.50	485.00
ROA - Asset Realisation Fixed	1.25				1.25	1,068.75	855.00
ROA - Freehold/Leasehold Property			80.75		80.75	36,111.50	447.20
ROA - Sale of Business	1,014.92	842.30	6.50		1,863.72	1,343,748.10	721.00
ROA - Legal-asset Realisation	61.95	22.30			84.25	63,558.25	754.40
ROA - Asset Realisation Floating	2.60				2.60	2,143.00	824.23
ROA - Stock/ WIP	7.00		1.00		8.00	6,055.00	756.88
ROA - London Contentious Insolvenc	0.75				0.75	641.25	855.00
ROA - Licence to Occupy	0.80		3.90		4.70	2,511.50	534.36
Contingency Planning		6.59	0.30		6.89	4,536.80	658.46
Creditors	**297.40**	**479.30**	**440.25**	**153.44**	**1,370.39**	**746,019.65**	**544.38**
CRE - Employees	45.65	188.40	153.30	111.39	498.74	238,904.65	479.02
CRE - Secured Creditors	10.05	9.00	1.30		20.35	14,248.75	700.18
CRE - Pensions - Creditors			6.40		6.40	2,638.00	412.19
CRE - Unsecured Creditors	22.50	21.90	172.95	33.85	251.20	106,418.75	423.64
CRE - TAX/VAT - Pre-appointment				8.20	8.20	2,255.00	275.00
CRE - Preferential Creditors			0.10		0.10	39.00	390.00
CRE - CUSTOMERS		1.90	0.80		2.70	1,576.00	583.70

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Details of the Administrators' time costs and disbursements for the Period

CRE - CUSTOMERS		1.90	0.80		2.70	1,576.00	583.70
CRE - ROT	0.50		0.30		0.80	504.50	630.63
CRE - Legal-Creditors	24.30	2.00			26.30	20,620.50	784.05
CRE - Landlord	185.55	161.60	68.60		415.75	286,958.25	690.22
CRE - Shareholders	8.45				8.45	6,748.75	798.67
Analysis & Modelling	0.40	94.50	36.50		131.40	65,107.50	495.49
Investigation	**50.20**	**347.80**	**223.80**	**44.50**	**666.30**	**354,076.50**	**531.41**
INV - CDDA Enquiries	0.30	3.90	21.60		25.80	11,711.00	453.91
INV - FTech - Consulting		4.40			4.40	2,834.00	644.09
INV - Investigatory Work	28.15	158.90	86.90	44.50	318.45	165,501.25	519.71
INV - Legal - Investigations	21.75	10.80			32.55	23,776.25	730.45
INV - FTech - Project Management		59.00			59.00	35,732.50	605.64
Inv - Ftech - Data Processing Time		3.60	10.90		14.50	7,201.50	496.66
Inv- Ftech - Case Admin			2.40		2.40	930.00	387.50
INV - London Contentious Insolvency - Inv		104.80	100.10		204.90	104,065.00	507.88
INV - Ftech - Data Tracking			0.30		0.30	145.50	485.00
Inv - Ftech - Data Processing Unit			1.60		1.60	776.00	485.00
Inv - Ftech - Analytics		1.10			1.10	610.50	555.00
Inv - Ftech - Relativity Maintenance		1.30			1.30	793.00	610.00
Statutory Compliance	**37.70**	**117.75**	**37.50**		**192.95**	**111,190.75**	**576.27**
STA - Appointment Formalities		1.25	7.80		9.05	3,549.25	392.18
STA - Statement of Affairs		3.10	0.10		3.20	2,008.00	627.50
STA - Pensions- Other			1.20		1.20	444.00	370.00
STA -Statutory Compliance - General	3.25	5.85	5.50		14.60	8,251.50	565.17
STA - Tax/VAT - Post appointment	0.30	1.15	8.20		9.65	4,138.75	428.89
STA - Statutory Reporting/ Meetings	34.15	106.40	14.70		155.25	92,799.25	597.74
Trading	**1,193.60**	**3,040.35**	**1,454.46**		**5,688.41**	**3,252,314.55**	**571.74**
TRA - Case Accounting - Trading	0.25	15.00	65.75		81.00	34,801.50	429.65
TRA - Trading - General	1,117.05	2,222.25	1,359.86		4,699.16	2,711,809.55	577.08
TRA - Trading forecasting/ Monitoring	36.30	152.00	0.90		189.20	112,134.50	592.68
TRA - Trade-sales/ Purchase	6.80	649.70	19.15		675.65	362,909.50	537.13
TRA - Legal-trading	33.20	1.40	8.80		43.40	30,659.50	706.44
Total Hours	**2,892.57**	**5,033.44**	**2,897.66**	**350.94**	**11,174.61**	**6,513,822.10**	**582.91**

FRP

Appendix D

Details of the Administrators' time costs and disbursements for the Period

Disbursements for the period
13 February 2024 to 12 August 2024

	Value £
Category 1	
Accommodation/ Room Hire (External)	1,212.75
Bonding	800.00
Computer Consumables	73.50
Congestion Charge	5.00
Consultancy	13,087.50
Courier	10.10
Flights	262.87
Hotels	16,147.35
Land Registry Charges	3.00
Other Travel	431.23
Parking	10.00
Postage	11,051.12
Relativity Hosting	5,022.37
Subsistence	6,670.70
Taxis	891.20
Train	2,270.13
Category 2	
Car/Mileage Recharge	4,965.57
Car/Mileage Recharge + 1 Person	222.00
Grand Total	**63,136.39**

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates	From	
Grade	1st May 2023	1st May 2024
Appointment taker / Partner	675-775	745-855
Managers / Directors	505-610	555-670
Other Professional	315-440	345-485
Junior Professional & Support	200-275	220-305

FRP

Appendix E

A statement of expenses incurred in the Period

The Body Shop International Limited (in Administration)
Statement of expenses for the period ended
12 August 2024

Expenses	Period to 12 August 2024 £
Office Holders' remuneration (Time costs)	6,513,822
Office Holders' disbursements	63,136
Agents fees (SIA)	1,500
Legal fees [Bird and Bird)	281,868
Legal fees (A&L Goodbody)	14,000
Legal fees (Burness Paull)	49,167
Legal fees (Knights)	48,070
Legal fees (Jones Day)	2,538,328
Legal fees (Kennedys)	20,060
Legal fees (Intellectual Property)	53,492
Marsh Insurance	10,000
Accurate Mailing	11,051
Statutory Advertising	103
Prism 339	3,600
Legal disbursements - IP	35,350
Other property expenses	23,063
Director appointment fees	112,228
Legal Disbursements (Burness Paull)	40
Gordon Brothers (Store Closures)	73,225
Gordon Brothers (Asset Valuation)	72,500
Gordon Brothers (Expenses)	304,116
Total	**10,228,719**

FRP

Appendix F

Form AM10 - formal notice of the progress report

In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10
Notice of administrator's progress report

Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number: 0 1 2 8 4 1 7 0

Company name in full: The Body Shop International Limited

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s): Anthony John

Surname: Wright

3 Administrator's address

Building name/number: 2nd Floor

Street: 110 Cannon Street

Post town: London

County/Region:

Postcode: E C 4 N 6 E U

Country:

4 Administrator's name ❶

Full forename(s): Geoffrey Paul

Surname: Rowley

❶ Other administrator
Use this section to tell us about another administrator.

5 Administrator's address ❶

Building name/number: 2nd Floor

Street: 110 Cannon Street

Post town: London

County/Region:

Postcode: E C 4 N 6 E U

Country:

❶ Other administrator
Use this section to tell us about another administrator.

04/17 Version 1.0

AM10
Notice of administrator's progress report

6 Period of progress report

From date: d 1 d 3 m 0 m 2 y 2 y 0 y 2 y 4

To date: d 1 d 2 m 0 m 8 y 2 y 0 y 2 y 4

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature: Signature X X

Signature date: d 1 d 2 m 0 m 9 y 2 y 0 y 2 y 4

AM10
Notice of administrator's progress report

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name: Alex Williams
Company name: FRP Advisory Trading Limited
Address: 2nd Floor
110 Cannon Street
Post town: London
County/Region:
Postcode: E C 4 N 6 E U
Country:
DX: cp.london@frpadvisory.com
Telephone: 020 3005 4000

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse
or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

RELEASE OF SECURITY

TO: **The Body Shop International Limited (In Administration) ("TBSI")**

AND TO: **The Body Shop Canada Limited ("TBSC")**

RE: **Aurelius IV UK Acquico Seven Limited (the "Lender") loan (the "Loan") to TBSI subject to a guarantee and indemnity agreement dated as of December 29, 2023 (the "Guarantee and Indemnity Agreement")**

AND RE: **Release of security held by the Lender in the personal property of inter alia TBSI and TBSC (collectively, the "Obligors") pursuant to a security release letter dated May 28, 2024**

DATE: 7 September **, 2024**

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Lender:

1. Effective as of the date hereof, the Lender hereby irrevocably and unconditionally forever remises, discharges and releases all security, liens, guarantees, covenants, indemnities, mortgages, charges, and pledges provided by the Obligors, together with all security interests in the assets of the Obligors in relation thereto, which the Lender may now have or hereafter can, shall or may have in connection with the indebtedness of TBSI to the Lender pursuant to the Guarantee and Indemnity Agreement and all other agreements, documents, certificates, security delivered by the Obligors in connection thereto, including but not limited to, the following:

   (i) a General Security Agreement dated December 29, 2023;
   (ii) a Share Pledge Agreement dated December 29, 2023; and
   (iii) Hypotheque Mobiliere dated on or about December 29, 2023

   together (the "**Canadian Security Documents**", which for the avoidance of doubt shall exclude the Guarantee and Indemnity Agreement),

   and the Lender acknowledges that this release constitutes and is intended to constitute an absolute and unconditional release.

2. The Lender undertakes to do all things, give all notices, execute and sign all deeds and documents (including any notices, transfers, registrations or filings) and take all actions required to discharge and release the Canadian Security Documents pursuant to Clause 1 of this Release.

3. The Lender authorises the Obligors to, from the date of this Release, take any steps (including, without limitation, the making of any filings or the sending of any notice to any authority or other third party) necessary or desirable to give effect to Clause 1 of this Release.

4. Notwithstanding the terms of Clause 1 of this Release, the Lender reserves any and all rights, remedies, claims and/or discretions they may have now or subsequently under or in connection with the Guarantee and Indemnity Agreement. For clarity, the Guarantee and Indemnity Agreement shall not constitute a Canadian Security Document and shall continue to remain in full force and

effect as an unsecured guarantee of the Loan. The Lender hereby acknowledges that this reservation of rights is without prejudice to the right of TBSC, or any other party, to dispute the validity, enforceability of the Guarantee and Indemnity Agreement or any debt guaranteed thereunder by TBSC.

5. The Lender hereby irrevocably and unconditionally authorizes and directs any or all of the lawyers within the firms of Jones Day, Chaitons LLP or Davies Ward Phillips & Vineberg LLP to, or to instruct its local counsel or agent to, act on its behalf as its agent in discharging its security interests and the registrations filed against the Obligors under the *Personal Property Security Act* (Ontario), or under the equivalent legislation in all Canadian provinces where such registrations have been made, including, without limitation, those registrations described on Schedule A hereto.

6. The release shall enure to the benefit of the Obligors and its officers, directors, employees, shareholders (direct and indirect), servants, agents, representatives of all kind, administrators, successors and assigns and shall be binding upon the Lender and its successors and assigns and the Lender and its officers, directors, employees, servants, agents, representatives of all kind, administrators, successors and assigns.

7. The Release shall be governed by and construed in accordance with the laws of the Province of Ontario, and/or the federal laws of Canada, as applicable.

8. This Release may be signed in counterparts and by electronic transmission, each of which shall for all purposes be deemed to be an original, and all such separate counterparts shall together constitute one and the same instrument.

[*remainder of this page intentionally left blank*]

DATED as of the date first written above.

AURELIUS IV UK ACQUICO SEVEN LIMITED

DocuSigned by:

Per: [redacted]
09FD97F318B94F3...
Name: Doreen Alldread

I have authority to bind the Corporation.

1

Court File No. CV-24-00723586-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO (the "**Applicant**")

NOTICE OF MOTION
(Stay Extension and Critical Supplier Charge)

The Applicant, The Body Shop Canada Limited ("**TBS Canada**" or the "**Company**"), will make a motion to a Judge on Friday, October 4, 2024 at 11:30 a.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard

[ ] In writing under subrule 37.12.1(1) because it is ;

[ ] In writing as an opposed motion under subrule 37.12.1(4);

[ ] In person;

[ ] By telephone conference;

[X] By video conference.

THE MOTION IS FOR

1. An Order, in substantially the form attached at Tab 3 of the Motion Record dated September 25, 2024:

(a) extending the stay of proceedings to December 13, 2024 (the "**Stay Period**");

(b) declaring The Body Shop International Limited (the "**UK Purchaser**") a critical supplier to TBS Canada in accordance with Section 11.4 of the *Companies' Creditors Arrangement Act* ("**CCAA**");

(c) granting a critical supplier charge over certain inventory of the Company as security for certain amounts payable to the UK Purchaser, up to the maximum amount of $1,500,000;

(d) approving the following priority of the Critical Supplier Charge and the following charges granted pursuant to and defined in an Order of this Court made July 5, 2024 (the "**Initial Order**") : (a) Administration Charge; (b) D&O Charge; (c) KERP Charge; and (d) Critical Supplier Charge; and

(e) such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE

A. Background and Overview

1. TBS Canada is a retailer specializing in the sale of skincare, haircare, bath and body products under "The Body Shop" brand;

2. TBS Canada and TBS US, wholly owned subsidiaries of TBSI Realisations Limited (formerly The Body Shop International Limited) (the "**UK Parent**")[1], have historically relied on the UK Parent for several accounting and cash management services;

3. The Company found itself in a liquidity crisis when TBS International unexpectedly filed for administration on February 13, 2024 (the "**UK Administration**")[2], and funding for TBS Canada was cut off with no advance notice, resulting in a severe liquidity crisis for TBS Canada;

4. On March 1, 2024 TBS Canada filed a notice of intention ("**NOI**") to make a proposal under the *Bankruptcy and Insolvency Act* and Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as the proposal trustee;

5. On July 5, 2024, this Court made an order (the "**Initial Order**"), among other things, authorizing the continuation of the NOI proceeding under the CCAA, appointing A&M as

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[1] As described below, substantially all of the assets of the UK Parent were purchased by the UK Purchaser. The UK Purchaser is now operating under "The Body Shop International Limited" name and the UK Parent changed its name to TBSI Realisations Limited.

[2] Tony Wright, Geoff Rowley, and Alastair Massey of FRP Advisory were appointed as joint administrators of the UK Parent (collectively, the "**UK Administrator**").

the Court-appointed monitor of TBS Canada (the "**Monitor**"), and granting a stay of proceedings until October 8, 2024;

6. On July 5, 2024 this Court also made an order that, among other things, approved a sale process to identify one or more purchasers of the Company, its business or assets (the "**Sale Process**");

7. The Sale Process is underway and TBS Canada has made arrangements to acquire inventory from the UK Purchaser to maintain ordinary course operations for the remainder of the year and, importantly, while the Sale Process is ongoing;

8. TBS Canada seeks a declaration that the UK Purchaser is a critical supplier and entitled to a charge to secure the purchase price for the inventory;

9. TBS Canada is seeking an extension of the Stay Period until December 13, 2024 to allow it time to complete the Sale Process and finalize and implement any transaction resulting therefrom;

The UK Sale Process

10. In May 2024, a sale process in the United Kingdom was commenced seeking a buyer for the business and assets of the UK Parent (the "**UK Sale Process**");

11. On September 6, 2024, it was announced that the UK Purchaser had successfully acquired the assets of the UK Parent, including its inventory and the right to use "The Body Shop International Limited" name (the "**UK Transaction**");

12. The closing of the UK Transaction has not affected TBS Canada's activities. TBS Canada remains operational as it has been since the start of the NOI process, adhering to its established practices. This includes the continued sale of "The Body Shop" products and the ongoing back-office support provided by the UK Parent, and subsequently, by the UK Purchaser;

Sales Process

13. The Sale Process in Canada was designed having regard to the interconnected nature of TBS Canada and the UK Parent and the timing of the UK Sale Process;

14. The bid deadline for the Sale Process could not be determined until a purchaser had been identified in the UK Sale Process as this would clarify whether the Company would remain a subsidiary of the UK Parent or if a new owner of the UK Parent would allow a new operator of TBS Canada to license "The Body Shop" intellectual property for use in Canada;

15. The UK Purchaser has advised that the majority of the global territories that previously operated as directly owned subsidiaries of the UK Parent, including TBS Canada, would be converted into independent franchise markets;

16. On September 6, 2024, once the closing of the UK Transaction had been announced, the Monitor sent a process letter to parties that had approached, among others, the Company, the Monitor, the UK Parent or the UK Administrator indicating an interest in the Company, or its business or assets, and the service list for this CCAA proceeding;

17. The process letter establishes and communicates the following key milestones for the Sale Process:

Milestone	Deadline
Bid Deadline	5:00 pm EST on Tuesday, October 8, 2024 (the "**Bid Deadline**")
Selection of a Successful Bid	Friday, October 11, 2024, or such later date as may be determined by the Company, in consultation with the Monitor
Outside Date	Friday, November 15, 2024

18. The key milestones were established with a view to allowing interested parties enough time to engage with the UK Purchaser and establish the terms of a franchise arrangement;

19. TBS Canada and the Monitor continue to advance the Sale Process, aiming to settle a going-concern transaction for the Company's business;

B. Relief Sought on the Motion

Critical Supplier Declaration and Charge

20. TBS Canada is seeking an order (a) declaring that the UK Purchaser is a critical supplier, and (b) granting a charge in favour of the UK Purchaser over certain inventory, to secure the outstanding purchase price for such inventory. As more particularly described below, this declaration and charge are needed to facilitate the Company's inventory replenishment efforts;

21. Historically, TBS Canada sourced its inventory from the UK Parent and TBS Canada's U.S. affiliate, Buth-Na-Bodhaige Inc. ("**TBS US**") via a distribution centre that was owned and operated by TBS US (the "**US Distribution Centre**");

22. As at September 20, 2024, approximately $20 million (retail value) of inventory remained at the US Distribution Centre (the "**Remaining Inventory**"), which had been acquired by the UK Purchaser as part of the UK Transaction;

23. In order to secure a continued flow of inventory and ensure that TBS Canada is appropriately stocked throughout the Sale Process, TBS Canada, with the assistance of the Monitor, entered into an agreement with the UK Purchaser to purchase the Remaining Inventory on the following terms:

(a) TBS Canada will pay 50% of the purchase price for the Remaining Inventory on or about the timing such inventory begins to ship to TBS Canada;

(a) Fifteen days after the final shipment of the Remaining Inventory to TBS Canada, the Company is required to pay the UK Purchaser an amount equal to 10% of the purchase price for the Remaining Inventory;

(b) The remaining 40% of the purchase price payable by TBS Canada for the Remaining Inventory (approximately $1,500,000) is due on November 29, 2024 (the "**Outstanding Purchase Price**"); and

(c) TBS Canada is required to secure the Outstanding Purchase Price pursuant to a Court-ordered charge in favour of the UK Purchaser over the

Remaining Inventory up to the maximum amount of $1,500,000 (the "**Critical Supplier Charge**");

24. As a result of these efforts, TBS Canada is expected to maintain adequate merchandise levels to sustain operations throughout the holiday season and into the first quarter of 2025. This stability will enable TBS Canada to further progress the Sale Process and assure Interested Parties that they can smoothly transition the Company's business if a sale transaction is finalized;

Ranking of the Critical Supplier Charge

25. The following parties have security registrations against TBS Canada and will be served with this motion:

(a) Enterprise Fleet Management Canada, Inc. (the "**Enterprise Security**"); and

(b) HSBC Bank Canada and HongKong Bank of Canada (the "**RBC Registrations**");

26. The Critical Supplier Charge would rank behind the Administration Charge, the D&O Charge and the KERP Charge (each as defined in the Initial Order). The Critical Supplier Charge would rank ahead of the RBC Registrations but behind the Enterprise Security;

27. The Monitor is in support of declaring the UK Purchaser a critical supplier and the Critical Supplier Charge;

Extension of the Stay Period

28. TBS Canada is seeking an extension of the Stay Period until December 13, 2024;

29. The objective of the CCAA proceeding is to facilitate a going concern solution for TBS Canada;

30. The extension of the Stay Period will provide TBS Canada with the requisite time to continue the Sale Process, engage with Interested Parties, and negotiate a franchise or similar arrangement to sustain “The Body Shop” business in Canada;

31. TBS Canada has and intends to continue to work in good faith and with due diligence in the period prior to and during this CCAA Proceeding;

32. An updated cash flow forecast, prepared with the proposed Monitor’s assistance, projects sufficient liquidity to operate until the end of the requested extension of the Stay Period;

33. The Monitor is supportive of the proposed extension of the Stay Period;

C. Other Grounds

34. The provisions of the CCAA, including sections 2(1), 3(1), 10(2), 11.02, 11.4, 11.51, 11.52 and the statutory, inherent and equitable jurisdiction of this Court;

35. Rules 1.04, 1.05, 2.01, 2.03, 3.02, 16, 37 and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended;

36. Sections 97 and 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;

37. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

(a) The Affidavit #6 of Jordan Searle sworn September 25, 2024 and the Exhibits referred to therein;

(b) The First Report of the Monitor and the Appendices attached thereto; and

(c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

September 25, 2024

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Lawyers for The Body Shop Canada Limited

IN THE MATTER OF THE *COMPANIES CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO (the "**Applicant**")

Court File No.: CV-24-00723586-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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