

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser. The whole of this document should be read.

If you have sold or otherwise transferred all of your Shares, please immediately forward this document and the accompanying form of proxy to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for the delivery to the purchaser or transferee.

Tex Holdings plc

(incorporated and registered in England and Wales under number 00405838)

Proposed Re-registration of the Company as a Private Limited Company under the name Tex Group Limited

and

Notice of Extraordinary General Meeting

Your attention is drawn to the letter from the Chairman of the company set out in this document.

Notice of an EGM to be held at Claydon Business Park, Gipping Road, Great Blakenham, Ipswich, Suffolk, IP6 ONL on 28th September 2021 at 1.00 p.m. is set out at the end of this document.

If you wish, you may vote by proxy electronically by no later than 1.00 p.m. on 26th September 2021 or complete the form of proxy (which you may request from Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom) in accordance with the instructions printed on it and return it so as to be received by no later than 1.00 p.m. on 26th September 2021.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2021

| | |
|---|---|
| Publication of this document | 1 st September |
| Latest time and date for receipt of Forms of Proxy | 1.00 p.m. on 26th September |
| Extraordinary General Meeting | 1.00 p.m. on 28 th September |
| Application to the Companies Registry to re-register the Company as a private company | 29 th September |

Notes:

- (i) References to times in this document are to London time (unless otherwise stated).
- (ii) If any of the above times or dates should change, the revised times and/or dates will be published on the Company's website.
- (iii) The time of the events in the above timetable and in the rest of this document is indicative only.

LETTER FROM THE CHAIRMAN OF THE COMPANY

Tex Holdings plc

(incorporated and registered in England and Wales under number 00405838)

Directors:

Edward Burrows
Richard Burrows
Stephen Codd
George Gray
Christopher Palmer-Tomkinson
Christian Ross
Mark Harrison

Registered Office:

Claydon Business Park
Gipping Road
Great Blakenham
Ipswich Suffolk
IP6 ONL

1st September 2021

Dear Shareholder,

EGM to consider resolutions to approve the re-registration of the Company as a private company limited by shares under the name Tex Group Limited and the alteration of the articles of association of the Company

1. Introduction

After careful consideration, the Directors have decided to put to the Company's Shareholders resolutions to:

- (a) approve the re-registration of the Company as a private company limited by shares; and
- (b) subject to the Company being re-registered as a private company limited by shares, to adopt new articles of association.

2. Re-registration

The proposal that an application be made to the Registrar of Companies that the Company be re-registered as a private company limited by shares has the following background:

- 1 The Company's Shares ceased to be listed on the standard segment of the Official List of and to trade on the London Stock Exchange's Main Market on 13th October 2020.
- 2 As a result of the resolutions passed by the Company at its extraordinary general meeting on 27th November 2020, ELB subscribed for Shares in Tex in December 2020, following which ELB's percentage holding of Tex Shares in issue increased to approximately 91.75%.
- 3 The Company recently made a tender offer to its Shareholders following which ELB's percentage holding in Tex Shares in issue increased to approximately 96%.
- 4 ELB's acquisition of its significant majority shareholding in Tex has not triggered a requirement for ELB to make an offer to Shareholders to acquire their Shares under Rule 9 of the Code by reason of a dispensation granted under the Code and approved by a whitewash resolution passed by the Company at its extraordinary general meeting on 27th November 2020.

The Directors have reviewed the position of the Company and have formed the view that it would be advantageous to the Company for it to be re-registered as a private company limited by shares rather than continuing with its current status as a public limited company. The Company no longer has the status of a listed company which would require it to be a public limited company. Private companies limited by shares also have a number of different treatments under the Act which are likely to provide the Company with the benefit of simplified administration and compliance together with associated cost savings. These include:

- (a) a private company is not obliged to have a company secretary;

- (b) private companies can propose and pass shareholder resolutions by written resolutions rather than by meetings;
- (c) accounts preparation is often simpler for a private company than for a public company; and
- (d) private company administration and corporate governance is less complex or demanding in a number of areas than it is for a public limited company.

This list is not exhaustive but illustrates a position which is likely to deliver administrative efficiencies and cost savings to the Company in the medium to long term.

3. The Takeover Code

The Takeover Code currently applies to Tex. The Code does not apply to private companies (other than in certain limited circumstances). One of the circumstances in which the Code continues to apply to a private company relates to a company whose shares have been traded on a recognised investment exchange, in which case the Code will continue to apply to the Company for a period of 10 years after its shares have ceased to be so traded. Since Tex's shares were, until recently, listed on the Official List and traded on the Main Market of the London Stock Exchange, if Tex is re-registered as a private company, the Code will continue to apply to it for the period of 10 years after its Shares ceased to be so traded which ends on 13th October 2030 (the "10 Year Period"). The Code would not apply to any offer made to Tex Shareholders to acquire their Shares made subsequent to the expiry of the 10 Year Period if the Company is re-registered as a private company.

Shareholders should note that, if the resolution to re-register the Company as a private company becomes effective, they will not receive the protections afforded by the Code in the event that there is an offer to acquire their Shares made after the expiry of the 10 Year Period.

Brief details of the Takeover Panel, the Code and the protections given by the Code are described below. Before giving your consent to the re-registration of the Company as a private company, you may want to take independent professional advice from an appropriate independent financial adviser.

The Code

The Code is issued and administered by the Panel. Tex is a company to which the Code applies, and its Shareholders are accordingly entitled to the protections afforded by the Code.

The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

The General Principles and Rules of the Code

The Code is based upon a number of general principles which are essentially statements of standards of commercial behaviour. For your information, these general principles are set out in Part 1 of Appendix A. The general principles apply to all transactions with which the Code is concerned. They are expressed in broad general terms and the Code does not define the precise extent of, or the limitations on, their application. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to these general principles, the Code contains a series of rules, of which some are effectively expansions of the general principles and examples of their application and others are provisions governing specific aspects of takeover procedure. Although most of the rules are expressed in more detailed language than the general principles, they are not framed in technical language and, like the general principles, are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a rule in certain circumstances.

Giving up the protection of the Code

A summary of key points regarding the application of the Code to takeovers generally is set out in Part 2 of Appendix A. You are encouraged to read this information carefully as it outlines certain important protections which you will be giving up on expiry of the 10 Year Period if you agree to the re-registration of the Company as a private company.

Matched Book

The Company has appointed Asset Match Limited to facilitate trading in its ordinary shares on an open auction basis. Shareholders were notified of the appointment of Asset Match Limited by an announcement posted to the shareholders on the 25th May 2021.

Enquiries can be addressed to dealing@assetmatch.com or alternatively by telephone on 020 7248 2788.

4. Articles of Association

The articles of association of the Company as at the date of this letter are suited to a listed company with a diverse membership in which no member or group of members holds a position of overall control. Due to the substantial number of Shares held by ELB, the Company is now a subsidiary company of ELB which, in the view of the Directors, no longer needs articles of association of the complexity of the current articles of association. It is therefore proposed that new articles of association will be adopted at the point of re-registration of the Company as a private company, the principal reason being to assist with the simplification of the administration of the Company and to recognize the Company's status as a subsidiary in which one Shareholder holds substantially in excess of 90% of the shares in issue.

5. Extraordinary General Meeting

Set out as the end of this document is a notice convening the EGM in order to propose, consider and vote on the proposed Shareholder resolutions required to:

- (a) approve the re-registration of the Company as a private company limited by shares under the name Tex Group Limited;
- (b) to adopt new articles of association of the Company; and
- (c) to enable the Directors to authorise a conflict of interest involving a Director rather than any such authorisation having to be given by Shareholder resolution. This will bring into effect a procedure standard to many private companies and will again streamline the Company's corporate governance obligations and reduce cost.

Each of the Shareholder resolutions described in paragraph 5(a) and 5(b) above will be a special resolution. The Shareholder resolution described at paragraph 5(c) above will be an ordinary resolution. The members of the Concert Party and the Directors who are Shareholders intend to vote in favour of the resolutions and have the power together to ensure that they will be passed.

The results of the EGM will be published as soon as practicable after it has taken place on the Company's website at www.tex-holdings.co.uk

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise or unless it is otherwise specifically provided:

| | |
|----------------------------------|---|
| "Code" or "Takeover Code" | the City Code on Takeovers and Mergers |
| "Companies Act" or "Act" | Companies Act 2006 (as amended) |
| "Company" or "Tex" | Tex Holdings plc |
| "Concert Party" | ELB, Le Bas Investment Trust Ltd, Redmayne (Nominees) Ltd and Minnowdown Ltd |
| "Directors" or "Board" | the directors of the Company whose names appear at the head of this letter |
| "Edward Le Bas Limited" or "ELB" | Edward Le Bas Limited, a company registered in England and Wales under number 0071210 |
| "Panel" | the Takeover Panel |
| "Shares" | the Ordinary Shares in Tex in issue at the date of this document |
| "Shareholders" | holders of Shares |
| "10 Year Period" | as defined in paragraph 3 of the letter which forms part of this document |

Yours faithfully

G.C. Gray
Chairman
For and on behalf of the Board

Appendix A

Part 1: The General Principles of the Code

- 1.(1) All holders of the securities of an offeree company of the same class must be afforded equivalent treatment.
 - (2) If a person acquires control of a company, the other holders of securities must be protected.
- 2.(1) The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the takeover bid.
 - (2) Where it advises the holders of securities, the board of directors of the offeree company must give its views on the effects of implementation of the takeover bid on:
 - (a) employment;
 - (b) conditions of employment; and
 - (c) the locations of the company's places of business.
3. The board of directors of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the takeover bid.
4. False markets must not be created in the securities of:
 - (a) the offeree company;
 - (b) if the offeror is a company, that company; or
 - (c) any other company concerned by the takeover bidin such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted.
5. An offeror must announce a takeover bid only after:
 - (a) ensuring that the offeror can fulfil in full any cash consideration, if such is offered; and taking all reasonable measures to secure the implementation of any other type of consideration.
6. An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a takeover bid for its securities.

Part 2: Detailed application of the Code

The following is a summary of key provisions of the Code which apply to transactions to which the Code applies. **You should note that, by agreeing to the re-registration of the Company as a private company, you will be giving up the protections afforded by the Code at the expiry of the 10 Year Period on 13th October 2030 in relation to any offers made after such expiry.**

Equality of treatment

General Principle 1 of the Code states that all holders of the securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16.1 requires that, except with

the consent of the Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

Information to shareholders

General Principle 2 requires that the holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the takeover bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

The opinion of the offeree board and independent advice

The board of the offeree company is required by Rule 3.1 of the Code to obtain competent independent advice as to whether the financial terms of an offer are fair and reasonable, and the substance of such advice must be made known to its shareholders. Rule 25.2 requires that the board of the offeree company must send to the offeree company's shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion. That opinion must include the board's views on: (i) the effects of implementation of the offer on all the company's interests, including, specifically, employment; and (ii) the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business.

The circular from the offeree company must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that, except with the consent of the Panel or as provided in the Notes on Rule 20.1, information and opinions relating to an offer or a party to an offer must be made equally available to all offeree company shareholders and persons with information rights as nearly as possible at the same time and in the same manner.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Tex Holdings plc

(incorporated and registered in England and Wales under number 00405838)

NOTICE is hereby given that an Extraordinary General Meeting ("EGM") of Tex Holdings plc ("Company") will be held at Claydon Business Park, Gipping Road, Great Blakenham, Ipswich, Suffolk, IP6 0NL on 28th September 2021 at 1.00 p.m. to consider and, if thought fit, pass the following resolutions, those numbered 1 and 2 below being proposed as special resolutions and that numbered 3 below being proposed as an ordinary resolution.

SPECIAL RESOLUTIONS

1. That the company be re-registered as a private limited company under the Companies Act 2006 by the name of Tex Group Limited.
2. That with effect from the Company's re-registration as a private limited company the regulations contained in the document appended to this notice be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

ORDINARY RESOLUTION

3. That, with effect from the Company's re-registration as a private limited company and in accordance with paragraph 47(3)(b) of Part 3 of Schedule 4 to the Companies Act 2006 (Commencement No. 5, Transitional Provisions and Savings) Order 2007 (*SI 2007/3495*), the directors of the Company be given authority to authorise matters giving rise to an actual or potential conflict for the purposes of section 175 of the Companies Act 2006.

By Order of the Directors

Christian Ross
Company Secretary

Dated 1st September 2021

Notes:

Entitlement to attend and vote

1. Only those Shareholders registered on the Company's register of members at 6.00 p.m. on 26th September 2021 or, if this EGM (the 'Meeting') is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting, will be entitled to attend and vote at the Meeting. Members' attention is drawn to note 17 in relation to attendance at the meeting.

Website giving information regarding the Meeting

2. Information regarding the Meeting is available from www.tex-holdings.co.uk

Appointment of proxies

3. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.

5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete and return the enclosed form of proxy and return it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH in accordance with the instructions thereon.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

7. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
 - completed and signed;
 - sent or delivered to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH in accordance with the instructions thereon; and
 - received by Computershare (at the above address) no later than 1.00 p.m. on 26th September 2021.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxies through CREST

8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EU) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare Investor Services (ID 3RA50) no later than 1.00 p.m. on 26th September 2021, or, in the event of an adjournment of the meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertified Securities Regulations 2001.

Appointment of proxy electronically via the internet

9. Shareholders may vote electronically via the internet, by visiting www.investorcentre.co.uk/proxy. You will be asked to enter the Shareholder Reference Number (SRN), Control Number and PIN shown on your proxy card.

Appointment of proxy by joint members

10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

11. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cutoff time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cutoff time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC on 0370 707 1339 or if calling from outside the UK on +44 370 707 1339.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

12. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare at the address stated above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare no later than 1.00 p.m. on 26th September 2021.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

13. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

14. As at 6.00 p.m. on 1st September 2021, the Company's issued share capital comprised 52,450,819 ordinary shares of 10 pence each. Each ordinary share carries the right to one vote at an EGM of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on 1st September 2021 is 52,450,819.

Communication

15. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- (a) in writing to the Company Secretary, Tex Holdings plc, Claydon Business Park, Gipping Road, Great Blakenham, Ipswich, Suffolk IP6 0NL;
- (b) by email to ruth.mann@tex.co.uk

You may not use any electronic address provided either in this notice of EGM or any related documents (including the circular accompanying this notice and proxy form) to communicate with the Company for any purposes other than those expressly stated.

**APPENDIX TO NOTICE OF EGM
NEW ARTICLES OF ASSOCIATION**