



Registration of a Charge

Company Name: **GYMSHARK LTD**

Company Number: **08130873**



Received for filing in Electronic Format on the: **23/12/2021**

XAJY93X4

Details of Charge

Date of creation: **22/12/2021**

Charge code: **0813 0873 0003**

Persons entitled: **HSBC UK BANK PLC AS SECURITY TRUSTEE**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8130873

Charge code: 0813 0873 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd December 2021 and created by GYMSHARK LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2021 .

Given at Companies House, Cardiff on 30th December 2021

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

STOCK PLEDGE AGREEMENT

This **STOCK PLEDGE AGREEMENT**, dated as of December 22, 2021 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), made by and among GYMSHARK LTD, a company incorporated under the laws of England & Wales with registered number 08130873 (the "**Pledgor**"), in favor of **HSBC UK BANK PLC**, a company incorporated in England & Wales with registered number 09928412 ("**HSBC**"), in its capacity as security trustee for the Secured Parties (in such capacity, together with its successors and assigns in such capacity, the "**Security Trustee**").

WITNESSETH:

WHEREAS, pursuant to that certain Facility Agreement, of even date herewith, (as amended, restated, supplemented, or otherwise modified from time to time, the "**Facility Agreement**"), by and among, Gymshark Group Limited, the parent of the Pledgor, the Pledgor and any other companies named in the Facility Agreement as "Original Borrowers" from time to time (each a "**Borrower**" and individually and collectively, jointly and severally, the "**Borrowers**"), the other Obligors (as defined in the Facility Agreement) party thereto from time to time, the lenders party thereto as "Lenders" (each of such Lenders, together with its successors and assigns, is referred to hereinafter as a "**Lender**"), the Security Trustee, the Arranger (as defined in the Facility Agreement) and Agent (as defined in the Facility Agreement), the Lenders have agreed to make certain financial accommodations available to the Borrowers from time to time pursuant to the terms and conditions thereof;

WHEREAS, the Security Trustee has agreed to act as security trustee for the benefit of the Secured Parties in connection with the transactions contemplated by the Facility Agreement and this Agreement;

WHEREAS, in order to induce the Lenders to enter into the Facility Agreement and the other Finance Documents and to extend the Loans thereunder, and to induce the Lenders to make financial accommodations to Borrowers as provided for in the Facility Agreement and the other Finance Documents, the Pledgor has agreed to grant to the Security Trustee, for the benefit of the Secured Parties, a continuing security interest in and to the Collateral in order to secure the prompt and complete payment, observance and performance of, among other things, the Secured Obligations; and

NOW, THEREFORE, for and in consideration of the recitals made above and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions; Construction.

(a) All initially capitalized terms used herein (including in the preamble and recitals hereof) without definition shall have the meanings ascribed thereto in the Facility Agreement. Any terms (whether capitalized or lower case) used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein or in the Facility Agreement; provided, that to the extent that the Code is used to define any term used herein and if such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern. In addition to those terms defined elsewhere in this Agreement, as used in this Agreement, the following terms shall have the following meanings:

"Additional Collateral" means any and all (i) additional capital stock or other equity securities issued by, or interests in the Pledged Company, whether certificated or uncertificated, (ii) warrants, options or other rights entitling the Pledgor to acquire any interest in capital stock or other equity securities of or other equity interests in the Pledged Company, (iii) securities, property, interest, dividends and other payments, distributions or other interests, howsoever denominated or evidenced, issued as an addition to, in redemption of, in renewal or exchange for, in substitution or upon conversion of, or otherwise on account of, the Pledged Shares or such additional capital stock or other equity securities or other interests in the Pledged Company, and (iv) cash and non-cash proceeds of the Pledged Shares, and all supporting obligations, of any or all of the foregoing, in each case from time to time received or receivable by, or otherwise paid or distributed to or acquired by, the Pledgor.

"Bankruptcy Code" means title 11 of the United States Code, as in effect from time to time.

"Code" means the Uniform Commercial Code, as in effect from time to time in the State of New York; provided, that in the event that, by reason of mandatory provisions of law, any or all of the **attachment, perfection, priority, or remedies with respect to the Security Trustee's** lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies.

"Collateral" has the meaning set forth in Section 2.

"Debtor Relief Laws" means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar federal or state debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"Electronic Signature" means any electronic symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Event of Default" has the meaning set forth in the Facility Agreement.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any court or other governmental agency or authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in either case undertaken under Debtor Relief Laws.

"Pledged Collateral Agreements" has the meaning set forth in Section 7(h).

"Pledged Company" means each of the issuers named as an issuer in Schedule 2.

"Pledged Shares" means all of the shares of capital stock, whether certificated or uncertificated, of the Pledged Company owned by the Pledgor, as more specifically described in Schedule 2 hereto.

"Proceeds" means "proceeds" as such term is defined in Section 9-102 of the Code and, in any event, shall include, without limitation, all dividends or other income from the Pledged Shares, collections thereon or distributions with respect thereto.

"Resolution Authority" means any body which has authority to exercise any Write-down and Conversion Powers.

"Secured Obligations" means each and all of the following: (A) all of the present and future obligations of the Pledgor arising from, or owing under or pursuant to, this Agreement, (B) the "Secured Obligations" as defined in the Facility Agreement, whether now existing or hereafter arising, and whether due or to become due, absolute or contingent, liquidated or unliquidated, determined or undetermined, but excluding the Excluded Hedge Obligations referred to in Clause 20.12 of the Facility Agreement.

"Security Termination Date" means the date on which all of the Secured Obligations have been unconditionally and irrevocably paid, performed and discharged in full and the Secured Parties have no further commitment, obligation or liability under or pursuant to any Finance Document.

(b) This Agreement shall be subject to the rules of construction set forth in Section 1.2 of the Facility Agreement, and such rules of construction are incorporated herein by this reference, *mutatis mutandis*.

(c) All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

2. Pledge. For value received, the Pledgor hereby pledges, collaterally assigns and grants to the Security Trustee for the benefit of the Secured Parties, and hereby creates a continuing first priority lien and security interest in favor of the Security Trustee for the benefit of the Secured Parties in and to, all of its right, title and interest in, to and under, the following, wherever located, whether now existing or hereafter from time to time arising, obtained, created or acquired (collectively, the "**Collateral**"):

(i) the Pledged Shares and Additional Collateral and any certificates or instruments now or hereafter representing the Pledged Shares and Additional Collateral;

(ii) all rights, interests and claims with respect to the Pledged Shares and Additional Collateral, including all related agreements, instruments and other documents; and all Proceeds and products of the foregoing, all books and records relating to the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guaranty payable to the Pledgor from time to time with respect to any of the foregoing.

3. Pledgor Remains Liable. Anything herein to the contrary notwithstanding, (i) the Pledgor shall remain liable under any contracts, agreements and other documents included in the Collateral (including any Pledged Collateral Agreements), to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Security Trustee of any of the rights granted to the Security Trustee hereunder or under any other instruments or agreements entered into in connection with the Facility Agreement or any other Finance Documents shall not release the Pledgor from any of its duties or obligations under such contracts, agreements and other documents included in the Collateral, and (iii) the Security Trustee shall not have any obligation or liability under any such contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall the Security Trustee be obligated to perform any of the obligations or duties of the Pledgor thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral hereunder.

4. Security for Secured Obligations. The security interest created hereby secures the payment and performance of the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, the security interest created by this Agreement secures the payment of all amounts which constitute part of the Secured Obligations and would be owed by the Pledgor to the Secured Parties or any of them, but for the fact that they are unenforceable or not allowable (in whole or in part) as a claim in an Insolvency Proceeding involving the Pledgor due to the existence of such Insolvency Proceeding. Further, the security interest created hereby encumbers the **Pledgor's right, title, and interest in all Collateral, whether** now owned by the Pledgor or hereafter acquired, obtained, developed, or created by the Pledgor and wherever located.

5. Perfection of Pledge.

(a) The Pledgor hereby irrevocably authorizes the Security Trustee to file at any time and from time prior to the Security Termination Date to time any financing statements describing the Collateral, and the Pledgor shall execute and deliver to the Security Trustee, and the Pledgor hereby authorizes the Security Trustee to file (with or without the **Pledgor's signature**), **at any time and from time to time**, all amendments to financing statements, continuation financing statements, termination statements, collateral assignments, affidavits, reports, notices and other documents and instruments, in each case in form reasonably satisfactory to the Security Trustee and as the Security Trustee may reasonably request, to perfect and continue perfected, maintain the priority of or provide notice of the **Security Trustee's** security interest in the Collateral and to accomplish the purposes of this Agreement. Without limiting the generality of the foregoing, the Pledgor (i) ratifies and authorizes the filing by the Security Trustee of any financing statements filed with respect to the Collateral prior to the date hereof and (ii) shall from time to time take the actions specified below.

(b) The Pledgor hereby agrees to deliver to or for the account of the Security Trustee, at the address and to the Person to be designated by the Security Trustee, the certificates, instruments and other writings representing any Collateral, which shall be in suitable form for transfer

by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, in form reasonably satisfactory to the Security Trustee. Subject to Section 8(b) of this Agreement, if the Pledgor shall become entitled to receive or shall receive any Collateral after the date hereof, the Pledgor shall accept the foregoing as the agent for the Security Trustee, shall hold it in trust for the Security Trustee, shall promptly give the Security Trustee notice thereof, and shall promptly deliver the same and all certificates, instruments and other writings representing such Collateral forthwith to or for the account of the Security Trustee, at the address and to the Person to be designated by the Security Trustee, which shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank in form reasonably satisfactory to the Security Trustee.

(c) If any Pledged Shares now or hereafter acquired by the Pledgor are uncertificated and are issued to the Pledgor or its nominee directly by the issuer thereof, the Pledgor shall promptly notify the Security Trustee and, at the Security Trustee's request and option, either (i) pursuant to the Acknowledgment and Consent attached as Schedule 3 hereto or another agreement in form and substance reasonably satisfactory to the Security Trustee cause the issuer to agree to comply with instructions from the Security Trustee as to such securities without further consent of the Pledgor or such nominee or (ii) arrange for the Security Trustee to become the registered owner of the securities.

(d) If for any reason Collateral cannot be delivered to or for the account of the Security Trustee as provided in Section 5(b) or Section 5(c), the Pledgor shall promptly take such other commercially reasonable steps as shall be reasonably requested from time to time by the Security Trustee to create a perfected first priority security interest in and pledge of the Collateral to the Security Trustee pursuant to the Code. To the extent practicable, the Pledgor shall thereafter deliver the Collateral to or for the account of the Security Trustee as provided in Section 5(b) or Section 5(c).

6. Representations and Warranties. The Pledgor represents and warrants that (i) at the date hereof and (ii) on the date of each delivery of Collateral pursuant to Section 6, as follows:

(a) **The Pledgor's chief executive office and principal place of business (as of the date of this Agreement) is located at the address set forth in Schedule 1.**

(b) **The Pledgor's jurisdiction of organization is set forth in Schedule 1; and the Pledgor's exact legal name is as set forth in the first paragraph of this Agreement. All trade names and trade styles under which the Pledgor presently conducts its business operations are set forth in Schedule 1, and, except as set forth in Schedule 1, the Pledgor has not, at any time in the past: (i) been known as or used any other corporate, trade or fictitious name; (ii) changed its name; (iii) been the surviving or resulting corporation in a merger or consolidation; or (iv) acquired through asset purchase or otherwise any business of any Person.**

(c) The Pledged Shares have been duly authorized and validly issued, and are fully paid and non-assessable and subject to no options to purchase or similar rights. All information set forth in Schedule 2 relating to the Pledged Shares is accurate and complete.

(d) At the time the Collateral becomes subject to the lien and security interest created by this Agreement, the Pledgor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for Permitted Security and the security interest created by this Agreement.

(e) The pledge of the Collateral pursuant to this Agreement creates a valid security interest in the Collateral in which the Pledgor now has rights and will create a valid security interest in the Collateral in which the Pledgor hereafter acquires rights at the time the Pledgor acquires any such rights in the Collateral; and (ii) (x) the Security Trustee has a perfected and first priority security interest or (y) when financing statements in appropriate form are filed pursuant to Section 5 (or other actions described in Section 5 are taken) with respect to which a security interest may be perfected by filing pursuant to the Code (or taking such other action as described in Section 5) in favor of the Secured Parties, the Secured Parties will have a perfected and first priority security interest in, the Collateral in which the Pledgor now has rights, and will have a perfected and first priority security interest in the Collateral in which the Pledgor hereafter acquires rights at the time the Pledgor acquires any such

rights, in each case, for the Security Parties' benefit, subject to Permitted Security and securing the payment and performance of the Secured Obligations.

(f) Other than the financing statements in favor of the Secured Parties no effective financing statement naming the Pledgor as debtor, assignor, grantor, mortgagor, pledgor or the like and covering all or any part of the Collateral (except Permitted Security) is on file in any filing or recording office in any jurisdiction of the United States.

(g) It has full power, authority and legal right to pledge the Collateral pursuant to this Agreement.

(h) There are no restrictions on the transferability of the Pledged Shares or such additional Collateral to the Security Trustee or with respect to the foreclosure, transfer or disposition thereof by the Security Trustee, except (a) as provided under applicable federal and state securities laws and (b) such consents as have already been obtained by the Pledgor.

(i) The Pledged Shares constitute 100% of the issued and outstanding shares of capital stock of each Pledged Company, no securities convertible into or exchangeable for any shares of capital stock of each Pledged Company, or any options, warrants or other commitments entitling any Person to purchase or otherwise acquire any shares of capital stock of each Pledged Company, are issued and outstanding.

(j) Any and all agreements which affect or relate to the voting or giving of written consents with respect to any of the Pledged Shares pledged by the Pledgor have been disclosed in writing to the Security Trustee.

(k) Each of this Agreement and the Facility Agreement has been duly authorized, executed and delivered by the Pledgor and constitutes a legal, valid and binding obligation of the Pledgor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, **reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to** equitable principles (regardless of whether enforcement is sought in equity or at law).

(l) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the pledge by the Pledgor of the Collateral pursuant to this Agreement or for the execution and delivery of this Agreement by the Pledgor or the performance by the Pledgor of its obligations thereunder.

(m) The execution and delivery of the Facility Agreement and this Agreement by the Pledgor and the performance by the Pledgor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Pledgor or any of its property, or the organizational or governing documents of the Pledgor or any agreement or instrument to which the Pledgor is party or by which it or its property is bound.

7. Covenants. The Pledgor covenants and agrees with the Security Trustee that from and after the date of this Agreement and until the Security Termination Date:

(a) The Pledgor will appear in and defend any action, suit or proceeding which may adversely affect to a material extent its title to, or right or interest in, or the Security **Trustee's right** or interest in, the Collateral.

(b) The Pledgor will do and perform all commercially reasonable acts that may be necessary and appropriate to maintain, preserve and protect the Collateral.

(c) The Pledgor will comply in all material respects with all laws, regulations and ordinances, and all policies of insurance, relating in a material way to the possession, operation, maintenance and control of the Collateral. The Pledgor will make appropriate entries on its books and records disclosing the **Security Trustee's security interests in the Collateral**.

(d) The Pledgor will give at least 30 **days' prior written notice to the Security** Trustee (or such shorter period as agreed by the Security Trustee) of (i) any change in its name, (ii) any change in its jurisdiction of organization, (iii) any change in its registration as an organization (or any new such registration); and (iv) any changes in its identity or structure in any manner which might make any financing statement filed hereunder incorrect or misleading.

(e) The Pledgor will not surrender or lose possession of (other than to the Security Trustee), sell, lease, rent, or otherwise dispose of or transfer any of the Collateral or any right or interest therein, except to the extent permitted by the Finance Documents.

(f) The Pledgor will keep the Collateral free of all Security, liens and other similar encumbrances, except for those created and/or permitted under the Finance Documents.

(g) The Pledgor will give the Security Trustee reasonably prompt notice of the establishment of any securities account with respect to any Collateral and will cooperate with the Security Trustee in obtaining control (as defined in 8-106 of the Code) with respect to such securities account.

(h) The Pledgor shall comply in all material respects with all of its obligations under any shareholders agreement, operating agreement, partnership agreement, voting trust, proxy agreement or other agreement or understanding with respect to the Collateral (collectively, the "**Pledged Collateral Agreements**") to which it is a party and shall enforce all of its rights thereunder. The Pledgor shall not vote to enable or take any other action to: amend or terminate, or waive compliance with any of the terms of, any such Pledged Collateral Agreement, certificate or articles of incorporation, bylaws or other organizational documents in any way that materially changes the rights of the Pledgor with respect to any such Collateral in a manner adverse to the Security Trustee or that **adversely affects the validity, perfection or priority of the Security Trustee's security interest in the Collateral.**

8. Administration of the Collateral.

(a) Unless an Event of Default shall have occurred and be continuing, the Pledgor shall have the right to vote the Collateral held by the Pledgor and to give consents, ratifications and waivers in respect thereof, and shall retain the power to control the direction, management and policies of any Person comprising the Collateral to the same extent as the Pledgor would if such Collateral were not pledged to the Security Trustee, on behalf of the Secured Parties, pursuant to this Agreement; provided, however, that no vote shall be cast or consent, waiver or ratification given or action taken which would have the effect of materially impairing the position or interest of the Secured Parties in respect of such Collateral or which would alter the voting rights with respect to the stock or other ownership interest in or of any such Person or violate in any material respect any provision of this Agreement, the Facility Agreement or any other Finance Document. The Security Trustee shall have the right, upon the occurrence of an Event of Default that is continuing, to vote and to give consents, ratifications and waivers with respect to any Collateral, and to exercise all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining thereto, as if the Security Trustee were the absolute owner thereof; provided that the Security Trustee shall have no duty to exercise any of the foregoing rights afforded to it and shall not be responsible to the Pledgor or any other Person for any failure to do so or delay in doing so.

(b) The Security Trustee agrees that the Pledgor may, unless an Event of Default shall have occurred and be continuing, receive and retain all cash dividends and other distributions with respect to the Pledged Shares to the extent consistent with the Facility Agreement. Upon the occurrence of an Event of Default that is continuing, the Security Trustee shall be entitled to receive all distributions and payments of any nature with respect to any Collateral, and all such distributions or payments received by the Pledgor shall be held in trust for the Security Trustee and, in accordance with **the Security Trustee's instructions, remitted to the Security Trustee or deposited to an account with the Security Trustee** in the form received (with any necessary endorsements or instruments of assignment or transfer).

(c) If an Event of Default shall have occurred and be continuing, to the extent permitted under applicable laws, the Security Trustee may cause any of the Collateral to be transferred

into its name or into the name of its nominee or nominees and shall at all times have the right to exchange uncertificated Collateral for certificated Collateral, and to exchange certificated Collateral for certificates of larger or smaller denominations, for any purpose consistent with this Agreement.

9. Further Assurances.

The Pledgor agrees that at any time and from time to time the Pledgor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Security Trustee may request, in order to enable the Security Trustee to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral.

10. Security Trustee Appointed Attorney-in-Fact.

For the purpose of enabling the Security Trustee to exercise its rights under this Section 10 or otherwise in connection with this Agreement, the Security Trustee shall have the right to, in the name of the Pledgor, or in the name of the Security Trustee or otherwise, without notice to or assent by the Pledgor, and the Pledgor hereby constitutes and appoints the Security Trustee (and any of the Security Trustee's officers or employees or agents designated by the Security Trustee) as the Pledgor's true and lawful attorney-in-fact, with full power and authority to execute any notice, assignment, endorsement or other instrument or document, and to do any and all acts and things for and on behalf of the Pledgor, which the Security Trustee may deem necessary or desirable to protect, collect, realize upon and preserve the Collateral, to enforce the Security Trustee's rights with respect to the Collateral and to accomplish the purposes hereof. The Security Trustee agrees that, except upon the occurrence of an Event of Default that is continuing, it shall not exercise the power of attorney pursuant to this Section 10. The foregoing power of attorney is coupled with an interest and irrevocable until the Security Termination Date. The Pledgor hereby ratifies, to the extent permitted by law, all that the Security Trustee shall lawfully and in good faith do or cause to be done by virtue of and in compliance with this Section 10 until this agreement is terminated.

11. Security Trustee May Perform. If the Pledgor fails to perform any obligation contained in this Agreement, the Security Trustee may itself perform, or cause performance of, such obligation, and the expenses of the Security Trustee incurred in connection therewith shall be payable on demand by the Pledgor; provided that the Security Trustee shall not be required to perform or discharge any obligation of the Pledgor.

12. Security Trustee's Duties. The powers conferred on the Security Trustee hereunder are solely to protect the Security **Trustee's interest in the Collateral, for the benefit of the Secured Parties**, and shall not impose any duty upon the Security Trustee to exercise any such powers. Except for the safe custody of any Collateral in its actual possession and the accounting for moneys actually received by it hereunder, the Security Trustee shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. The Security Trustee shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its actual possession if such Collateral is accorded treatment substantially equal to that which the Security Trustee accords its own property, it being understood that the Security Trustee shall not have any responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not the Security Trustee has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Security Trustee of any of the rights and remedies hereunder, **shall relieve the Pledgor from the performance of any obligation on the Pledgor's part to be performed or observed in respect of any of the Collateral.**

13. Remedies Upon Default.

(a) Upon the occurrence of an Event of Default that is continuing, the Security Trustee shall have, in addition to all other rights and remedies granted to it in this Agreement, the Facility Agreement or any other Finance Document, all rights and remedies of a Secured Party under the Code and other applicable laws. Without limiting the generality of the foregoing, upon the occurrence an Event of Default that is continuing, the Pledgor agrees that:

(i) the Security Trustee may sell, resell, lease, use, assign, transfer or otherwise dispose of any or all of the Collateral at public or private sale, by one or more contracts, in one or more parcels, at the same or different times, for cash or credit or for future delivery without assumption of any credit risk, all as the Security Trustee deems advisable. The Security Trustee shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption, which right or equity of redemption the Pledgor hereby releases, to the extent permitted by law. The Security Trustee shall not be obliged to advertise or give the Pledgor notice of any public or private sale other than may be required by the Code or other applicable law. The Pledgor recognizes that the Security Trustee may be unable to make a public sale of any or all of the Collateral, by reason of prohibitions contained in applicable securities laws or otherwise, and expressly agrees that a private sale to a restricted group of purchasers for investment and not with a view to any distribution thereof made in reliance on the advice and opinion of any nationally recognized brokerage or investment firm shall be considered a commercially reasonable sale.

(ii) The Security Trustee may comply with any applicable state or federal law requirements in connection with disposition of the Collateral and compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. The Security Trustee may sell the Collateral without giving any warranties as to the Collateral. The Security Trustee may specifically disclaim any warranties of title or the like. The procedures set forth in this clause (ii) will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. If the Security Trustee sells any of the Collateral upon credit, the Pledgor will be credited only with payments actually made by the purchaser, received by the Security Trustee and available to be applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, the Security Trustee may resell the Collateral and the Pledgor shall be credited with the proceeds of the sale.

(b) If an Event of Default has occurred and is continuing, any cash held by the Security Trustee as Collateral and all cash Proceeds received by the Security Trustee in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Security Trustee to the payment of expenses incurred by the Security Trustee in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Security Trustee hereunder, including reasonable **attorneys' fees, and the balance of such proceeds shall be applied or set off against all or any part of** the Secured Obligations in such order as the Security Trustee shall elect. Any surplus of such cash or cash Proceeds held by the Security Trustee and remaining after payment in full of all the Secured Obligations shall be paid over to the Pledgor or to whomsoever may be lawfully entitled to receive such surplus. The Pledgor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any attorneys employed by the Security Trustee to collect such deficiency.

14. No Waiver and Remedies Cumulative. The Security Trustee shall not by any act (except by a written instrument pursuant to Section 18), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. Each right, power, and remedy of the Security Trustee or any other Secured Party as provided for in this Agreement, the Facility Agreement or the other Finance Documents now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement, the Facility Agreement or the other Finance Documents or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Security Trustee or any other Secured Party, of any one or more of such rights, powers, or remedies shall not preclude the simultaneous or later exercise by the Security Trustee or such other Secured Party of any or all such other rights, powers, or remedies.

15. Continuing Security Interest; Assignments under Facility Agreement.

(a) This Agreement shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect until the Secured Obligations have been paid in full in accordance with the provisions of the Facility Agreement and the Commitments have expired or have been terminated, (ii) be binding upon the Pledgor, and its successors and assigns, and (iii) inure to the benefit of, and be enforceable by, the Security Trustee, and its successors, permitted transferees and permitted

assigns. Without limiting the generality of the foregoing clause (iii), any Lender may, in accordance with the provisions of the Facility Agreement, assign or otherwise transfer all or any portion of its rights and obligations under the Facility Agreement to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise. Upon the Security Termination Date, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Pledgor or any other Person entitled thereto. At such time, upon the **Borrowers' request, the Security Trustee will authorize the filing of appropriate termination statements** and other documents reasonably requested by the Pledgor to terminate such security interest. No transfer or renewal, extension, assignment, or termination of this Agreement or of the Facility Agreement, any other Finance Document, or any other instrument or document executed and delivered by the Pledgor to the Security Trustee nor any additional loans made by any Lender to any Borrower, nor the taking of further security, nor the retaking or re-delivery of the Collateral to the Pledgor, or any of them, by the Security Trustee, nor any other act of the Secured Parties, or any of them, shall release the Pledgor from any obligation, except a release or discharge effected in accordance with the provisions of the Facility Agreement. The Security Trustee shall not by any act, delay, omission or otherwise, be deemed to have waived any of its rights or remedies hereunder, unless such waiver is in writing and signed by the Security Trustee and then only to the extent therein set forth. A waiver by the Security Trustee of any right or remedy on any occasion shall not be construed as a bar to the exercise of any such right or remedy which the Security Trustee would otherwise have had on any other occasion.

(b) If any Secured Party repays, refunds, restores, or returns in whole or in part, any payment or property (including any proceeds of Collateral) previously paid or transferred to such Secured Party in full or partial satisfaction of any Secured Obligation or on account of any other obligation of any Obligor under the Facility Agreement or any other Finance Document, because the payment, transfer, or the incurrence of the obligation so satisfied is asserted or declared to be void, **voidable, or otherwise recoverable under any law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent transfers, preferences, or other voidable or recoverable obligations or transfers (each, a "Voidable Transfer")**, or because such Secured Party elects to do so on the reasonable advice of its counsel in connection with a claim that the payment, transfer, or incurrence is or may be a Voidable Transfer, then, as to any such Voidable Transfer, or the amount thereof that such Secured Party elects to repay, restore, or return (including pursuant to a settlement of any claim in respect thereof), **and as to all reasonable costs, expenses, and attorneys' fees of such Secured Party related thereto, (i) the liability of the Obligors with respect to the amount or property paid, refunded, restored, or returned will automatically and immediately be revived, reinstated, and restored and will exist, and (ii) the Security Trustee's Liens securing such liability shall be effective, revived, and remain in full force and effect, in each case, as fully as if such Voidable Transfer had never been made.** If, prior to any of the foregoing, **(A) the Security Trustee's Liens shall have been released or terminated, or (B) any provision of this Agreement shall have been terminated or cancelled, the Security Trustee's Liens, or such provision of this Agreement, shall be reinstated in full force and effect and such prior release, termination, cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligation of any Obligor in respect of such liability or any Collateral securing such liability.**

16. Security Interest Absolute.

(a) All rights of the Security Trustee hereunder, and all obligations of the Pledgor hereunder, shall be absolute and unconditional irrespective of, and the Pledgor hereby irrevocably waives any defense it may now or hereafter have in any way relating to, any or all of the following:

(i) any lack of validity or enforceability of the Facility Agreement or any other Finance Document or any agreement or instrument relating thereto;

(ii) any change in the time, manner, or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to departure from any Finance Document, including any increase in the Secured Obligations resulting from the extension of additional credit;

(iii) any taking, exchange, release, or non-perfection of any Lien in and to any Collateral (or any collateral the subject of a lien, pledge or security interest pursuant to any other

Finance Document), or any taking, release, amendment, waiver, supplement, restatements, extension, novation, renewal, replacements, or continuation of, or consent to departure from any other guaranty, for all or any of the Secured Obligations;

(iv) any right of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling of the Collateral or other collateral or security for the Secured Obligations;

(v) any manner of sale, disposition or applications of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;

(vi) any right to require the Security Trustee (i) to proceed against any Person, (ii) to exhaust any other collateral or security for any of the Secured Obligations, (iii) to pursue **any remedy in the Security Trustee's power**, or (iv) to make or give any presentments, demands for performance, notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any of the Collateral;

(vii) all claims, damages, and demands against the Security Trustee arising out of the repossession, retention, sale or application of the proceeds of any sale of the Collateral;

(viii) the existence of any claim, set-off, defense, or other right that the Pledgor may have at any time against any Person, including Security Trustee or any other Secured Party;

(ix) any defense, set-off, counterclaim, or claim, of any kind or nature, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the Secured Obligations or any security therefor;

(x) any other circumstance, other than the Security Termination Date having occurred, that might otherwise constitute a defense available to, or a discharge of, the Pledgor or any other guarantor or surety.

(b) The Pledgor consents and agrees that the Security Trustee may at any time, or from time to time, in its discretion: (i) renew, extend or change the time of payment, and/or the manner, place or terms of payment of all or any part of the Secured Obligations; and (ii) exchange, release and/or surrender all or any of the Collateral (or any collateral the subject of a lien, pledge or security interest pursuant to any other Finance Document), or any part thereof, by whomsoever deposited, which is now or may hereafter be held by the Security Trustee in connection with all or any of the Secured Obligations; all in such manner and upon such terms as the Security Trustee may deem proper, and without notice to or further assent from the Pledgor, it being hereby agreed that the Pledgor shall be and remain bound upon this Agreement, irrespective of the value or condition of any of the Collateral (or any collateral the subject of a lien, pledge or security interest pursuant to any other Finance Document), and notwithstanding any such change, exchange, settlement, compromise, surrender, release, renewal or extension, and notwithstanding also that the Secured Obligations may, at any time, exceed the aggregate principal amount thereof set forth in the Facility Agreement, or any other agreement governing any Secured Obligations.

17. Cost and Expenses; Indemnity.

(a) The Pledgor agrees to pay on demand, all search, recording, filing and similar fees, costs and expenses incurred or sustained by the Security Trustee in connection with this Agreement or the Collateral; and all costs and expenses of the Security Trustee and the other Secured Parties, including the fees and disbursements of counsel, in connection with the enforcement or attempted enforcement of, and preservation of any rights or interest under, this Agreement, any out-of-court workout or other refinancing or restructuring or in any bankruptcy case, and the protection, sale or collection of, or other realization upon, any of the Collateral.

(b) The Pledgor hereby agrees to indemnify the Security Trustee and the other Secured Parties, and their respective successors, assigns, agents and employees, from and against any and all liabilities, damages, penalties, suits, fees, costs, claims, lawsuits and expenses (including

reasonable attorneys' fees) of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Security Trustee or any other Secured Party is a party thereto) imposed on, incurred by or asserted against the Security Trustee or the other Secured Parties, or their respective successors, assigns, agents and employees, in any way relating to or arising out of this Agreement or the other Finance Documents, or the purchase, acceptance, rejection, ownership, delivery, lease, possession or other disposition of any Collateral. This provision shall survive the termination of this Agreement and the Facility Agreement and the repayment of the Secured Obligations.

18. Merger, Amendments, Etc. THIS AGREEMENT, TOGETHER WITH THE OTHER FINANCE DOCUMENTS, REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES. No waiver of any provision of this Agreement, and no consent to any departure by the Pledgor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Security Trustee, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No amendment of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the Security Trustee and the Pledgor.

19. Addresses for Notices. All notices and other communications provided for hereunder shall be given in the form and manner and delivered to the Security Trustee at its address specified in the Facility Agreement, and to the Pledgor at the notice address specified for the Borrowers in the Facility Agreement, or as to any party, at such other address as shall be designated by such party in a written notice to the other party.

20. Choice of Law and Venue; Jury Trial Waiver; Judicial Reference Provision.

(a) The validity of this agreement, the construction, interpretation, and enforcement hereof, the rights of the parties hereto with respect to all matters arising hereunder or related hereto, and any claims, controversies or disputes arising hereunder or related hereto shall be determined under, governed by, and construed in accordance with the laws of the State of New York (including 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York).

(b) The parties agree that all actions or proceedings arising in connection with this agreement shall be tried and litigated only in the state and, to the extent permitted by applicable law, federal courts located in the city and county of New York, State of New York; provided, that any suit seeking enforcement against any collateral or other property may be brought, at the Security Trustee's option, in the courts of any jurisdiction where the Security Trustee elects to bring such action or where such collateral or other property may be found. the Pledgor and the Security Trustee waive, to the extent permitted under applicable law, any right each may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceeding is brought in accordance with this Section 20(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE PLEDGOR AND THE SECURITY TRUSTEE HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). THE PLEDGOR AND THE SECURITY TRUSTEE REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) The Pledgor hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the state and federal courts located in the city and county of New York and the State of New York, in any action or proceeding arising out of or relating to this agreement, or for recognition or enforcement of any judgment. each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this agreement shall affect any right that Security

Trustee may otherwise have to bring any action or proceeding relating to this agreement against the Pledgor or its properties in the courts of any jurisdiction.

(e) No claim may be made by the Pledgor against the Security Trustee, any Secured Party or any affiliate, director, officer, employee, counsel, representative, agent, or attorney-in-fact of any of them for any special, indirect, consequential, or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement, or any act, omission, or event occurring in connection herewith, and the Pledgor hereby waives, releases, and agrees not to sue upon any claim for such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

21. Miscellaneous.

(a) This Agreement is a Finance Document. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Finance Document *mutatis mutandis*.

(b) The words "execution", "signed," "signature," "delivery", and words of like import in or relating to this Agreement and any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state laws based on the Uniform Electronic Transactions Act; provided that, in respect of documents to be signed by entities established within the European Union, the Electronic Signature qualifies as a "qualified electronic signature" or "simple electronic signature" within the meaning of the Regulation (EU) 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market as amended from time to time.

(c) Any provision of this Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

(d) Headings and Section numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

(e) Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against any Secured Party, or the Pledgor, whether under any rule of construction or otherwise. This Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

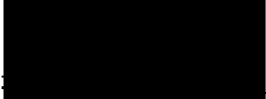
22. Contractual Recognition of EU Bail-in Legislation and Acknowledgement Regarding any Supported QFCs. Clauses 42 and 43 of the Facility Agreement (together with any related definitions used therein and rules of interpretation contained therein) is hereby incorporated herein by reference as if set forth in full herein with appropriate substitutions, *mutatis mutandis*. Without limiting the generality of the foregoing, all references to "the Finance Documents" and "any Finance Document"

therein shall be deemed to be references to this Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

GYMSHARK LTD, as Pledgor

By: _____

Name: Philip Daw

Title: Chief Financial Officer

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

HSBC UK BANK PLC, as Security Trustee

By: _____

Name: **David Arthur**

Title: **Relationship Director**

SCHEDULE 1

1. Location of Chief Executive Office: G.S.H.Q. Blythe Valley Park, 3 Central Boulevard, Solihull, B90 8AB, United Kingdom
2. Jurisdiction of Incorporation: England and Wales
3. Trade Names: Gymshark Ltd

SCHEDULE 2
PLEDGED SHARES

Pledgor	Issuer	Certificate No.	No. of Shares	Percentage of Ownership
Gymshark Ltd	Gymshark USA Inc.	1	100	100%

SCHEDULE 3

ACKNOWLEDGEMENT AND CONSENT

The undersigned hereby acknowledges receipt of a copy of the Stock Pledge Agreement, dated as of [●] 2021, made by Gymshark Ltd, a company incorporated under the laws of England & Wales, as the Pledgor, in favor of HSBC UK Bank plc, as the Security Trustee (the "**Stock Pledge Agreement**").

The undersigned, intending to be legally bound hereby, agrees for the benefit of the Security Trustee as follows:

- (i) it will be bound by the terms of the Stock Pledge Agreement and will comply with such terms insofar as such terms are applicable to the undersigned;
- (ii) it will promptly note on its books the security interests granted to the Security Trustee and confirmed under the Stock Pledge Agreement;
- (iii) it will notify the Security Trustee promptly in writing of the issuance of any new shares after the date hereof.
- (iv) it will comply with instructions of the Security Trustee with respect to the applicable Collateral without further consent by Pledgor;
- (v) it agrees to notify the Security Trustee upon obtaining knowledge of any interest in favor of any person in the applicable Collateral that is adverse to the interest of the Security Trustee;
- (vi) it agrees, following its receipt of a notice from the Security Trustee stating that it is exercising exclusive control of the applicable Collateral, not to comply with any instructions or orders regarding any or all of the Collateral originated by any person or entity other than the Security Trustee (and its successors and assigns) or a court of competent jurisdiction;
- (vii) it waives any right or requirement at any time hereafter to receive a copy of the Stock Pledge Agreement in connection with the registration of any Collateral thereunder in the name of the Security Trustee or its nominee or the exercise of voting rights by the Security Trustee or its nominee; and
- (viii) the terms of Section 4 of the Stock Pledge Agreement shall apply to the undersigned, mutatis mutandis, with respect to all actions that may facilitate, in the reasonable judgment of the Security Trustee, the carrying out of Section 4 of the Stock Pledge Agreement.

Gymshark USA Inc.

By:

Name:

Title: