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June 22, 2023

PEU (FIN) Plc

(formerly known as PEU (FIN) Limited)

Offering of

€375.0 million in aggregate principal amount of Senior Secured Notes due 2028

PEU (FIN) Plc *(formerly known as PEU (FIN) Limited)*, a public limited company incorporated under the laws of England and Wales (the “**Issuer**”) and a wholly-owned indirect subsidiary of Pepco Group N.V. (WSE: PCO) (the “**Parent Guarantor**”, and, together with its consolidated subsidiaries, the “**Group**”), a pan-European variety discount business, hereby announces that it successfully priced an offering (the “**Offering**”) of its €375.0 million in aggregate principal amount of senior secured notes due 2028 (the “**Notes**”).

In connection with the Offering, the revolving credit facility (the “**RCF**”) available under the Group’s existing term and revolving facilities agreement (the “**Existing SFA**”) is expected to be upsized from €190.0 million to €390.0 million through increased commitments from current lenders to the Group.

The Offering, which was announced on June 19, 2023, has been multiple times oversubscribed. The strong demand from investors has enabled the Group to upsize the Offering to €375.0 million from the originally proposed €300.0 million. The Notes were rated Ba3 / BB- / BB+ (Moody’s/S&P/Fitch)*.

The Offering is expected to close on or about June 28, 2023, subject to customary closing conditions. The Notes will be issued at an issue price of 100.000%. Interest on the Notes will accrue at a rate of 7.25% per annum, and will be payable semi-annually in arrears on each July 1 and January 1, commencing on January 1 2024. The Notes will mature on July 1, 2028.

The gross proceeds of the Offering are intended to be used to (i) repay in full all amounts outstanding under, and cancel, the €300.0 million Term Facility A available under the Existing SFA; (ii) repay €59.0 million (out of €90.0 million) outstanding under the RCF; and (iii) pay certain fees and expenses in connection with the Offering and the upsizing of the RCF.

The Notes will be guaranteed on a senior secured basis by the Parent Guarantor and certain of its subsidiaries, which currently guarantee the Existing SFA. The Notes and the guarantees thereof will be secured, on a first priority basis, by the same collateral that secures, and will secure, the Existing SFA and certain hedging obligations.

The Notes and the guarantees thereof will be offered and sold only to qualified institutional buyers in the United States in accordance with Rule 144A under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and in “offshore transactions” to certain persons

that are not U.S. persons outside the United States in accordance with Regulation S under the U.S. Securities Act. The Notes will not be made available to retail investors.

The Group trades from more than 4,000 stores across the Pepco, Dealz and Poundland brands. It operates across 19 territories including the UK, the Republic of Ireland, Spain, Italy and across the CEE region, employing approximately 43,000 people. Its fully integrated end-to-end global sourcing operation, PGS, has offices strategically located in Asia and Poland.

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*A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Important notices

The distribution of this announcement into certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such jurisdiction.

This announcement is for informational purposes only. This announcement does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in the United States or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful. The Notes and the guarantees thereof have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States or any other jurisdiction and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state or local securities laws. Accordingly, the Notes and the guarantees thereof are being offered and sold (i) in the United States only to qualified institutional buyers in accordance with Rule 144A under the U.S. Securities Act and (ii) in "offshore transactions" to certain persons that are not U.S. persons outside the United States in accordance with Regulation S under the U.S. Securities Act. There is no assurance that the offering of the Notes will be completed or, if completed, as to the terms on which it will be completed.

Neither the Notes nor the guarantees thereof have been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offense in the United States.

This announcement has been prepared on the basis that all offers of the Notes in any Member State of the European Economic Area (the "EEA") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of the Notes. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended or superseded).

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a

person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “EU PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

This announcement has been prepared on the basis that any offer of Notes in the UK will be made pursuant to an exemption under the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA (the “UK Prospectus Regulation”) and the FSMA from the requirement to publish a prospectus for offers of the Securities.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, “retail investor” means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR. Consequently, no key information document required by the EU PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the “UKPRIIPs Regulation”) for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Any distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) (for the purposes of this paragraph, a “distributor”) subsequently offering, selling or recommending the Securities is responsible for undertaking its own target market assessment in respect of the Securities and determining the appropriate distribution channels. Neither the Issuer nor any of the Initial Purchasers make any representations or warranties as to a distributor’s compliance with the UK MiFIR Product Governance Rules.

Neither the offering memorandum in relation to the Notes nor any other similar document relating to the Notes or the guarantees thereof has been or will be approved by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego, or the “KNF”) nor any competent authority of another EEA Member State has or will have notified KNF of its approval. Therefore, the Notes and the guarantees thereof may not be offered or sold in or into Poland except under any of the exemptions from the obligation to publish a prospectus as referred to in Article 1(4)(a) to (d) of the EU Prospectus Regulation or information memorandum under the Polish Act of July 29, 2005 on public offering, conditions governing the introduction of financial instruments to organized trading, and public companies, as amended (the “**Polish Act on Public Offering**”). Acquisition and holding of the Notes by residents of Poland may be subject to restrictions imposed by Polish law and the offers and sales of the Notes to Polish residents or within Poland in secondary trading may also be subject to restrictions.

The offering memorandum in relation to the Notes has not been and will not be registered with the Registrar of Companies in Hong Kong. Accordingly, except as mentioned below, this announcement may not be issued, circulated or distributed in Hong Kong. A copy of this announcement may, however, be issued to a limited number of prospective applicants for the Notes and the guarantees thereof in Hong Kong in a manner which does not constitute an offer of the Notes and the guarantees thereof in Hong Kong to the public in Hong Kong or an issue, circulation or distribution in Hong Kong of a prospectus for the purposes of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). No advertisement, invitation or document relating to the Notes and the guarantees thereof may be issued or may be in the possession of any person other than with respect to the Notes which are or are intended to be sold only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any rules made thereunder.

The offering memorandum in relation to the Notes is not a prospectus within the meaning of Law no. 24/2017 on issuers of financial instruments and market operations (“Law 24/2017”). Furthermore, in relation to the Notes issuance no such prospectus has been, or is expected to be, approved by or notified to the Financial Supervisory Authority and / or published in Romania. Therefore, the Notes issuance is not open to subscription by members of the general public in Romania. Accordingly, this announcement may not be published in Romania, other than pursuant to any express provisions contained in the applicable legislation, such as Law 24/2017 and / or the Prospectus Regulation.

The offering memorandum in relation to the Notes is not a prospectus within the meaning of Czech Act No. 256/2004 Coll., on Doing Business in Capital Markets, as amended (the “Capital Markets Act”). No prospectus within the meaning of the Capital Markets Act has been, or is expected to be, approved by, or notified to, the Czech National Bank and/or published in Czechia in connection with the Notes in accordance with Czech law to allow the public offering of the Notes in Czechia. As a result, the Notes may not be offered, advertised or sold, and this announcement may not be distributed, in Czechia other than pursuant to any exemption under (i) Capital Markets Act; (ii) Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing the Prospectus Regulation, in particular Art. 1 paragraphs 3 and 4 of the Prospectus Regulation; and (iii) any other applicable exemption under Czech law.

The offering memorandum in relation to the Notes is not a prospectus or a minimum prospectus within the meaning of Hungarian Act CXX of 2001 on capital markets (“CMA”). Furthermore, in relation to the Notes issuance no such prospectus or minimum prospectus has been, or is expected to be, approved by or notified to the National Bank of Hungary (being the competent supervisory authority in Hungary) and / or published in Hungary. Therefore, the Notes issuance is not open to subscription by members of the general public in Hungary. Accordingly, this announcement may not be published in Hungary, other than pursuant to any express provisions contained in the applicable legislation, such as the CMA and / or the Prospectus Regulation.

Forward-looking statements

This announcement contains certain forward-looking statements including statements about the Group’s intentions, beliefs or current expectations regarding its future financial results, plans, liquidity, prospects, growth, strategy and profitability, as well as the general economic conditions of the industry and country in which the Group operate. The Group may from time to time make written or oral forward-looking statements in other communications. Forward-looking statements include statements concerning the Group’s plans, objectives, goals, strategies, future events, future sales or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, the Group’s competitive strengths and weaknesses, the Group’s business strategy and the trends the Group anticipates in the industries and the economic, political and legal environment in which the Group operates and other information that is not historical information. Words such as “believe,” “anticipate,” “estimate,” “expect,” “suggest,” “target,” “intend,” “predict,” “project,” “should,” “would,” “could,” “may,” “will,” “forecast,” “plan” and similar expressions or, in each case, their negative or other variations or comparable terminology, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. You should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. New risks emerge from time to time and it is not possible for the Group to predict all such risks; nor can the Group assess the impact of all such risks on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results. The Group urges you to carefully read the sections in the offering memorandum entitled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Industry Overview” and

“Business Description” for a more detailed discussion of the factors that could affect the Group’s future performance and the markets in which the Group operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this announcement may not be accurate or occur at all. Accordingly, prospective investors should not place undue reliance on these forward-looking statements, which speak only as of the date on which the statements were made.

The Group undertakes no obligation, and does not intend, to update or revise any forward-looking statement, whether as a result of new information, future events or developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Group or to persons acting on the Group’s behalf are expressly qualified in their entirety by the cautionary statements referred to above.