

PEPCO Group

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Pepco Group receives positive ratings from major credit agencies

- Positive ratings follow successful senior secured notes issuance
- All three major credit agencies recognise success of Pepco Group's compelling strategy and business model

26 June 2023: Pepco Group, the fast-growing pan-European variety discount retailer, and owner of the Pepco and Dealz brands across Europe and Poundland in the UK, confirms that it has received corporate and instrument ratings from major credit agencies S&P, Moody's, and Fitch following its successful pricing of €375mm senior secured notes.

All three agencies noted the robustness of the business, healthy organic growth profile driven by the store development program, scale, and compelling value offering. In addition, the agencies recognised Pepco Group's robust legal ring-fencing framework and independent governance system.

- S&P assigned a preliminary 'BB-' long-term issuer credit rating to Pepco Group and a preliminary 'BB-' issue rating to PEU (Fin) PLC's proposed senior secured note, with a stable outlook.
- Moody's assigned a Ba3 Corporate Family Rating to the Pepco Group and a Ba3 rating to PEU (Fin) PLC's new senior secured notes due 2028, also with a stable outlook.
- Fitch Ratings assigned Pepco Group N.V. a first-time Long-Term Issuer Default Rating of 'BB' with a Stable Outlook. Fitch also assigned the senior secured debt issued by PEU (Fin) PLC and PEU (Tre) Limited a senior secured rating of 'BB+' with a Recovery Rating of 'RR2'.

Pepco Group's successful senior secured notes debut issuance and positive credit ratings, which compare favorably with those of other large retailers across Europe, are testament to the Group's strong momentum and good strategic progress. As noted at its recent interim results, the business continues to deliver against its strategic priorities including the Group's store refit and store expansion strategy.

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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.

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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.

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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.