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FY25 PRELIMINARY RESULTS

17 December 2025

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group

FY25 HIGHLIGHTS

Stephan Borchert

CEO

FY25 HIGHLIGHTS

Strategic highlights	Financial highlights	Capital returns
Sale of Poundland	**Revenue** €4,523m +8.7%	**FY25 dividend**[1] 9.6 cents / share
Pepco Plus reformatting drives Iberia profitability	**Gross margin** 48.0% +100bps	**€50m share buy back** complete
LFL growth restored in Poland & CEE	**Underlying EBITDA** (IFRS16) €865m +10.3%	**2nd €50m tranche launched** in Oct 2025
Data & digital progressing well; app ready for launch Q1 26	**Underlying PAT** (IFRS16) €219m +19.7%	**Underpinned by FCF** €334m +16.4%

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1) Proposed dividend subject to approval at March AGM

DELIVERING ON OUR STRATEGIC OBJECTIVES

SIMPLIFY AND STREAMLINE THE GROUP PORTFOLIO

TOPLINE GROWTH THROUGH MEASURED EXPANSION IN CEE

WIN IN WESTERN EUROPE

REFOCUS AND DIGITISE PEPCO'S CUSTOMER PROPOSITION

UPGRADE CORE OPERATING PLATFORM

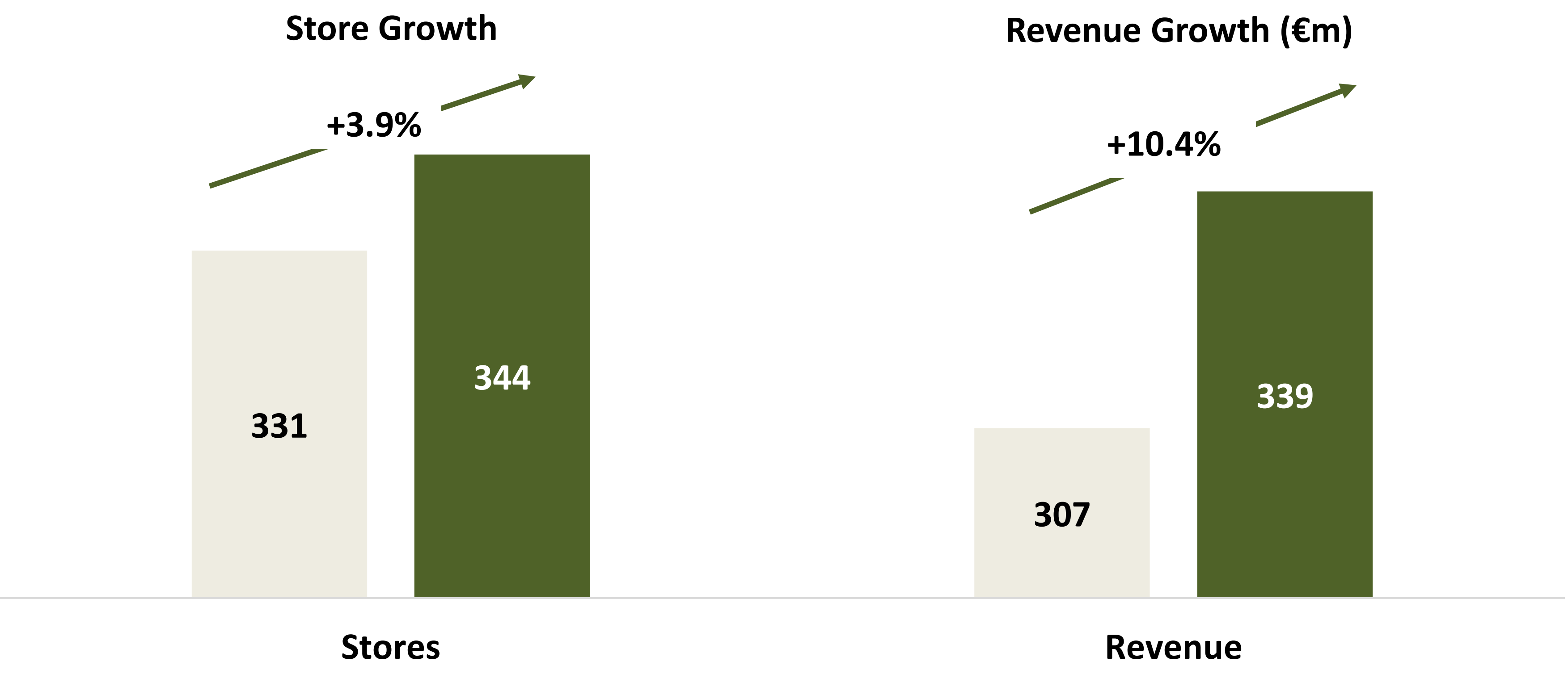
SIMPLIFYING & STREAMLINING THE GROUP

- Poundland sold to Gordon Brothers in June 2025
- Gordon Brothers, Pepco Group and Poundland put forward a restructuring plan in August which was approved by the High Court
- Pepco Group now owns a minority investment in the Poundland Group, to participate in the long-term value creation potential of Poundland

Benefits to Pepco Group include:

- Reduces FMCG exposure
- Increases focus on our core business
- Greater profitability and enhanced ROCE
- Improved cash generation

- LFL growth in FY25 of +1.9%
- During the year, we took key steps to position Dealz as an independent, self-sufficient business, including;
  - Installing a fully independent management team
  - Separating sourcing and supply chain from PGS
  - Implementing an efficiency programme to boost margins
  - Replatforming the business, including a new ERP system
- With these actions complete, Dealz is well positioned for a potential divestment which we intend to execute in FY26



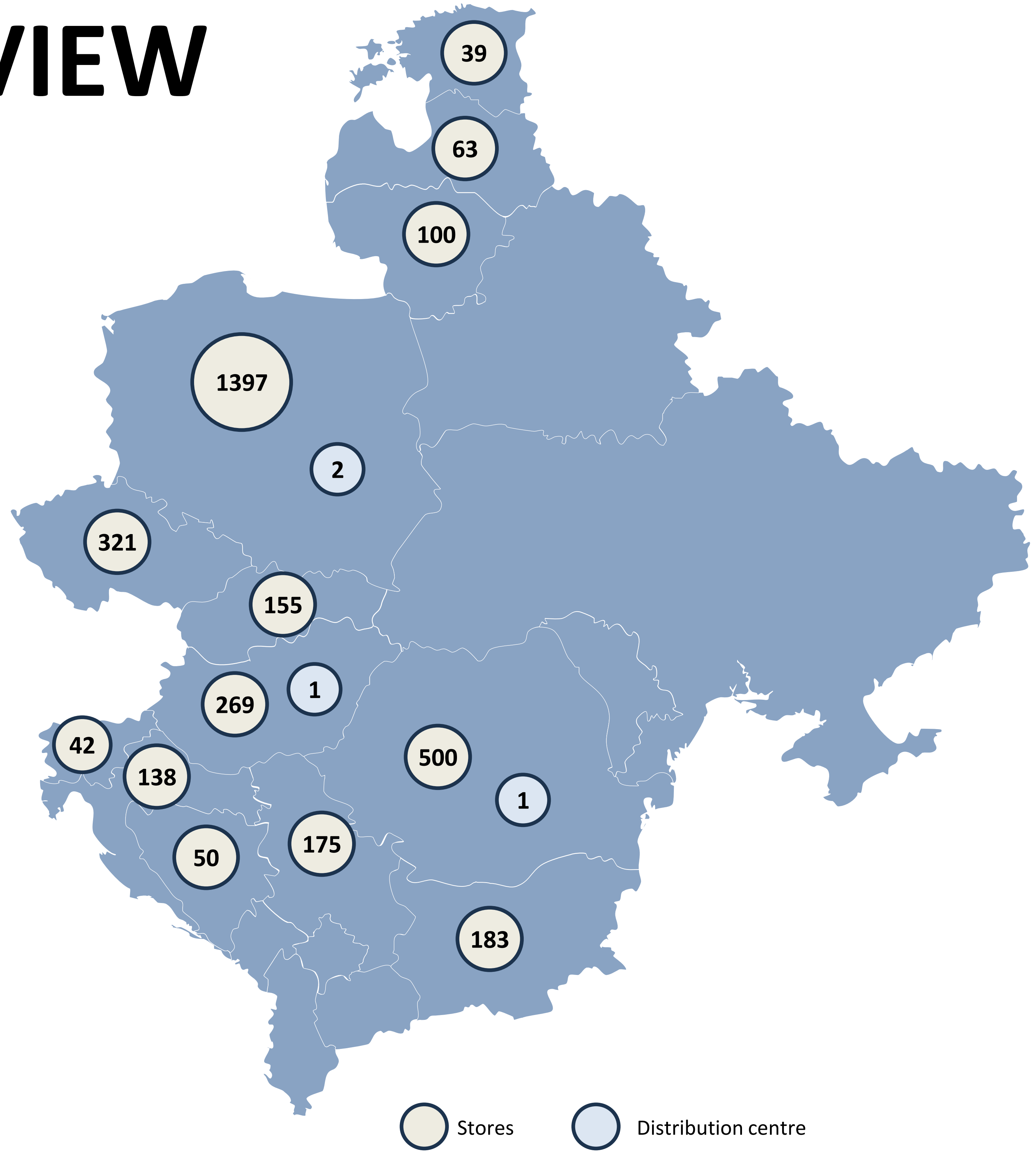
CENTRAL EASTERN EUROPE OVERVIEW

FY25 Poland[1] key metrics

1,397 stores	LFL growth 0.4%[2]	4.8% revenue growth
30% of Group revenue	Avg store EBITDA margin[3] 21.7%	58 net new stores

FY25 Rest of CEE key metrics

2,035 stores	LFL growth of 4.1%[2]	8.5% revenue growth
47% of Group revenue	Avg store EBITDA margin[3] 23.5%	142 net new stores



Strategic highlights

CEE returned to positive LFL in Q1 FY25 and maintained throughout

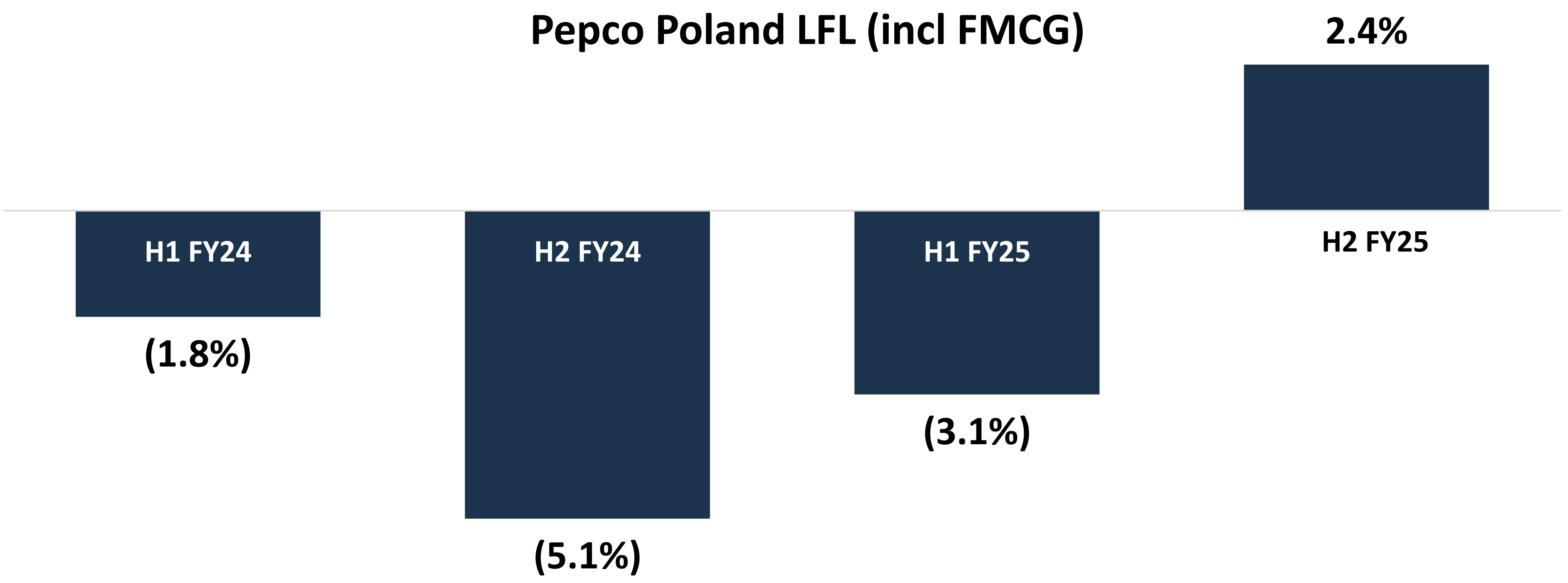
Successful turnaround in Poland with growth restored in H2 FY25

99% stores operating profitably

(1) Pepco only, data does not include Dealz (2) Excluding FMCG. (3) Prepared on IAS 17 basis

GROWTH IN POLAND RESTORED

- **LFL growth in Pepco Poland restored in Q3 FY25**, with positive LFL maintained in both thereafter
- Improved LFL trajectory supported by long-term process changes
- This growth has been achieved alongside **margin improvements** driven by FMCG snake exit, data & digital implementation and improved logistics
- On an excluding FMCG basis, Pepco Poland LFL was -2.9% in H1 FY25 and +3.9% in H2 FY25



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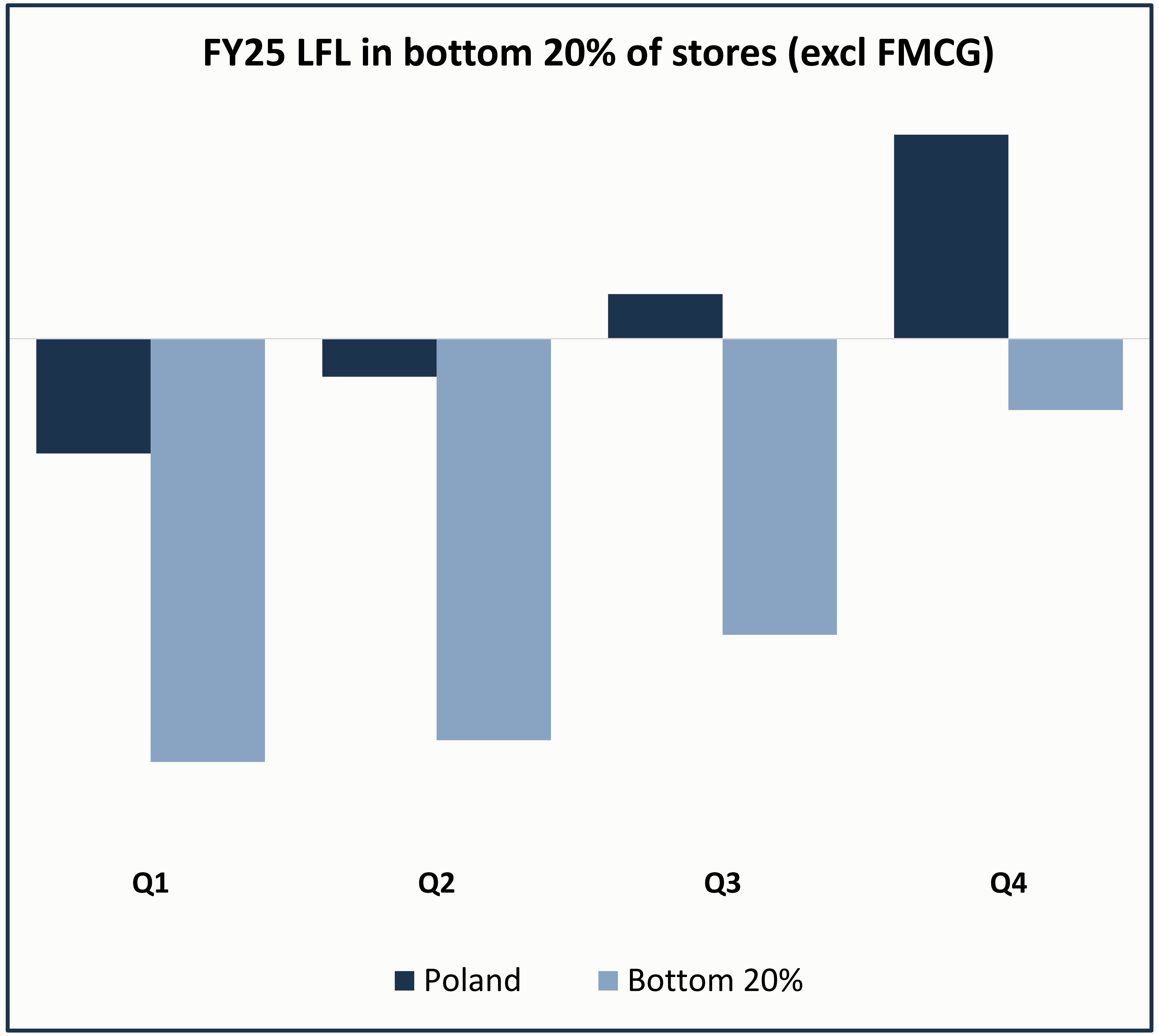
DELIVERING THE TURNAROUND IN PEPCO POLAND

Product availability and restocking	• **Overhauled restocking process** from standardised preset sizes to demand-based restocking • **Investing in availability** rather than breadth • **Streamlined product offering** following FMCG exit
Product assortment	• Revitalised core categories with new key value items and licensed products • **Reduced aged stock** creating more space for fresh products • More **proactive approach** to product split in stores based on sales
Turnaround of the weakest stores	• Weakest 20% stores were dragging LFL, with FY LFL of -9% (excl FMCG) • Addressed through operational changes, **refit programme and layout restructuring** • Small portion of stores operating with new teams or relocated

UNDERPINNED BY CONSISTENT FOCUS ON OUR MARKET-LEADING PRICE PROPOSITION



PEPCO EXPANSION IN POLAND AND CEE

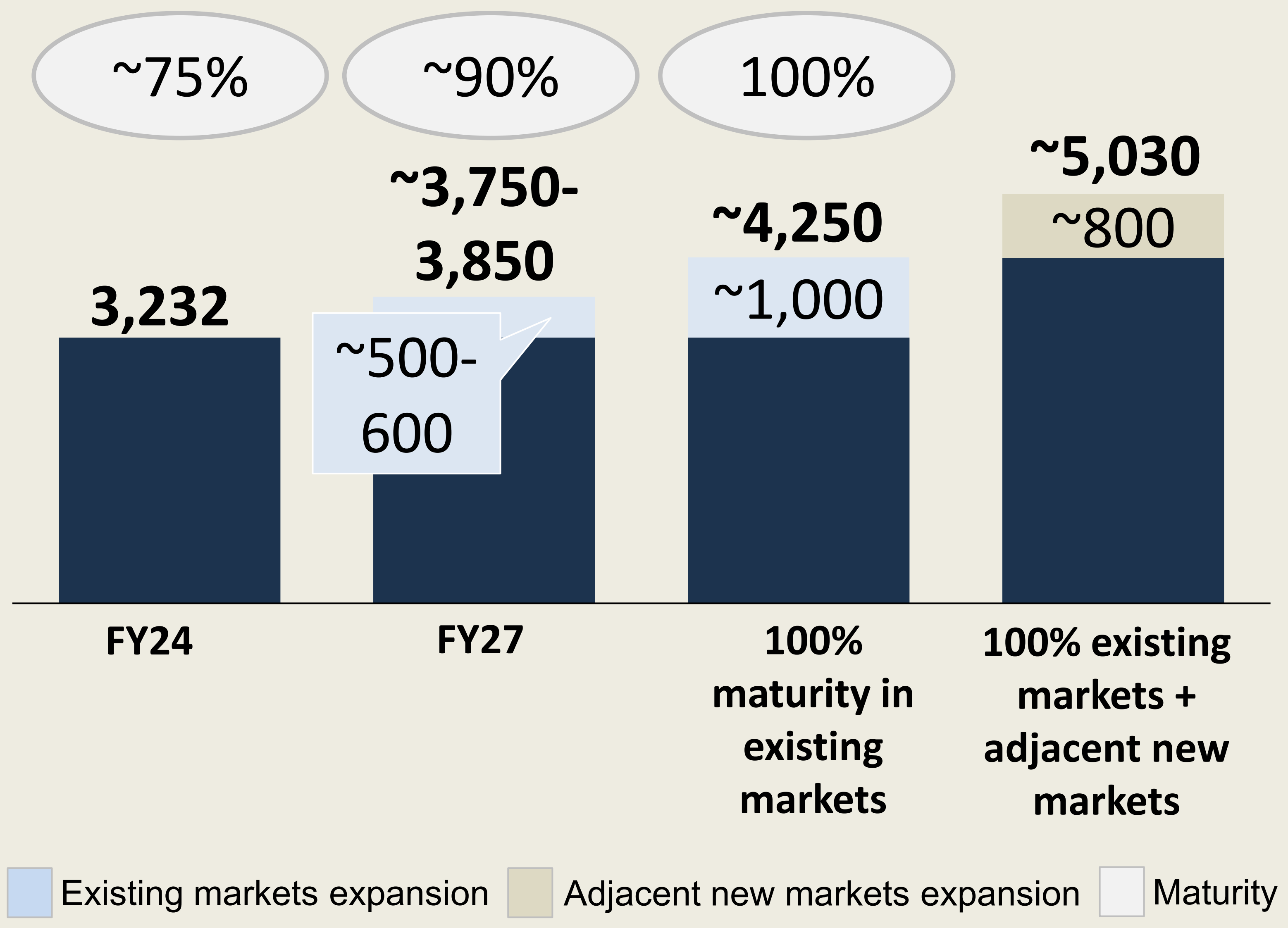
FY25 Openings – Year 1[1]	
Total new stores	215
Average net sales	€804K
Average store EBITDA[2]	€157k
Average store EBITDA %[2]	*19.5%*
Payback months	24

CMD FY25-FY27 targets

~500-600
Net
new stores

>30% IRR
including dilution from
cannibalisation

CEE store number and market maturity[3]



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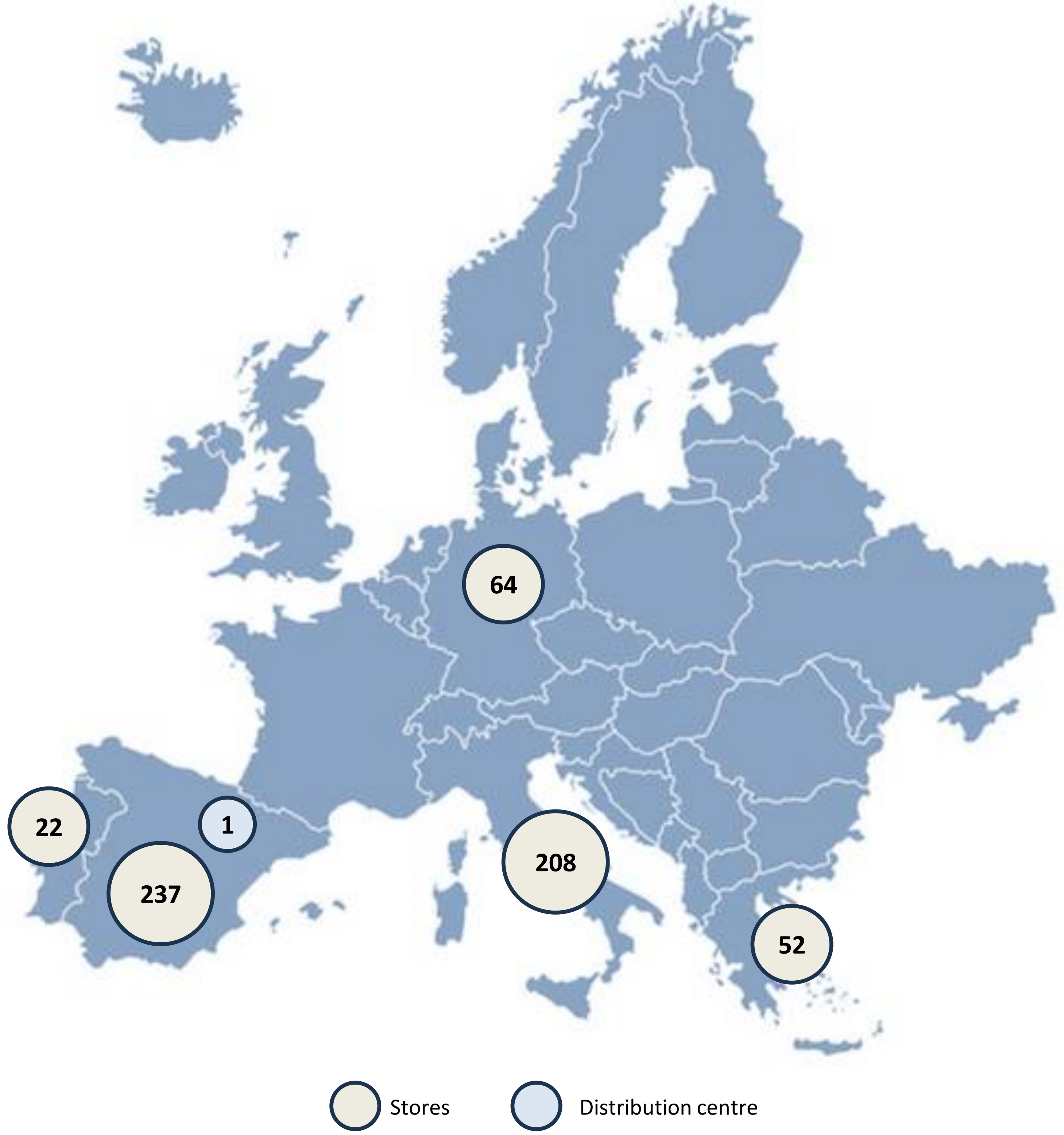
Note: (1) annualised data based on all stores opened in Poland and CEE in FY25 (2) On an IAS 17 basis. (3) As per management internal analysis.

WESTERN EUROPE OVERVIEW

FY25 Iberia & Italy key metrics[1]

467 stores in Iberia and Italy	LFL growth of 14.5%[2]	15.2% revenue growth
13.2% of Group revenue	Average store EBITDA margin 11.0%[3]	18 net new stores



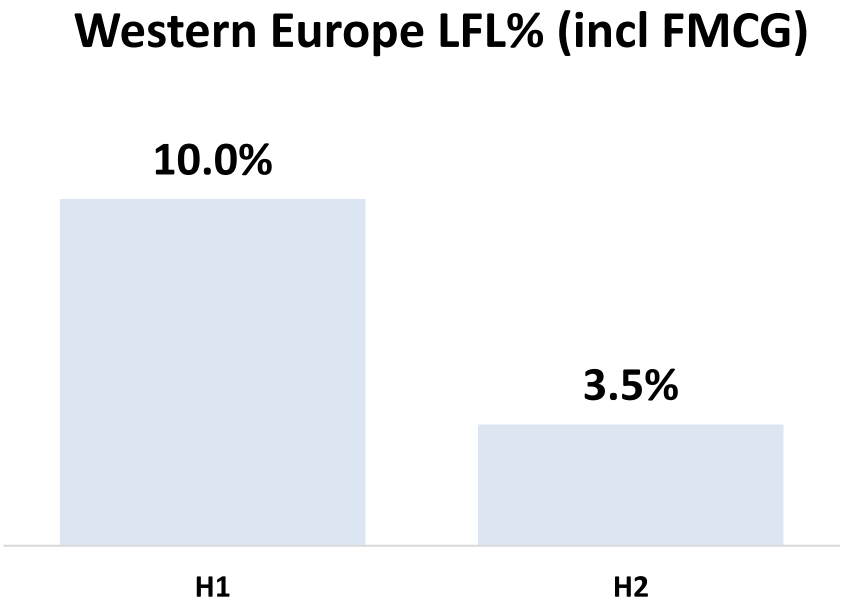
Strategic highlights

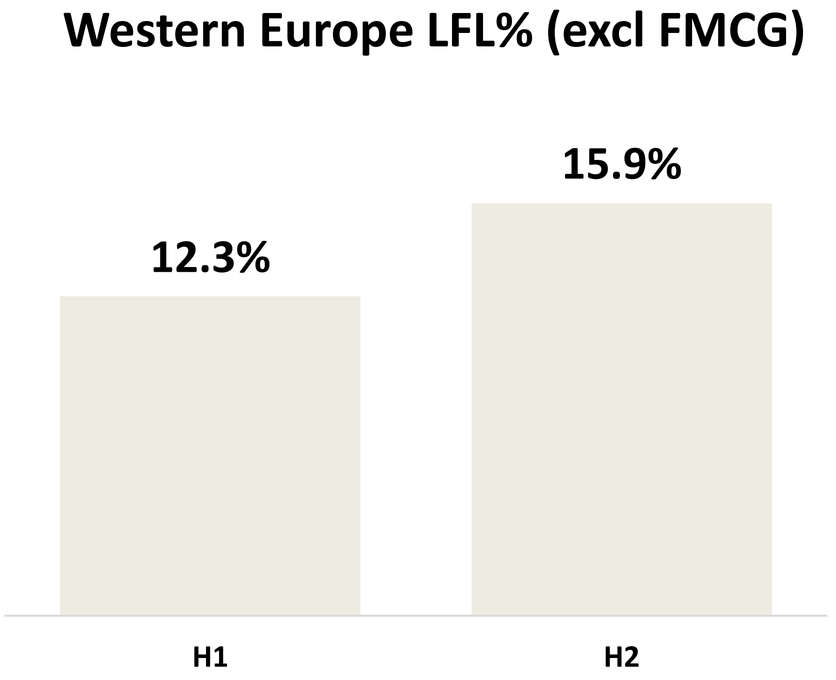
FMCG-exit and Pepco Plus reformatting complete	Store EBITDA converging to Group levels	Strategic review of Germany complete

Note: (1) Data is for Spain, Portugal and Italy only. (2) Excluding FMCG. (3) Prepared on IAS 17 basis

DRIVING GROWTH & PROFIT

- **Strong LFL performance** through the year in Western Europe
- Significant benefit on LFL excl. FMCG due to floor space reallocation post **successful Pepco Plus conversions in Iberia**
- Converted stores showing reduction in revenue but **significant uplift in margin**
- **29 new stores** opened in Iberia and Italy with sizeable whitespace opportunity
- **Increasing brand awareness up 6ppts in Spain, to 59% and up 6ppts in Italy to 38%**
- Restructuring plan announced in Germany to close 28 of our 64 stores. **Remaining store portfolio delivering good profitability**





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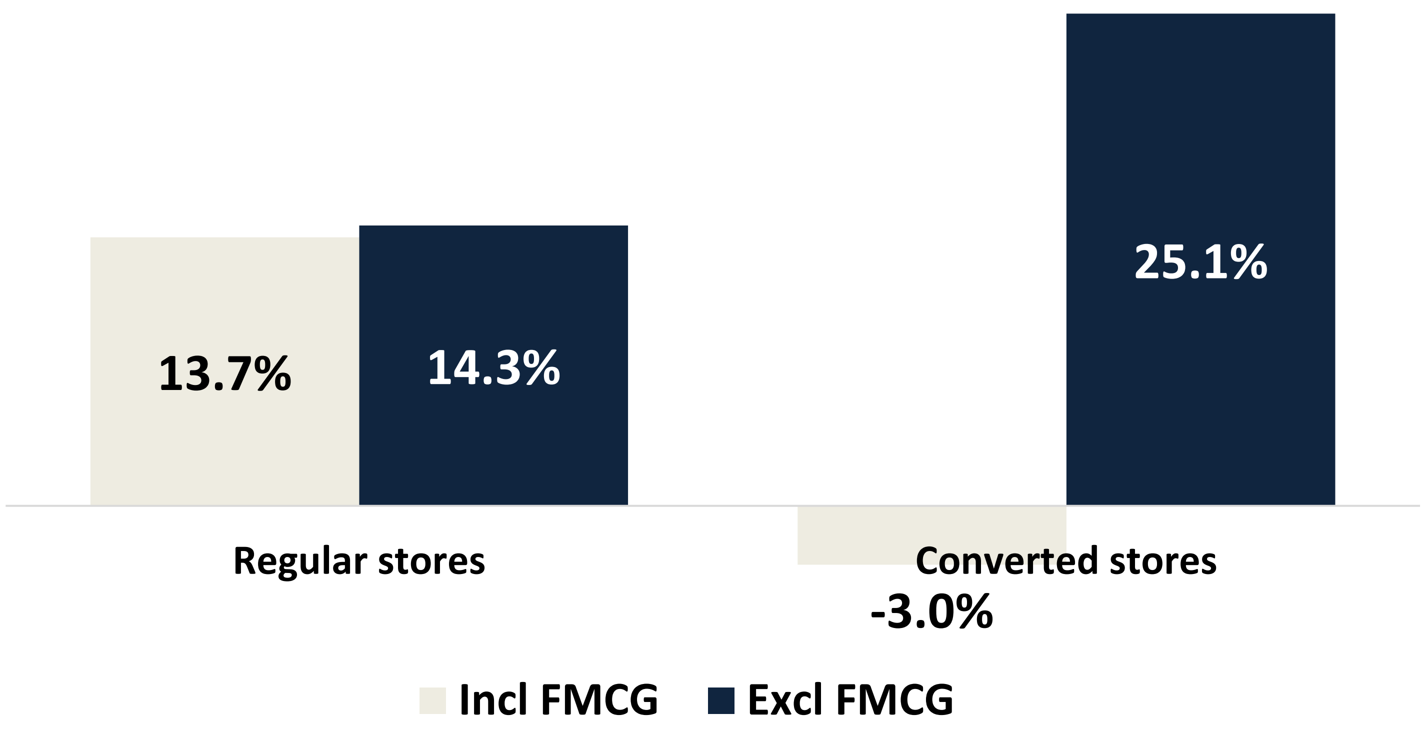
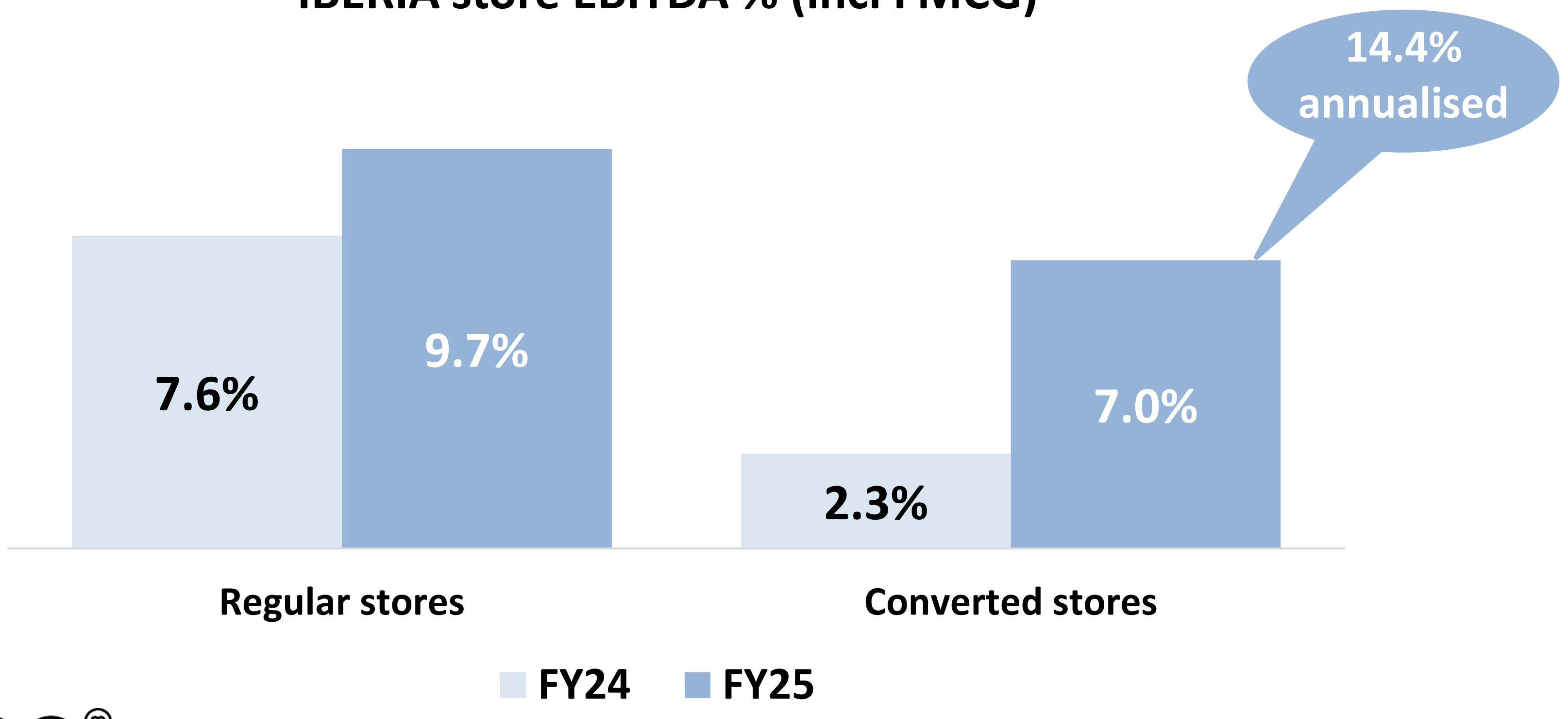
Note: charts are for all of Western Europe which includes Spain, Italy, Portugal, Greece and Germany

PERFORMANCE UPLIFT IN CONVERTED STORES

IBERIA LFL % including vs excluding FMCG by format



IBERIA store EBITDA % (incl FMCG)[1]



- **Strong LFL growth in clothing and general merchandise across our regular stores**, with small negative impact from FMCG exit
- Removal of FMCG has a more significant impact to LFL growth across our 117 converted stores but on an excluding FMCG basis, LFL performance in Clothing and GM is strong
- While creating a negative topline impact, the reallocation of store space from low margin FMCG products to high margin clothing and general merchandise products is delivering a **significant uplift in store EBITDA margin**
- Stores were converted between March and August 2025, so **margin uplift will further improve on an annualised basis**

(1) Prepared on IAS17 basis

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CASE STUDY: AVERAGE CONVERTED STORE

Lower sales due to FMCG exit

Operational improvements and mix drive higher margins

Gross margin +12.9ppts Store EBITDA margin +12.1ppts

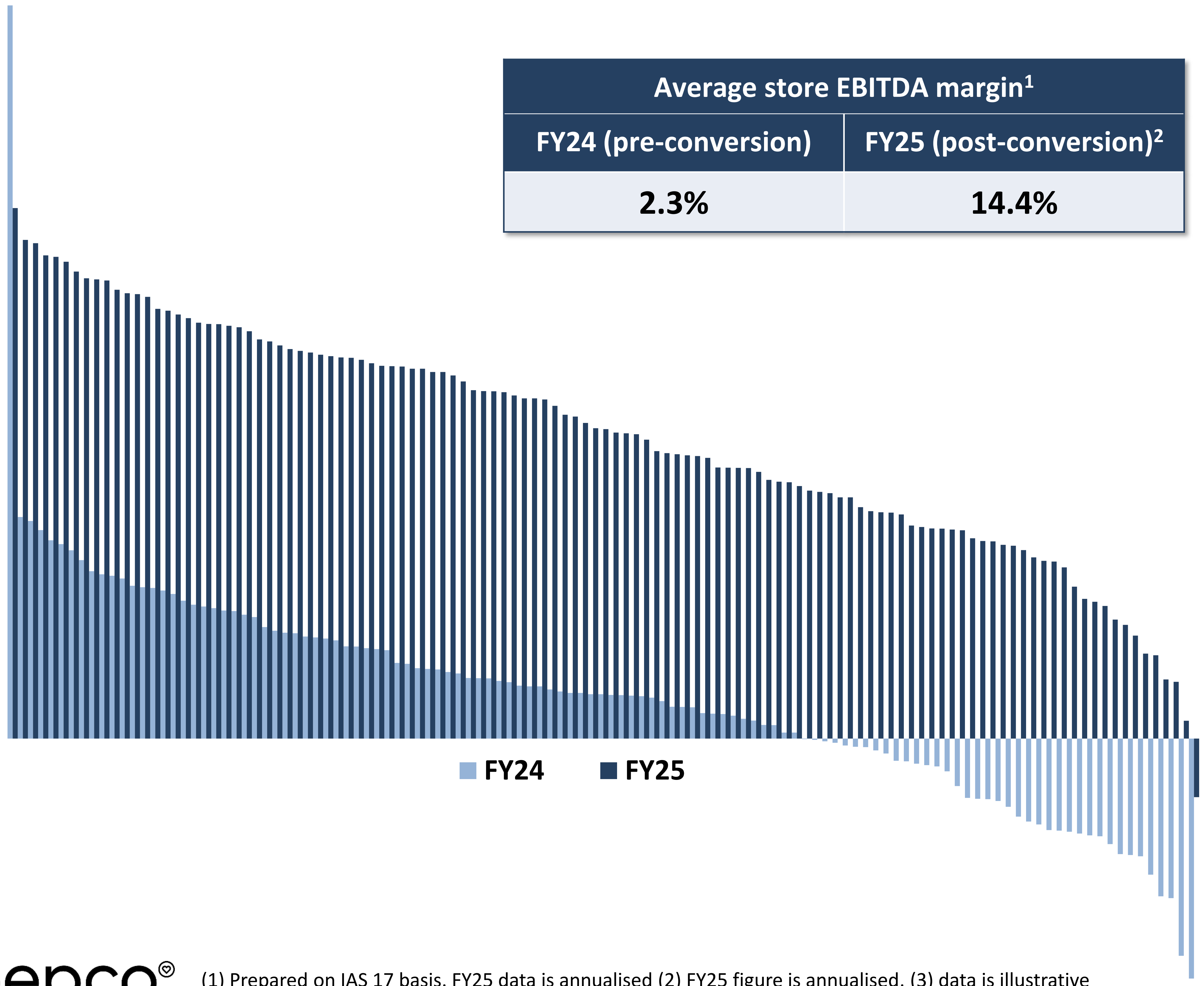
	Average store	
	Pre-FCMG exit	Post-FMCG exit[1]
Store area	672 SQM	599 SQM
FTEs	8.9	6.9
Net sales	€1.6m	€1.2m
Gross margin	*37.7%*	*50.7%*
Store EBITDA[2]	€36.7k	€179.7k
Store EBITDA %[2]	*2.3%*	*14.4%*

(1) Post FMCG-exit performance is annualised (2) Prepared on IAS 17 basis

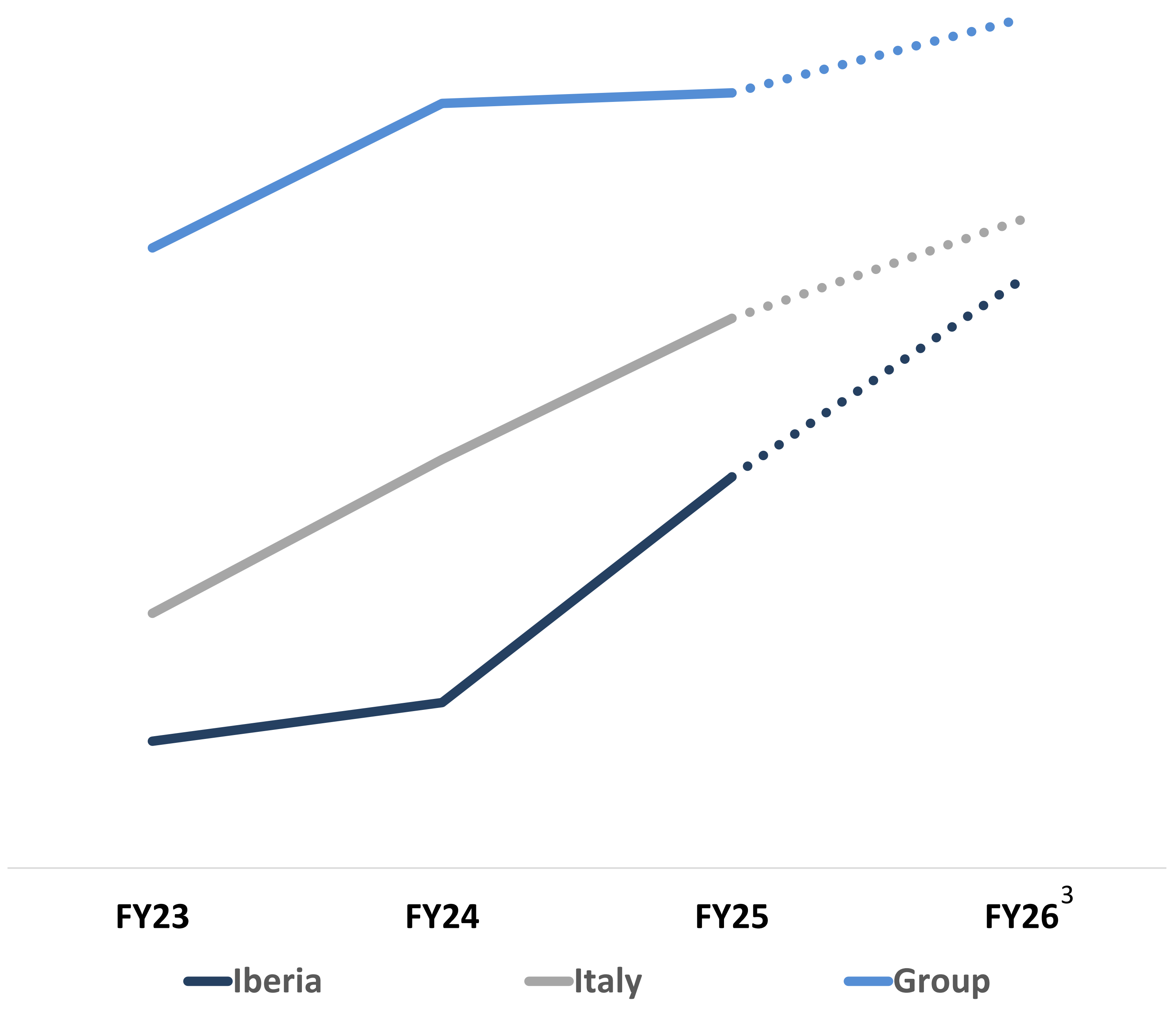
DRIVING STRONG IMPROVEMENTS IN STORE EBITDA

Store EBITDA margin development[1]

Average store EBITDA margin[1]	
FY24 (pre-conversion)	FY25 (post-conversion)[2]
2.3%	14.4%



Average store EBITDA (Absolute - €k)



(1) Prepared on IAS 17 basis. FY25 data is annualised (2) FY25 figure is annualised. (3) data is illustrative

29 NEW STORES OPENED IN IBERIA AND ITALY IN FY25

New stores performing well with further upside upon maturity

FY25 openings – year 1[1]	Iberia & Italy
Total new stores	29
Average net sales	€1.2m
Average store EBITDA[2]	€198k
Average store EBITDA %[2]	*15.9%*
Payback months	33

Note: (1) data is annualised (2) prepared on IAS 17 basis

STRONG RECEPTION FOR NEW OPENINGS IN SPAIN

PLANNED NEW PEPCO STORES IN SPAIN & ITALY

~75 new stores now expected in Iberia and Italy in FY26

Key characteristics | **Identified whitespace locations** | **% future openings**

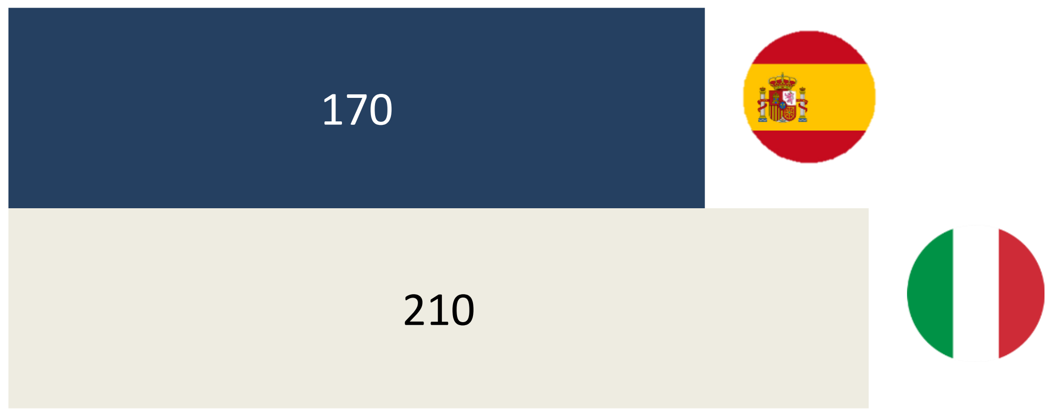
A-stores

- High traffic locations
- Large catchment areas
- Premium rents

25%

B-stores

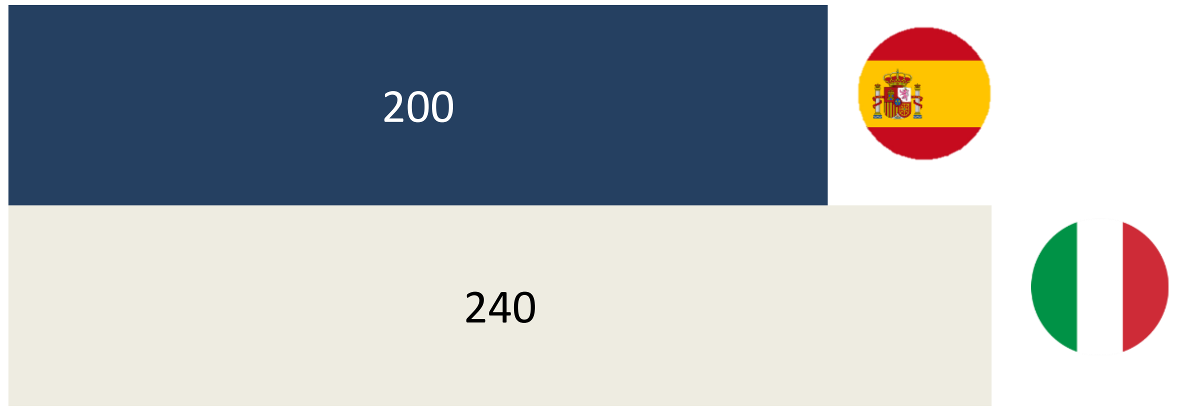
- Medium shopping centres and retail parks
- Medium catchment areas



35%

C-stores

- Small shopping centres, retail parks & high streets in residential areas
- Smaller catchment areas
- Lower rent



40%

DRIVING DIGITALLY INFLUENCED STORE SALES

Pepco mobile app

- **Set to launch in Q1 2026**; first in Poland, before rolling out into other geographies
- **Interactive content**, gamification and unique features **to drive engagement**
- Access to our digital loyalty programme and rewards scheme

Pepco loyalty programme

- **Dedicated space within our app to access coupons and exclusive offers**
- Launching simultaneously with the app
- Digital vouchers calculated based on a customer's typical purchase volume

Coupon-at-till

- **20-store trial in Poland in Oct 2025**, rolled out to all Polish stores by end of Nov 2025
- Savings on current and future purchases, with surprise promotions to encourage discovery of new products
- Positive early results; **redemption and sales uplift beyond our expectations**

Data and CRM

- Digital initiatives will allow us to capture more data on customer spending behaviour
- We can utilise this data to **create targeted marketing campaigns, personalised offers and an enhanced customer experience**

Digital activities are expected to deliver	↑ Store visits	↑ Basket size	↑ Repeat purchase	↑ Customer LTV

OPERATING PLATFORM

DC management outsourced to DHL expected to deliver efficiency savings

Reduced transport costs as a result of expanded DC network

Implementing standardised operating model across Pepco

Technology & data investment with new data lake, CRM, PLM tool etc

Note: DC is distribution centre, CRM is Customer Relationship Management, PLM is Product Lifecycle Management tool

ESG

Good progress in FY25, further supported by new Sustainable Financing in the coming years

People

- **Women now represent 50% of our top leadership**
- **52% internal promotions** in operations
- **Three new Board members** appointed[1] with highly relevant international retail expertise

Value chain

- **Scope 1 & 2 emissions down 39%**
- **98% of our packaging is designed for reusability, recyclability or compostability**
- 100% Pepco Poland operating on **renewable electricity**

Customers & Community

- **25% better cotton** in own-brand products
- **€3m invested with NGOs** in children education, reaching more than 90,000 young people
- Regular initiatives such as back-to-school vouchers and **free supply packs** to help the families who shop with us

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Note: (1) pending approval at 2026 AGM

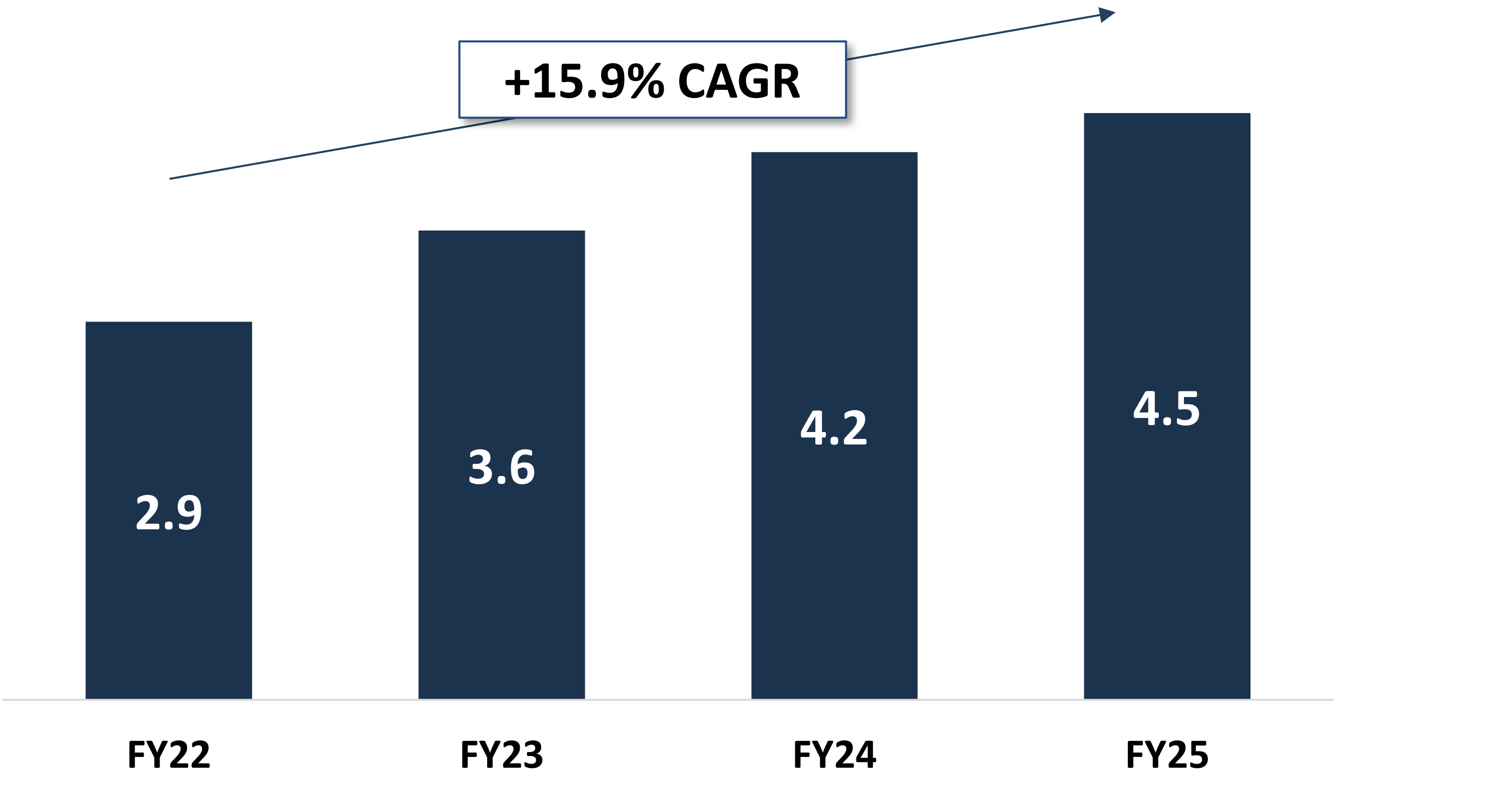
FY25
FINANCIAL OVERVIEW

Willem Eelman

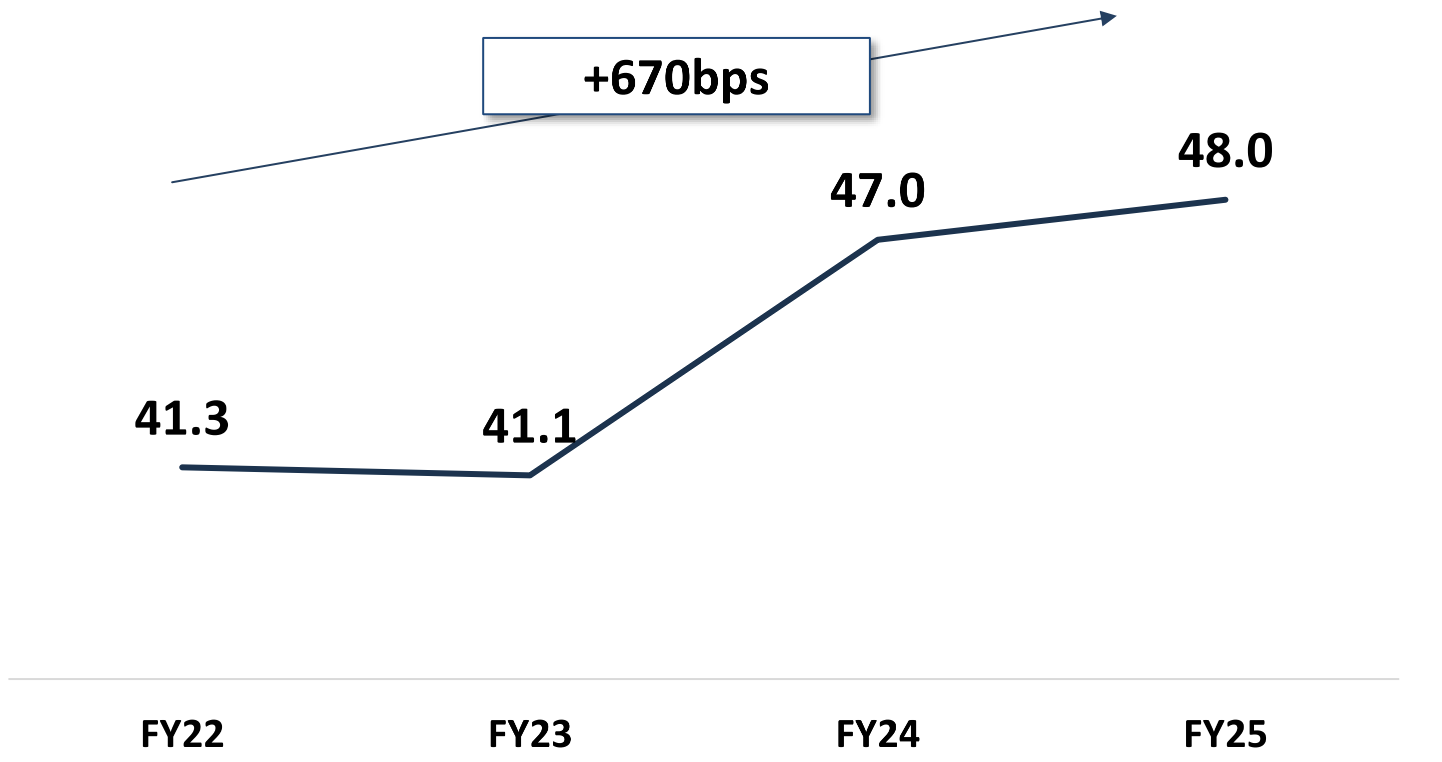
CFO

PEPCO GROUP - STRONG & CONSISTENT GROWTH

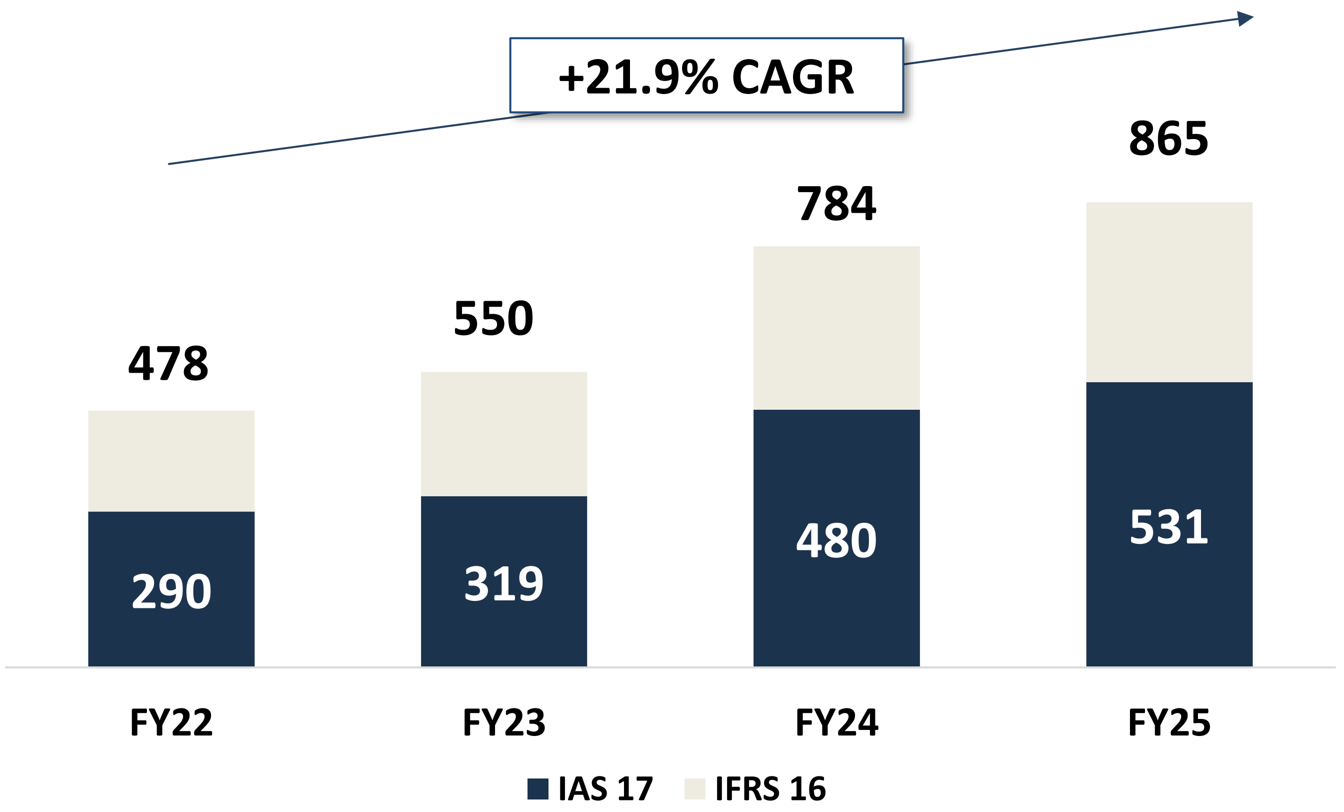
REVENUE (€BN)



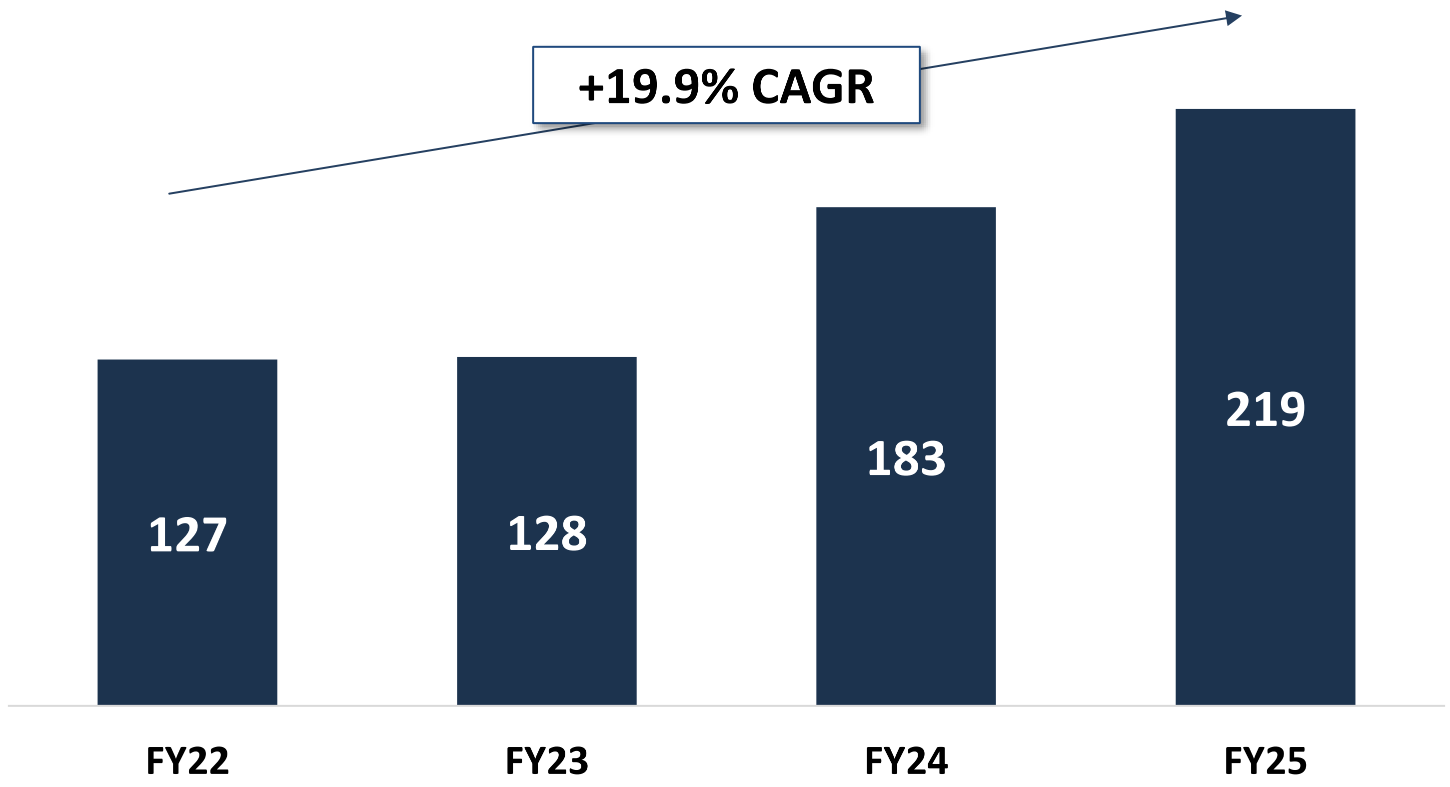
GROSS MARGIN %



UNDERLYING EBITDA (€M)



UNDERLYING NET EARNINGS (€M)



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Note: Data restated to exclude Poundland
Note: CAGR metrics for EBITDA calculated on an IFRS 16 basis

FY25 GROUP FINANCIAL HIGHLIGHTS

Revenue
€4,523m
+8.7%

LFL (incl FMCG)
2.6%
+5.6ppts

Gross margin
48.0%
+100bps

Underlying EBITDA
(IFRS16)
€865m
+10.3%

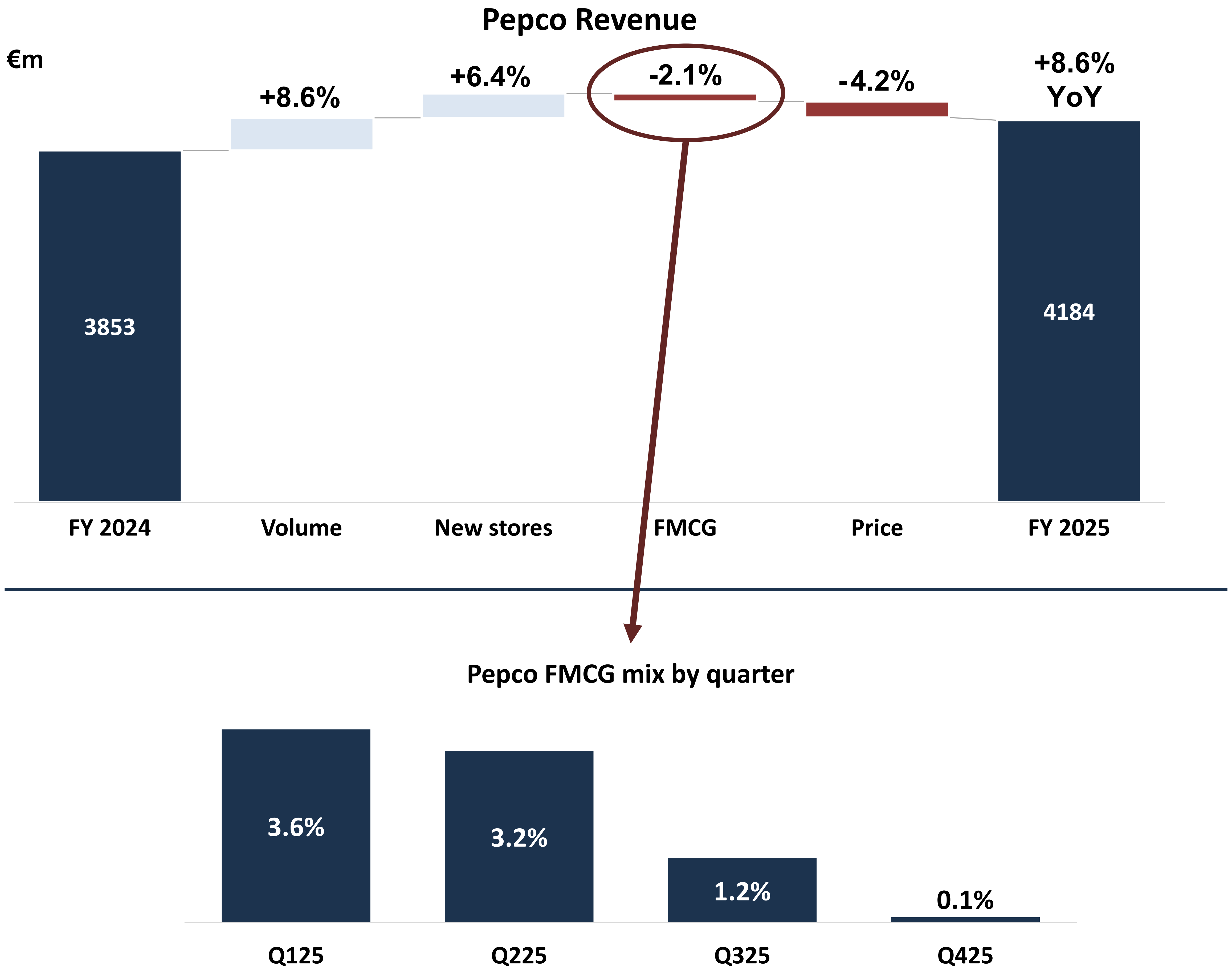
Underlying EBIT
(IFRS 16)
€371m
+1.1%

Underlying PAT
(IFRS 16)
€219m
+19.7%

Unlevered FCF
€334m
+16.4%

Underlying EPS
0.38c/share
+19.9%

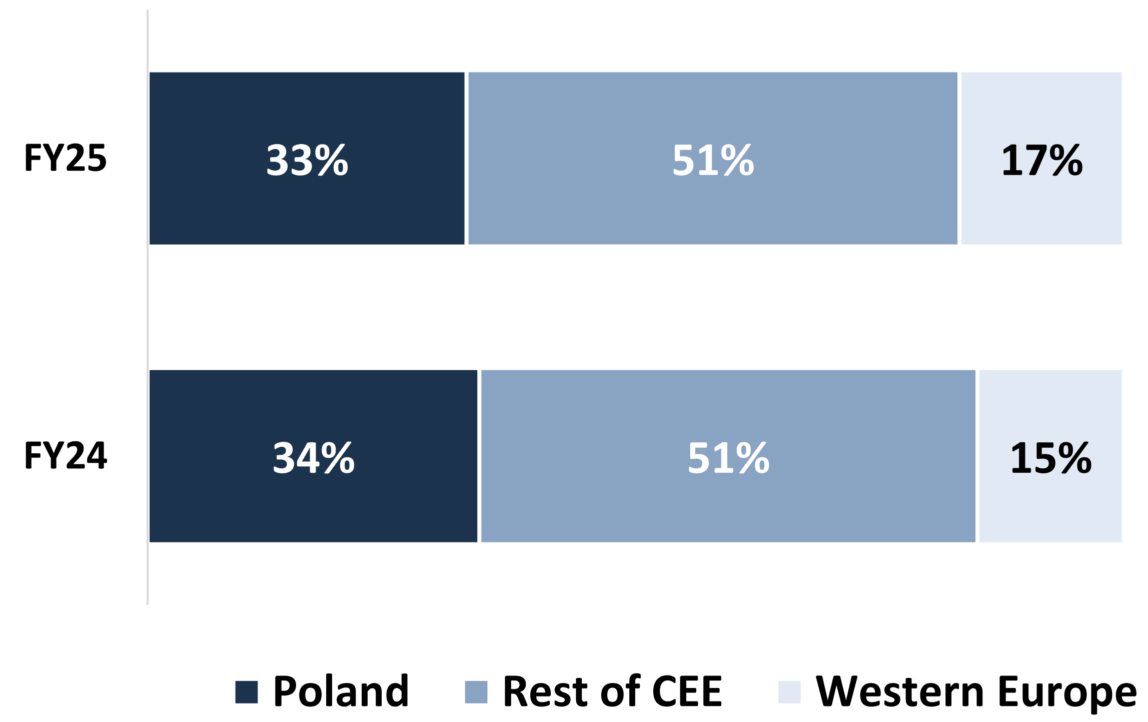
PEPCO REVENUE PERFORMANCE



- 8.6% revenue growth generated despite negative 2.1% drag from FMCG
- Impact from FMCG reduced quarter on quarter to near zero in Q4
- Headwind from FMCG exit will continue into FY26 and unwind from 3.6% in Q1 FY26 to 0.1% in Q4 FY26, as we lap our FMCG exit

PEPCO REVENUE BREAKDOWN

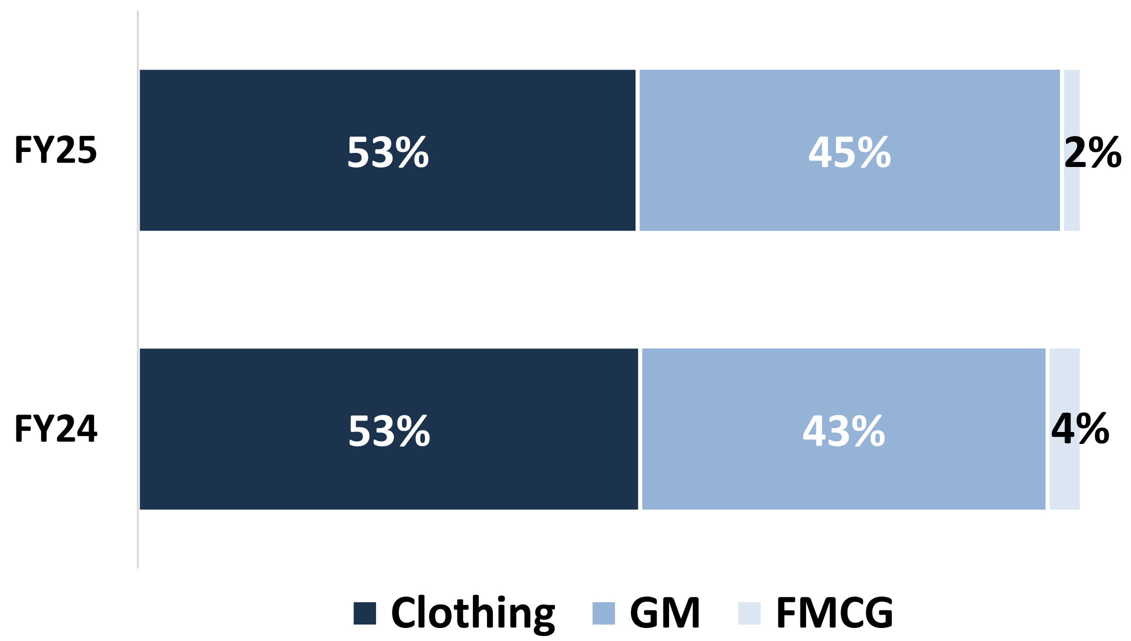
Pepco Revenue by Geography



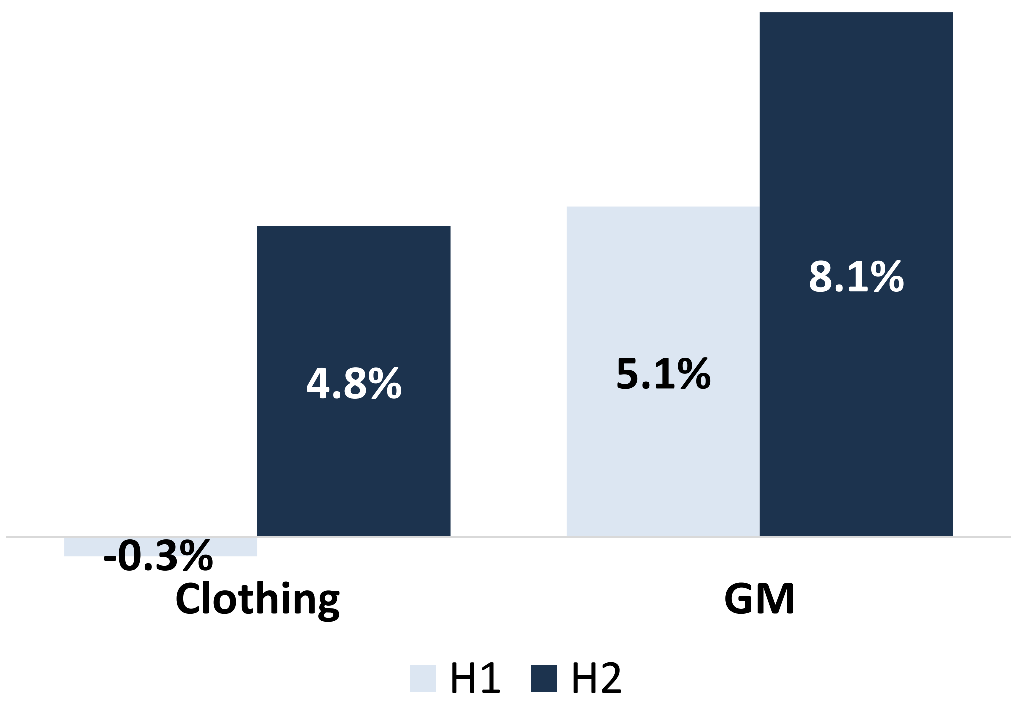
Y-o-Y revenue uplift

+4.8% in Poland
+8.5% Rest of CEE
+17.3% Western Europe

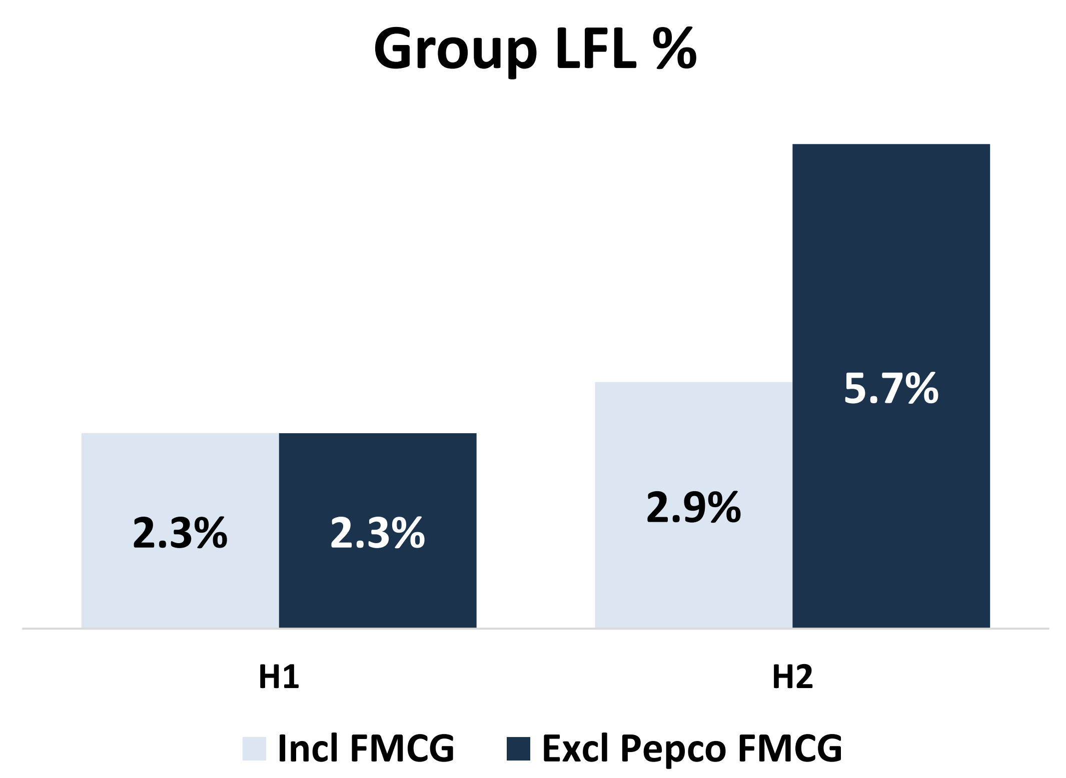
Pepco Revenue by Category

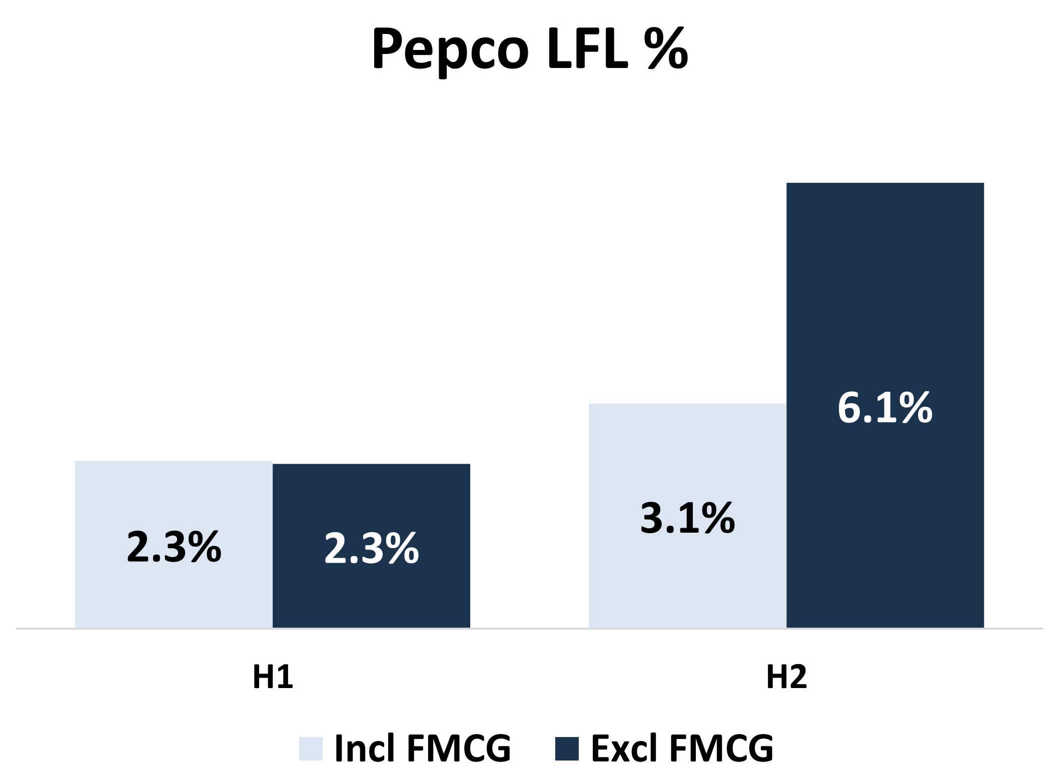


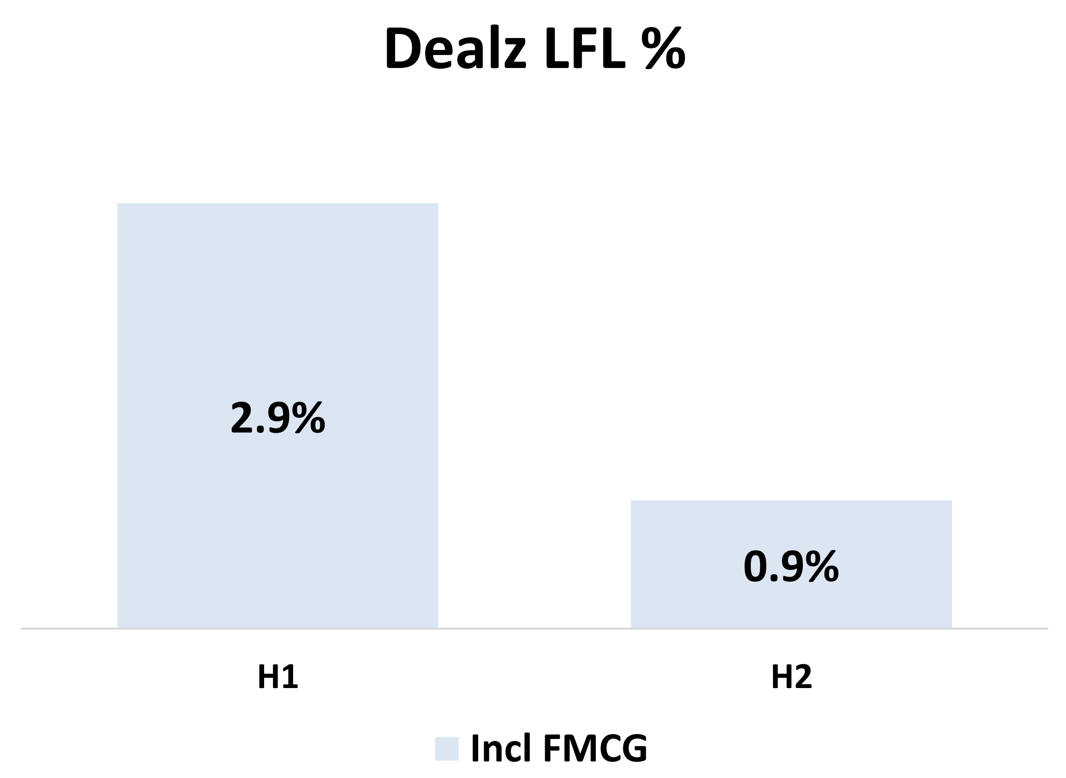
Pepco Category LFL %

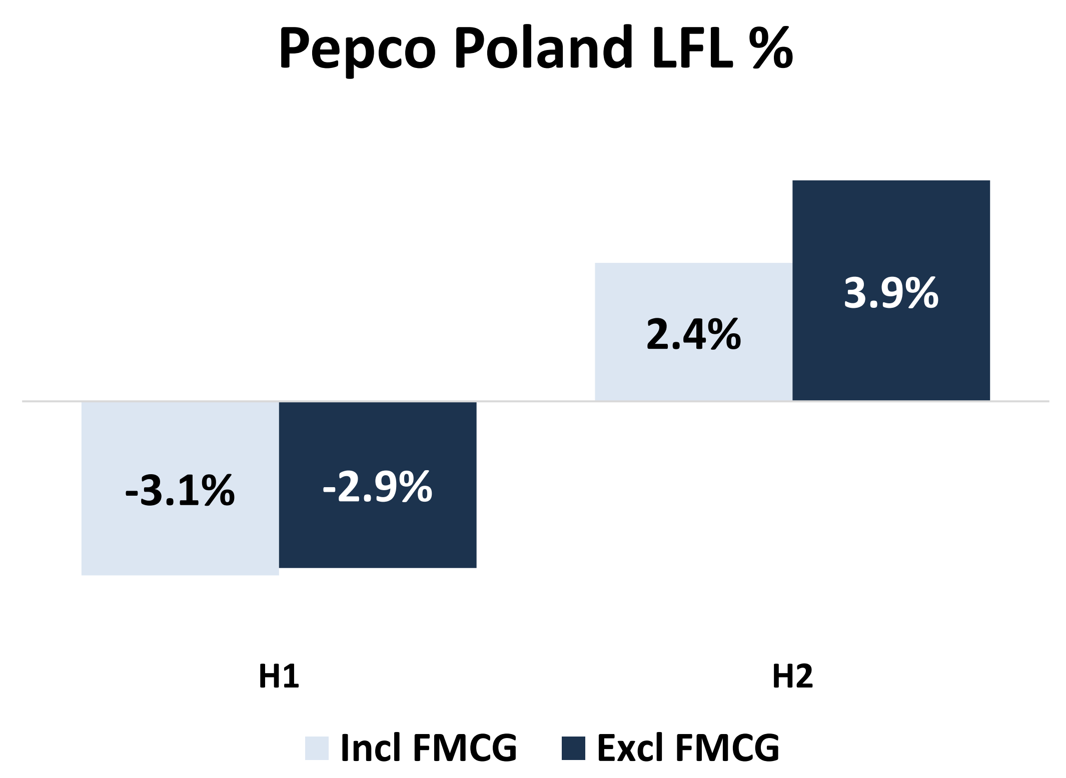


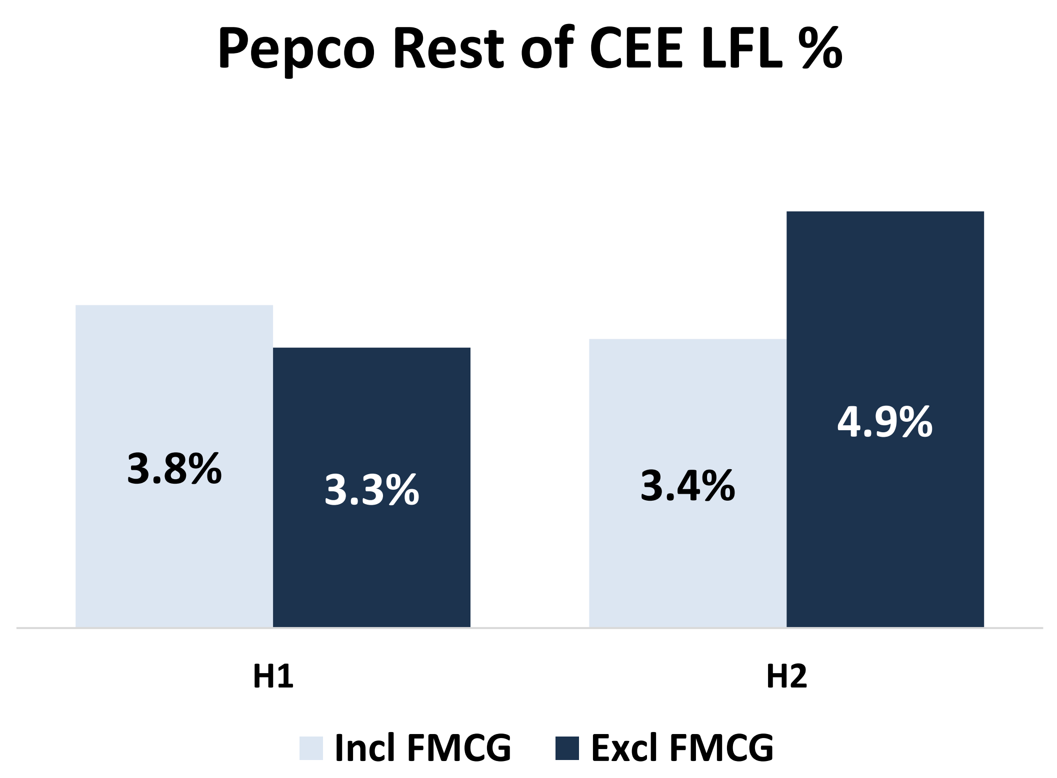
LFL BREAKDOWN

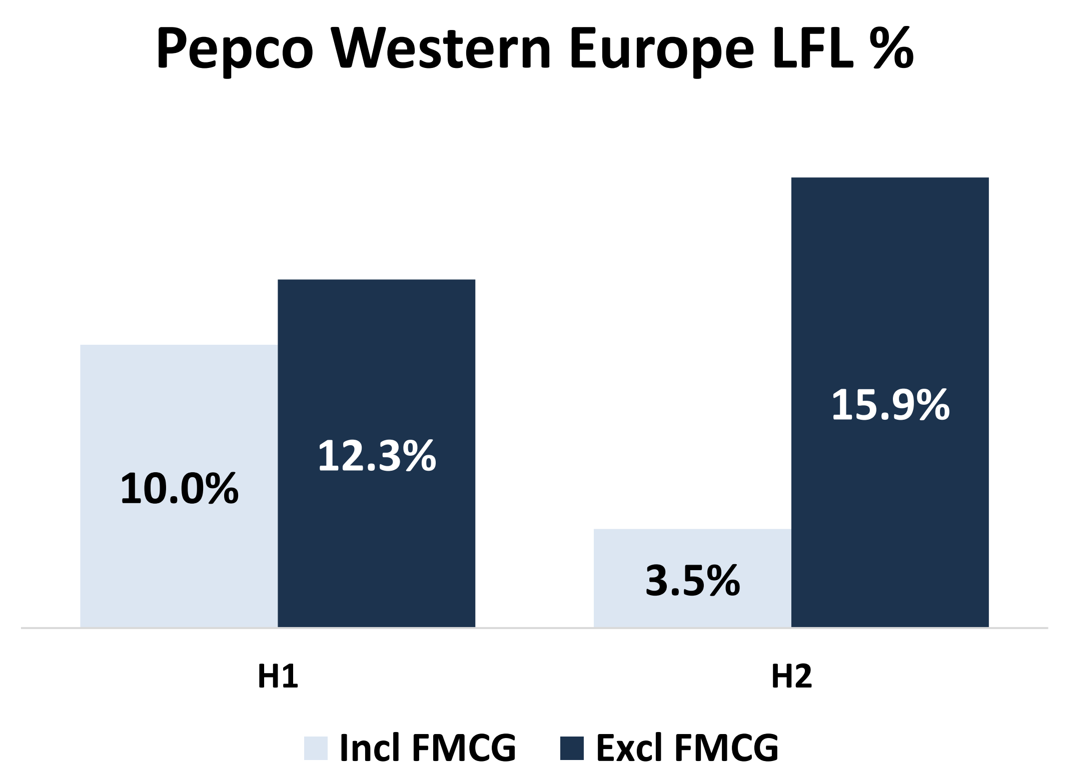












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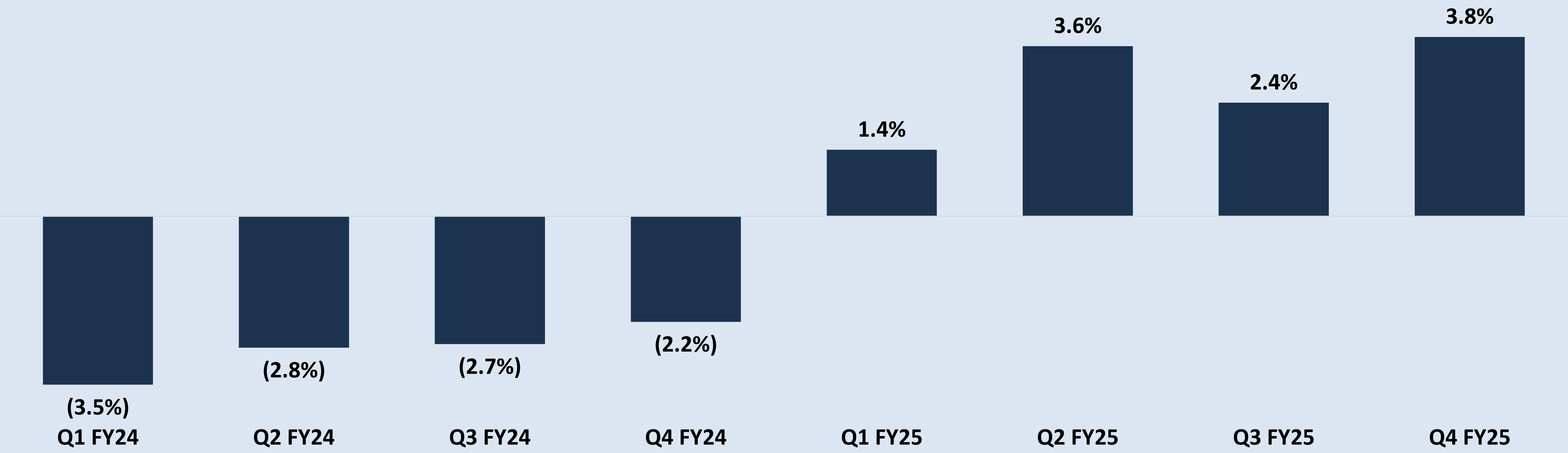
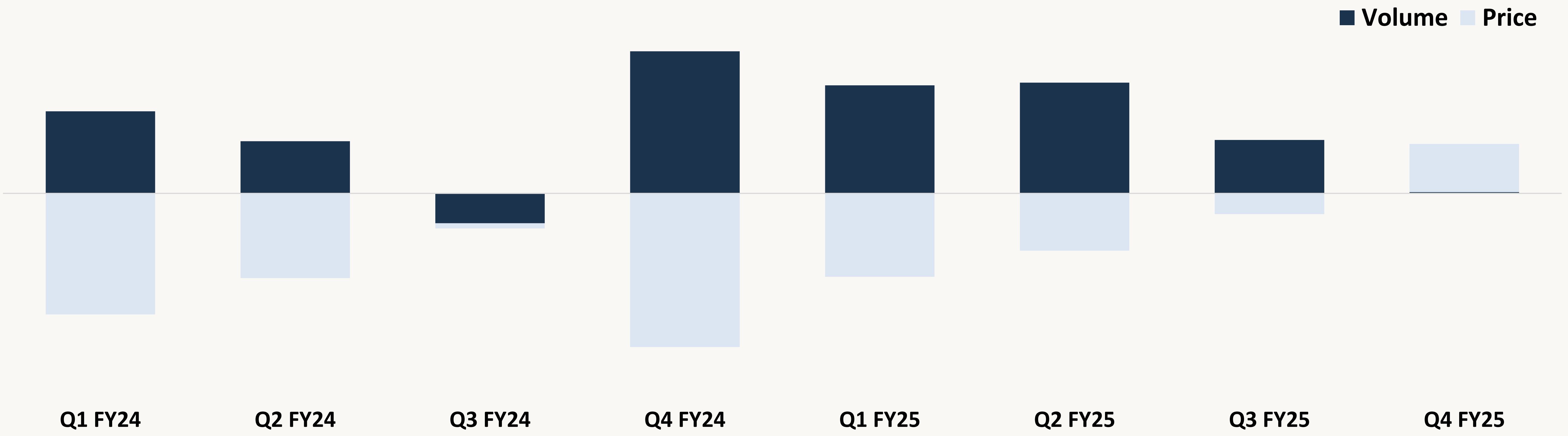
STRONG PEPCO LFL IMPROVEMENT

Pepco LFL



Pepco volume vs price



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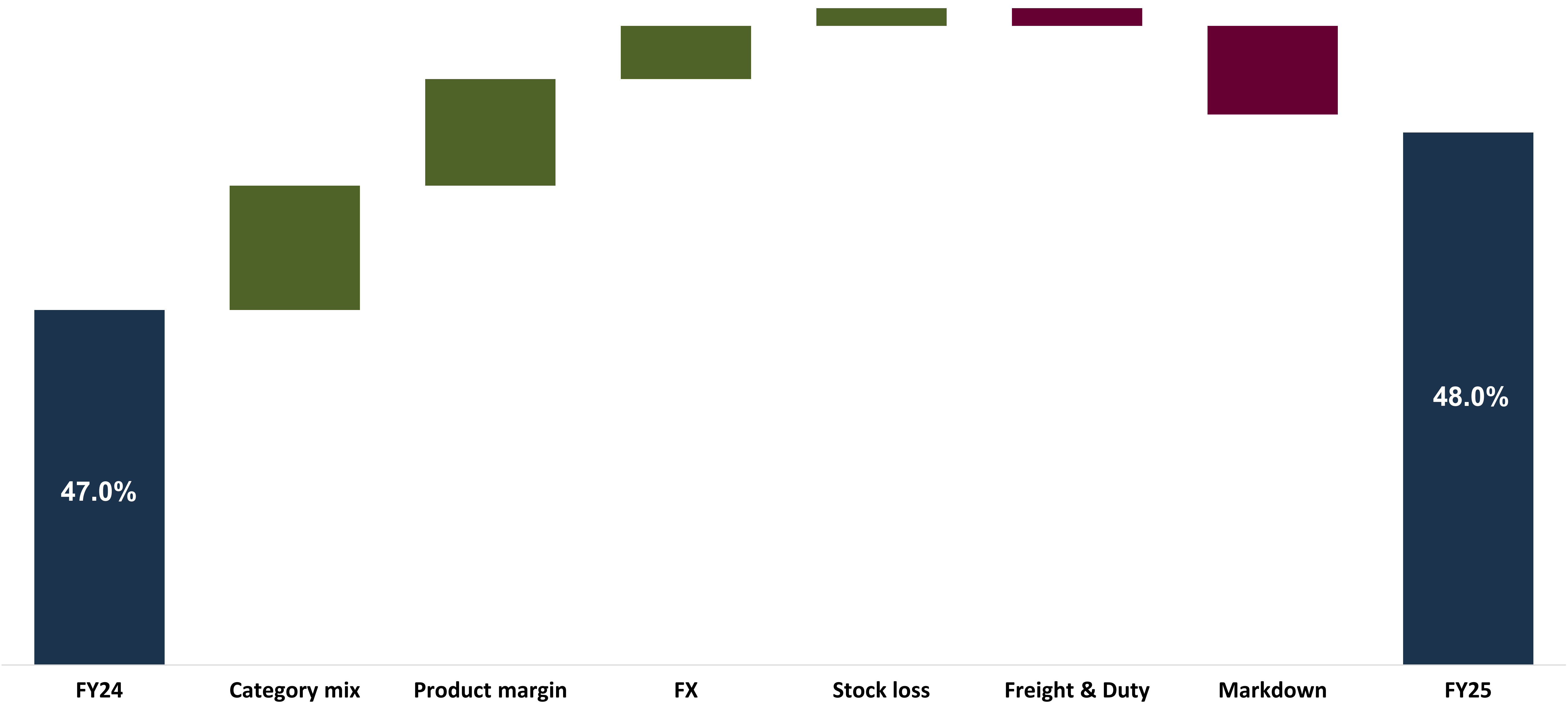
Note: data includes FMCG

GROSS MARGIN EXPANSION



- Strong gross margin improvement, up 100bps
- Category mix improvement driven largely by replacement of low margin FMCG products with high margin clothing & GM products
- Margin improvement generated while structurally reducing prices for customers. Average unit price down 4.2% in FY25
- Product margin up with improved buying negotiations offsetting an increased level of markdown to clear older stock

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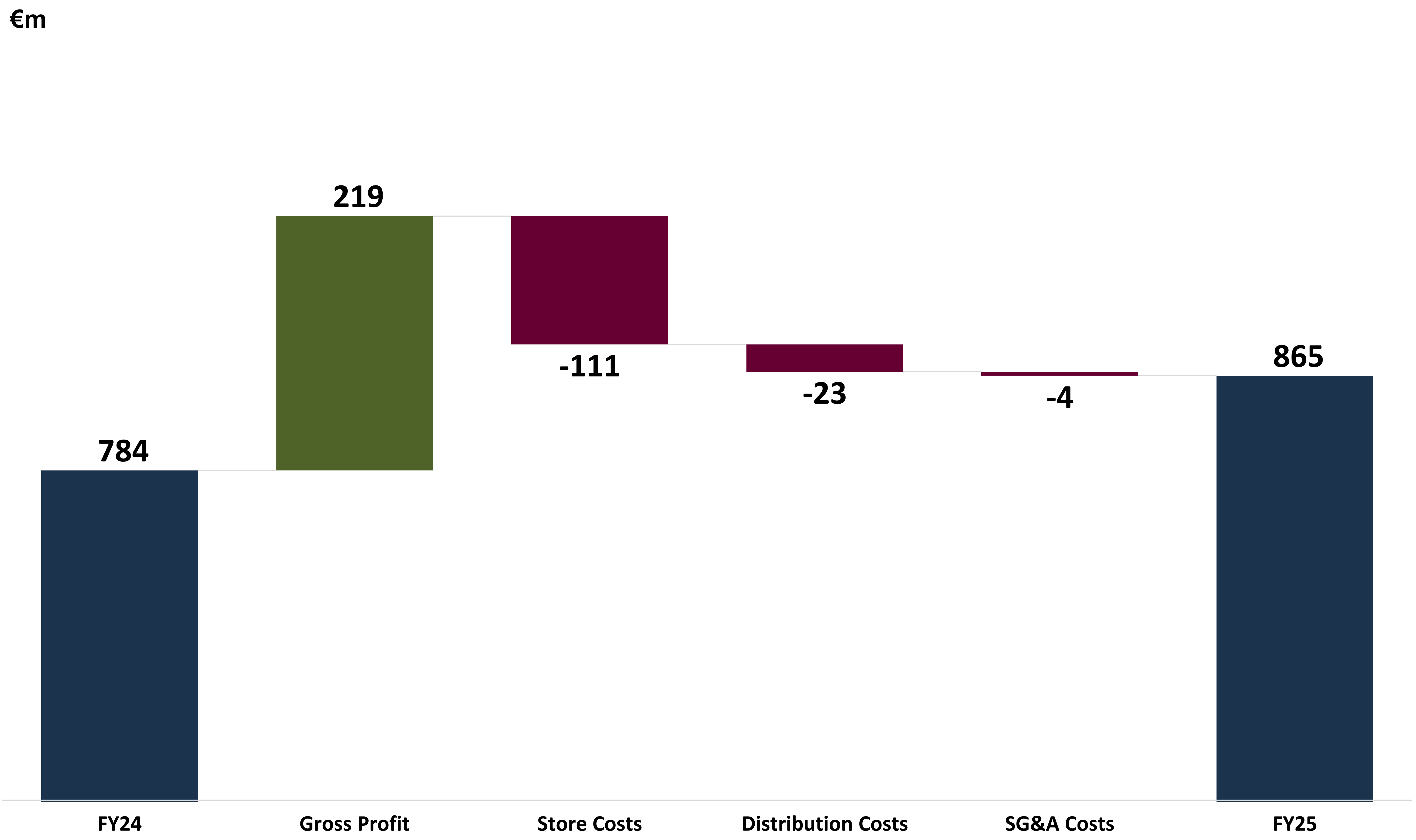
EBITDA BRIDGE



- EBITDA primarily driven by sales and gross margin improvement
- Store costs increased due to higher labour costs with persistent wage inflation in many CEE markets.
- Higher volume growth this year led to increased store labour and handling costs across the business
- Work to reduce store costs is ongoing. Labour costs should ease following our FMCG exit with further efficiencies to deliver, primarily in our supply chain, in the coming years

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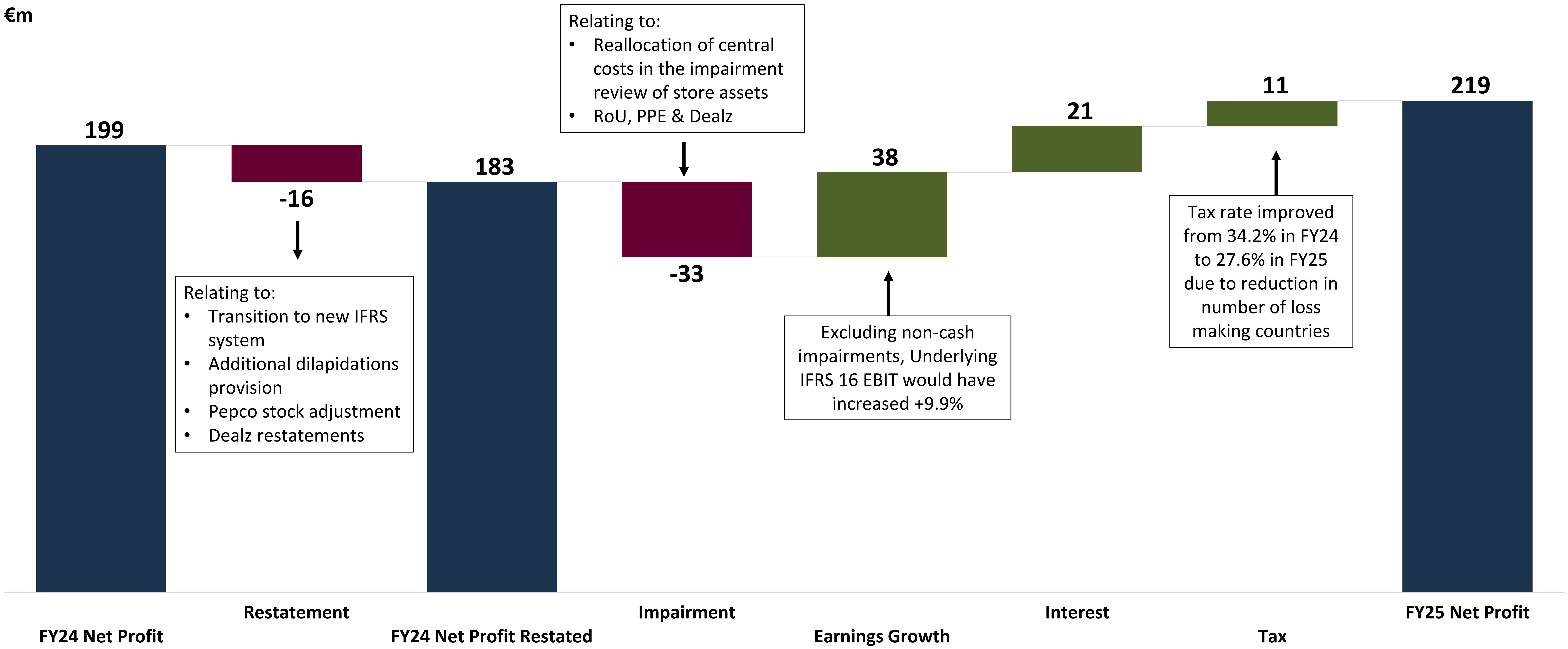
STRONG NET PROFIT GROWTH



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FREE CASH FLOW SUMMARY

€m	FY25	FY24	chg
Underlying EBITDA IFRS 16	**865**	**784**	**81**
Exceptional items	(25)	(46)	21
Working capital	(2)	80	(82)
Share based payments (non-cash)	12	7	5
Tax paid	(77)	(85)	8
Operating Cash Flow	**773**	**740**	**33**
Capex	(108)	(149)	41
Rent paid	(332)	(304)	(28)
Free Cash Flow (unlevered)	**334**	**287**	**47**

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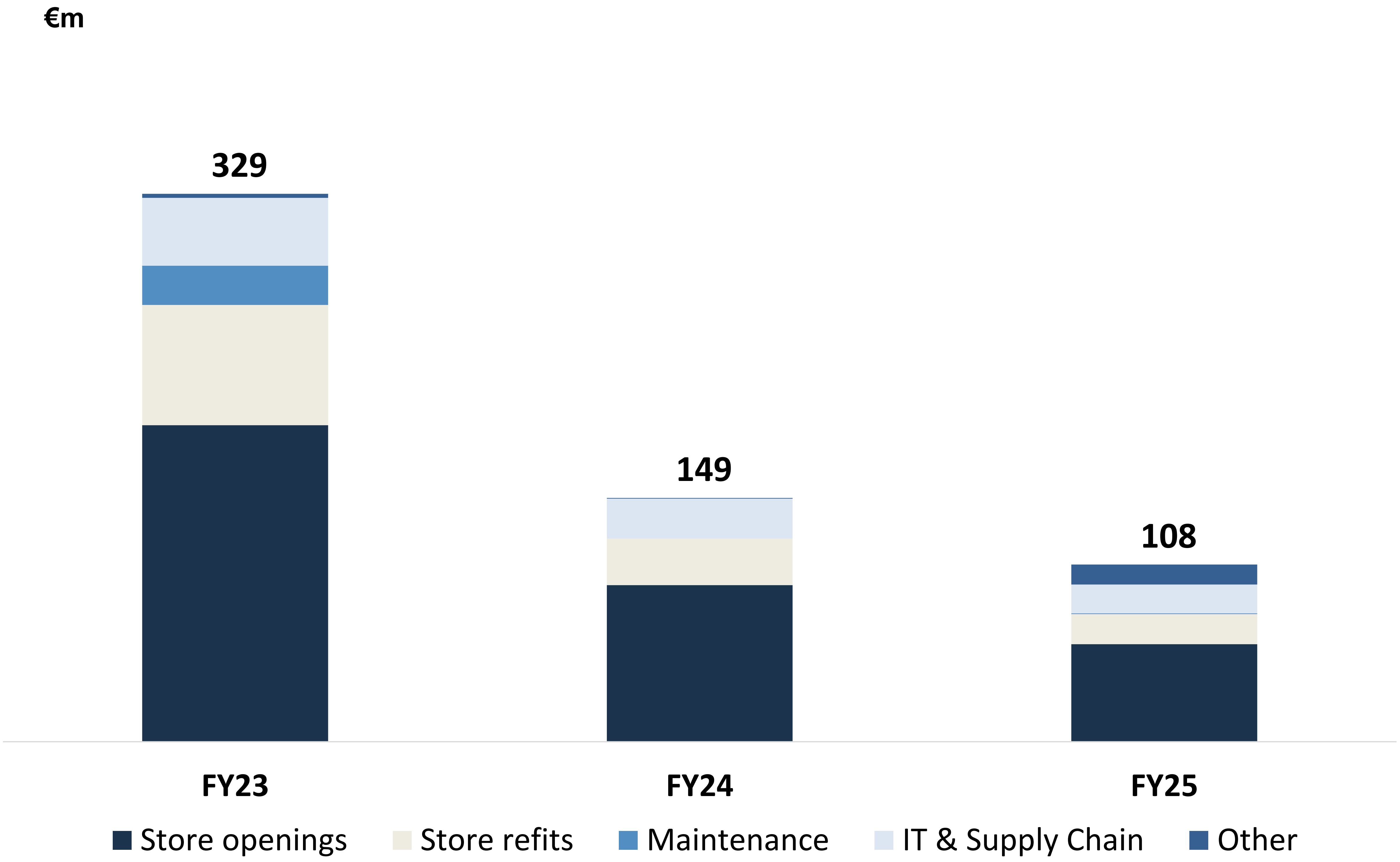
CAPEX



- Lower capex in FY25 as we refocused and restructured our strategic direction
- Store openings noticeably lower than in prior years due to more disciplined approach (295 gross new openings in FY25 vs 425 in FY24)
- Going into FY26, capex will increase towards the top end of our €160-180m mid-term guidance
- Key areas of investment will be:
  - Roll out of store refit programme. Trials began in late FY25 and will accelerate in FY26
  - Increased IT spend, including new ERP system, as we focus on digitising our business

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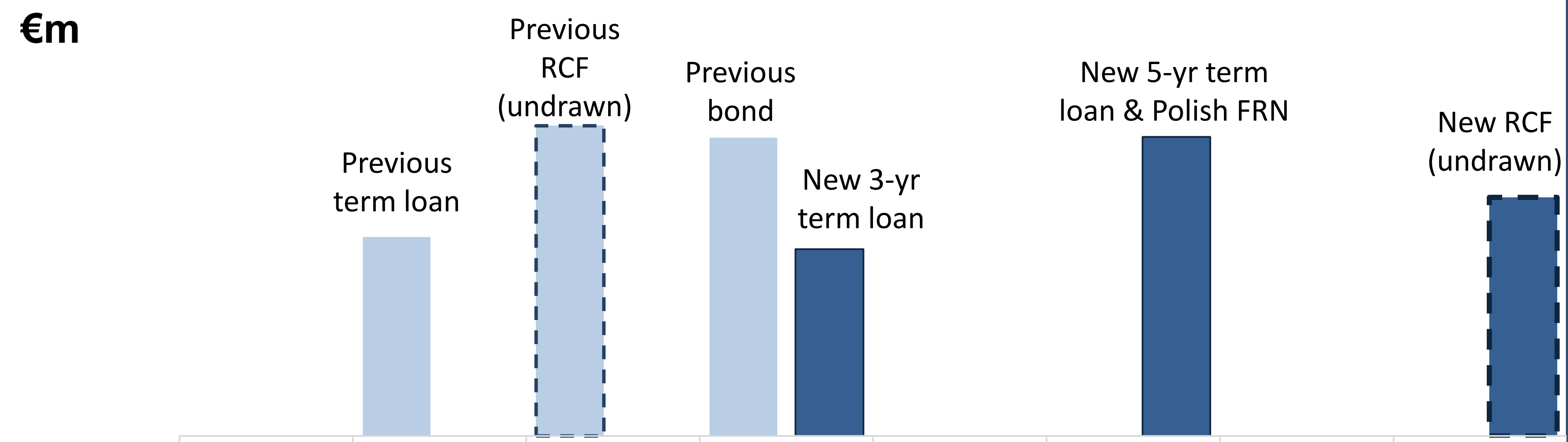
REFINANCING COMPLETE

- Refinancing successfully completed on 7 November 2025
- This was a dual-track process including **€770m in committed credit facilities (an oversubscribed syndication) and PLN 600m (€141m) debut Polish bonds**
- **The Polish bonds are part of a newly established PLN 2bn bond programme.** The proceeds from the bonds are to finance or refinance eligible green projects

Pre and Post refinancing comparison



	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Previous	0	250	390	375				
New	0			235		376		300

Facility	Amount	Coupon	Maturity
3-year term loan facility	€235m	12m Euribor + 1.55% (2.08% + 1.55% = 3.58%)	5 November 2028
5-year term loan	€235m	12m Euribor + 1.70% (2.08% + 1.70% = 3.23%)	5 November 2030
RCF	€300m	12m Euribor +1.35% (2.08% + 1.35%) = 3.43%)	5 November 2030
Polish Series 1 Bonds	€141m	Fixed EUR 4.50%	6 November 2030

Average coupon of 3.9% down from 6.4%

Maturity extended by 3 years

Interest cost saving of €14m

Public credit ratings

FitchRatings

'BB' rating

Moody's

'Ba2' rating

(upgraded in Nov from Ba3)

Net debt (pre-IFRS 16)	€161m
Leverage (pre-IFRS 16)	0.3x
Net debt (IFRS 16)	€1,227m
Leverage (IFRS 16)	1.4x
CMD leverage guidance	0.5-1.5x (pre-IFRS 16) EBITDA

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CAPITAL ALLOCATION FRAMEWORK

In FY25, we announced a new capital allocation policy prioritising shareholder value creation. Disciplined investment in the business is critical to our ongoing success. It will ensure we continue to provide a market-leading proposition to our customers and drive growth across the Group creating enhanced value for all our stakeholders

Organic growth
New store opening programme, as well as refurbs and refits of our existing estate

Tech initiatives
Developing data & technology capabilities and digitising our customer proposition

Supply chain
Building and optimising new DCs and bonded facilities

Optimise leverage
Maintaining leverage within our target range of 0.5x-1.5x (pre-IFRS 16)

Leading to solid and consistent cash conversion
FY25 Free cash flow: €334m

Regular dividends
We aim to maintain or increase our dividend annually. In FY25, we increased our payout ratio from 20% to 25%
FY25 dividend per share: 9.6 cents

Share buybacks
€200m share buyback programme FY25-27. We completed €50m in August 2025, with a further €50m to complete in January 2026
FY25 value of shares repurchased: €50m

Special dividends
Reviewed on a case-by-case basis

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NEW PEPCO GROUP DELIVERED ON CMD OBJECTIVES

		FY25 CMD guidance	FY25 actuals	% growth vs FY24
New Pepco[1]	Revenue growth	**High single-digit growth**	€4,184m	8.6%
	Gross margin %	**Flat y-o-y**	49.2%	+100bps
	EBITDA growth (IFRS 16)	**High single-digit growth**	€841m	9.1%
	EBIT growth (IFRS 16)	**High single-digit growth**	€388m	0.3%[2]
Dealz	EBITDA growth (IFRS 16)	**Strong growth**	€25m	88.3%
	EBIT growth (IFRS 16)	**Near breakeven**	(€17m)	-18.0%

(1)New Pepco includes Pepco, PGS and corporate costs (2) Excluding one-off impairment, EBIT growth is 7.1%

PEPCO GROUP GUIDANCE

FY26		
	FY25 base	FY26 guidance
Revenue growth	€4,523m	6-8%
Gross margin %	48.0%	≥48%
EBITDA growth (IFRS 16)	€865m	≥9%
Net Earnings (IFRS 16)	€219m	≥25%
Capex	€108m	€160-180m
FCF (unlevered)	€334m	>€200m

Mid-term		
	Previous	New
Revenue growth	≥7%	≥7% CAGR
Gross margin %	48%	≥48.5%
EBITDA growth (IFRS 16)	≥9%	≥9% CAGR
Net Earnings (IFRS 16)	N/A	≥15% CAGR
Capex	€160-180m p.a	€160-180m p.a
FCF (unlevered)	>€200m p.a	>€250m p.a

Note: All metrics are underlying

SUMMARY & OUTLOOK

Stephan Borchert

CEO

SUMMARY

Fast and efficient strategic execution provides more dynamic and agile Group

Strong financial performance, delivering in line with FY25 guidance

Improved profitability with net earnings growth of 20%

Enhanced shareholder returns with increased dividend and ongoing SBB[1] programme

POSITIVE OUTLOOK WITH UPGRADED ASPECTS OF MID-TERM GUIDANCE[2]

(1) Share Buyback (2) Gross margin and FCF guidance upgraded and new metric of net earnings introduced

CURRENT TRADING & OUTLOOK

- **Quarter to date** (1 October to 13 December 2025):
  - Group LFL +3.0% excluding FMCG, reflects a drag from Dealz
  - **Pepco LFL +3.9%** excluding FMCG

- **Pepco LFL performance**
  - Strong start to October, offset by a weaker November, before returning to growth in December
  - **LFL performance in 3 weeks to 13th December of +7.0%** excluding FMCG

- In FY26, Pepco Group expects to generate revenue growth of 6-8%, despite a c.2% headwind from the exit of FMCG

- Targeting 250 net new stores with c.75 in Iberia & Italy

- **FY26 underlying EBITDA growth expected to be at least 9% and underlying PAT growth at least 25%**

- Remain focused on delivering the divestment of Dealz in FY26

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Q&A

Appendix

PEPCO NEW STORE GROWTH

	FY25			FY24		
	# of stores	Net new stores	SQM selling space	# of stores	Net new stores	SQM selling space
Poland	1,397	58	587,122	1,339	83	559,133
Rest of CEE	2,035	142	884,414	1,893	149	821,337
Western Europe	583	34	298,560	549	99	284,935
Total	**4,015**	**234**	**1,770,096**	**3,781**	**331**	**1,665,405**

FY25 PRE-IFRS 16 VS IFRS 16 PROFIT COMPARISON

All results below are presented on an underlying basis

€m	Pepco Group Pre-IFRS 16	Pepco Group IFRS 16
Revenue	4,523	4,523
Operating expenses	(1,641)	(1,307)
Operating profit	362	371
Net finance costs	(29)	(68)
PBT	333	303
EBITDA	531	865

Note: All results disclosed above are unaudited information
Note: Poundland is excluded from continuing operations as it has now been classified as a discontinued operation.

FY25 PRE-IFRS 16 VS IFRS 16 ANALYSIS

€m	Pepco Group
Depreciation, amortisation & impairment: Non-IFRS 16	(169)
Depreciation, amortisation & impairment: IFRS 16	(325)
Total Depreciation	**(494)**
Net financial expense: Non-IFRS 16	(29)
Net financial expense: IFRS 16	(39)
Total Interest	**(68)**

Note: All results disclosed above are unaudited information
Note: Poundland is excluded from continuing operations as it has now been classified as a discontinued operation.

FY25 P&L SUMMARY

€m	FY25	FY24	%chg
Revenue	4,523	4,160	8.7%
Like-for like revenue (%)	*2.6%*	*-3.0%*	
Gross profit	2,172	1,953	11.2%
Gross profit margin (%)	*48.0%*	*47.0%*	100bps
Underlying EBITDA (IFRS-16)	865	784	10.3%
Underlying EBITDA margin (%) (IFRS-16)	*19.1%*	*18.8%*	30bps
Depreciation, amortisation & impairment	(494)	(417)	18.5%
Net financial expense	(68)	(89)	(23.6%)
Underlying PBT	303	278	9.0%
Underlying PAT	219	183	19.7%
Exceptional items	(51)	(44)	15.9%
Reported PBT	251	234	7.3%
Tax	(80)	(107)	25.2%
Reported PAT on cont. ops	171	127	34.6%
Basic EPS (cents) on cont. ops	29.8	22.1	34.8%

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Note: All results disclosed above are unaudited information
Note: Poundland is excluded in the analysis above

FY25 BALANCE SHEET SUMMARY

€m	FY25	FY24
Assets		
Property, plant and equipment	480	672
Right of Use Asset	986	1,291
Intangible assets	18	292
Loans receivable	3	-
Trade and other receivables	63	103
Derivative financial instruments (assets)	17	35
Deferred tax asset	113	57
Inventories	892	1,175
Cash and cash equivalents	464	363
Total assets	**3,037**	**3,987**
Liabilities		
Trade and other payables	1,008	1,395
Lease liabilities	1,066	1,429
Borrowings	627	613
Provisions	86	86
Derivative financial instruments (liabilities)	87	52
Total liabilities	**2,874**	**3,575**
Net assets	**163**	**412**

Note: All results disclosed above are unaudited information
Note: Poundland is excluded in the analysis above