

26 August 2025

Pepco Group N.V.

## **Pepco Group welcomes the UK High Court sanctioning Poundland's Restructuring Plan**

Pepco Group N.V. ("Pepco" and, together with its subsidiaries, "Pepco Group" or the "Group"), a leading pan-European discount retailer, is pleased to note that the Restructuring Plan of Poundland Limited ("Poundland" and, together with its subsidiaries, the "Poundland Group") was today approved by the High Court in England, United Kingdom.

This follows the Group's announcement that it had entered into and completed definitive agreements in relation to the sale of the Poundland Group to 1903 Peach Bidco Limited, a newly formed company established by certain affiliates of Gordon Brothers International LLC ("Gordon Brothers") on 12 June 2025.

The sanctioning of the Restructuring Plan will allow for the implementation of the features of Poundland's restructuring transaction that relate to Pepco Group, namely:

1. Pepco Group will provide Poundland with a new overdraft facility of up to £30 million.
2. The unsecured loans previously advanced by Pepco Group to Poundland will be repaid through the issuance of shares representing a minority investment interest in 1903 Peach Bidco Limited, the Poundland Group's direct parent company. This will enable Pepco Group to participate in the longer-term value creation potential of Poundland.
3. The maturity under the existing £30 million secured loan advanced by Pepco Group to Poundland will be extended from 1 September 2025 to 1 September 2030.

As previously announced on 12 June 2025, Pepco Group and Gordon Brothers entered into an investment agreement which will govern the relationship between Pepco Group and Gordon Brothers in respect of their interests in 1903 Peach Bidco Limited and the Poundland Group (the "Investment Agreement").

The Investment Agreement contains certain customary rights for Pepco Group as a minority investor, including minority investor consent rights, information rights and the ability to appoint a director and observer to the boards of 1903 Peach Bidco Limited and the Poundland Group companies (the "Minority Investor Rights"), as well as other customary terms. The terms of the Investment Agreement are now effective including the Minority Investor Rights.

Pepco Group's completed sale of Poundland will create a simpler, more agile business, enabling the Group to focus on expanding its core higher margin Pepco brand, to drive shareholder value – in line with the strategy set out at its Capital Markets Day in March this year.

- ENDS -

### **ENQUIRIES**

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