

13 July 2026

Pepco Group N.V. Launch of Tender Buyback of up to €400 million

At its H1 FY26 interim results on 21 May 2026, Pepco Group N.V. ("**Pepco**" or the "**Company**") confirmed its intention to make a special, one-time capital return to shareholders of up to €400 million during FY26, by way of a pro-rata tender buyback in which IBEX Retail Investments Limited ("**IBEX**"), the Company's majority shareholder, has informed the Company that they plan to participate. The capital return will be funded through a combination of the Company's existing internal cash reserves and a modest amount of new external debt, increasing pre-IFRS 16 net leverage to approximately 1.0x EBITDA — the middle of the Group's target range of 0.5x to 1.5x — representing a prudent and efficient use of the balance sheet.

The buyback forms part of the Company's disciplined capital allocation framework and reflects the strength of its balance sheet, cash generation and liquidity position. The transaction is intended to return surplus capital to shareholders while maintaining the Company's strategic flexibility and investment capacity.

The Company's Board of Directors (the "**Board**") announces that on 13 July 2026 the Board adopted a resolution launching the acquisition of the Company's shares listed on the Warsaw Stock Exchange by way of a time-limited invitation to sell (the "**Share Buyback**"), establishing detailed conditions and procedures for participation in and execution of the Share Buyback (the "**Invitation**").

The Annual General Meeting of the shareholders of the Company adopted a resolution on 11 March 2026 (the "**Annual General Meeting**") authorising the Board to purchase shares in the Company, in the name and for the benefit of the Company, with the intention to cancel such shares, other than those shares that may, to the extent applicable, be used for the future settlement of vesting awards under the Company's share incentive plans.

The Invitation is attached to this announcement. Below the Company presents its main goals with respect to the Share Buyback and Invitation:

1. The Share Buyback will involve the acquisition by the Company of no more than 49,083,414 (in words: forty-nine million eighty-three thousand four hundred fourteen) ordinary shares with a nominal value of €0.01 (in words: one eurocent) per share, issued by the Company, which are registered with Krajowy Depozyt Papierów Wartościowych S.A. (National Depository for Securities), under ISIN code: NL0015000AU7, as at the date of announcement of the Invitation representing in the aggregate no more than 8.50% of the share capital of the Company and entitling their holders to exercise jointly no more than 8.99% of the total number of votes at the general meeting of the shareholders of the Company as at the date of the Invitation (the "**Purchased Shares**").
2. The Purchased Shares will be acquired by the Company under the Share Buyback with the intention that they will be cancelled following their redemption and the Company's share capital will be accordingly reduced (other than those shares that may, to the extent applicable, be used for the future settlement of vesting awards under the Company's share incentive plans).
3. The buyback price offered per one Purchased Share ("**Buyback Price**") will be equal to PLN 41.76 (in words: forty-one zlotys and 76/100) per Share, representing a premium of 8.0% relative to the 1-day volume-weighted average price ("**1D VWAP**") of the ordinary shares on the Warsaw Stock Exchange over the trading day on 13 July 2026, which was selected by the Board of Directors as the market price for the purposes of determining the permissible purchase price under the authorisation granted by the AGM. This Buyback Price also reflects premiums of 6.8%, 10.9% and 14.6% relative to the close price on 13 July 2026, 10-day volume-weighted average price ("**10D VWAP**") and 30-day volume-weighted average price ("**30D VWAP**"), respectively.
4. The maximum aggregate consideration payable for the Purchased Shares is EUR 400,000,000 (the PLN equivalent will be exchanged at a competitive EUR/PLN rate). If valid Sale Offers are received for a lower amount, the consideration shall be limited to the aggregate value of such accepted Sale Offers.
5. The date of publication of the Invitation is 13 July 2026. Shareholders may submit sale offers in response to the Invitation from 15 July 2026 to 29 July 2026, in the manner specified in the Invitation.

6. The Company intends to purchase no more than 49,083,414 (in words: forty-nine million eighty-three thousand four hundred fourteen) of the Company's shares, and the final number of purchased Shares will be determined by the Board no later than on 30 July 2026.
7. The indicative date of the acquisition and transfer of ownership of Purchased Shares to the Company (i.e., the Settlement Date) is 31 July 2026.
8. IBEX, the majority shareholder of Pepco, has informed us that it plans to subscribe its full shareholdings of approximately 360 million ordinary shares to the Share Buyback. The final number of IBEX-owned shares accepted under the Share Buyback will reflect IBEX's final pro-rata percentage allocation, to be calculated by the Company based on the total number of shares subscribed by all subscribing Pepco shareholders (including IBEX) during the Sale Offer period.
9. As of the date of the Invitation, the Company owns 31,417,198 (in words: thirty-one million four hundred seventeen thousand one hundred ninety-eight) treasury shares. Treasury shares are not eligible for participation in the Share Buyback.
10. The intermediary in the execution and settlement of the Share Buyback is Erste Bank Polska S.A. – Erste Biuro Maklerskie.
11. J.P. Morgan SE is acting as Capital Markets Adviser to the Company on the Share Buyback
12. The Invitation is available on the Company's website (<https://www.pepcogroup.eu/investors/regulatory-filings/>).

The Invitation does not constitute a tender offer for the sale or exchange of shares referred to in articles 72a and 73 of the Polish Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies of 29 July 2005 (the "**Public Offering Act**"). In particular, articles 77-77h and 79-79f of the Public Offering Act and the provisions of the Polish Regulation of the Minister of Finance of 23 May 2022 on specimens of tender offers for the sale or exchange of shares of a public company, the manner and procedure for submitting and accepting subscriptions under the tender offer and permissible types of collateral do not apply to this Invitation. This Invitation does not constitute an offer within the meaning of article 66 of the Act of 23 April 1964 – Civil Code. The Invitation should not be construed as an offer to sell or the solicitation of an offer to buy or sell any financial instruments nor shall it constitute an advertisement or promotion of any financial instrument or the Company in any jurisdiction where the foregoing would be prohibited.

The Invitation does not constitute a recommendation or investment advice or any other recommendation, legal or tax advice or an indication that any investment or strategy is appropriate in the individual circumstances of any person or entity that intends to respond to the Invitation. Shareholders to which the Invitation is addressed should take advice from their investment, legal or tax advisers on any matter relating to the Invitation. Shareholders responding to the Invitation shall bear all legal, financial and tax consequences of their investment decisions. Shareholders interested in the sale of the shares referred to in the Invitation should make their own detailed study of the contents of the Invitation and the publicly available information concerning the Company and carefully analyze and evaluate such information, and their decision to sell shares in the Company should be based on such analysis as they themselves consider appropriate.

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ENQUIRIES

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