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**FOR IMMEDIATE RELEASE**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

3 June 2026

# Pepco Group enters into a preliminary sale agreement of Dealz Poland with a specialist European retail investor

**Pepco Group, a leading pan-European discount retailer, has entered into a preliminary agreement to sell Dealz Poland sp. z o.o. ("Dealz Poland") to specialist European retail investor ("Investor"). The parties have agreed that the acquirer will pay a nominal sum for all shares in Dealz Poland, taking over all stores, employees, assets and receivables of Dealz Poland. The agreement also stipulates that Pepco Group will retain the right to a 35% share in proceeds from any future sale of Dealz Poland. This could provide Pepco Group with a meaningful participation in the potential future value growth of Dealz Poland.**

The sale of the Dealz chain represents Pepco Group's complete exit from the fast-moving consumer goods (FMCG) segment and will allow the Group to fully focus on the sale of clothing and everyday goods, which offer higher margins and further growth potential. The transaction is expected to improve Pepco Group's revenue growth rate, enhance profitability and margins, and have a positive impact on cash generation, reflecting the objective of increasing shareholder value. Upon completion of the transaction, Pepco Group will operate under a unified Pepco store format across multiple European countries, based exclusively on a clothing and everyday goods offering. Following the completion of the transaction, the Dealz chain stores will continue to operate in Poland under the same brand.

**Stephan Borchert, Pepco Group CEO commented:**

*"The sale of Dealz Poland marks the final step in our strategic transformation to become a pure-play Pepco business. As we set out at our 2025 Capital Markets Day, this transaction will complete our exit from FMCG retail, allowing us to devote our full focus and resources to expanding the Pepco brand across Europe.*

*"Pepco is a high-quality, distinctive retail business with strong fundamentals and considerable growth potential. The simplification of our Group structure will sharpen our strategic focus, improve our profitability profile and accelerate our ability to deliver long-term shareholder value.*

*"Dealz has served Polish consumers well for many years and we believe the Investor is well-placed to support the business in its next chapter. We sincerely thank all the Dealz Poland team for their dedication and contribution to the Group, and wish them every success for the future."*

For the purposes of the transaction, Pepco Group will provide an 18-month, asset-backed vendor financing of up to 20 million pounds sterling. Upon completion of the transaction, Pepco Group and Dealz Poland will enter into agreements for a defined transitional period, under which Pepco Group will provide Dealz Poland with certain services for an agreed period of time. Completion of the transaction is subject to obtaining standard antitrust regulatory approval.

Pepco Group was advised on this transaction by Erste Bank Polska SA (Corporate & Investment Banking) and by Rymarz Zdort Maruta Law Firm as legal adviser.

**About Dealz Poland**

Dealz Poland is a discount retail chain operating 343 stores across Poland, offering a wide range of international FMCG brands and general merchandise in store formats ranging from 300 to 500 sq m. The company generated revenues of EUR 339 million in the financial year ended September 2025 and employs approximately 1,500 people across its stores and head office. It operates a warehouse and distribution centre in Łyszkowice, Poland.

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