

NOTICE OF ANNUAL GENERAL MEETING 2018

B&M European Value Retail S.A.

Société Anonyme

Registered office: 9, Allée Scheffer - L-2520 Luxembourg

Grand-Duchy of Luxembourg

R.C.S. Luxembourg: B 187275

Notice of the Annual General Meeting of B&M European Value Retail S.A. to be held at 12:00 noon (CET) on Monday 30 July 2018 at the Sofitel Luxembourg Europe, 4, rue du Fort Niedergrünwald, L-2226 Luxembourg, is set out on pages 3 and 4 of this document.

This document is important and requires your immediate attention.

If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from a stockbroker, bank manager, lawyer, accountant or other authorised independent professional adviser.

If you have sold or transferred all your Ordinary Shares, or Depositary Interests representing Ordinary Shares in B&M European Value Retail S.A., you should pass this Notice and all other documents enclosed with it to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected.

Ordinary Shareholders

The enclosed white Form of Proxy is for use in connection with the meeting by Ordinary Shareholders only. It should be completed and returned by Ordinary Shareholders, in accordance with the instructions printed on it, as soon as possible and by no later than 12:00 noon (CET) on Thursday 26 July 2018.

Depositary Interest Holders

The enclosed white Form of Direction is for use in connection with the meeting by Depositary Interest holders only. It should be completed and returned by Depositary Interest holders, in accordance with the instructions printed on it, as soon as possible and by no later than 12:00 noon (CET) on Wednesday 25 July 2018. Alternatively, CREST members may instruct the Depositary on how to vote the Ordinary Shares underlying their Depositary Interests by using the electronic voting service. Further details are set out in the notes to the white Form of Direction.

Bondholders

Holders of Bonds in B&M European Value Retail S.A. may not vote but are entitled to attend and speak at the Annual General Meeting.

B&M EUROPEAN VALUE RETAIL S.A. - ANNUAL GENERAL MEETING 2018

B&M European Value Retail S.A.

Société Anonyme

Registered office: 9, Allée Scheffer - L-2520 Luxembourg

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Letter from the Chairman

21 June 2018

Dear Shareholder,

Notice of the Annual General Meeting of B&M European Value Retail S.A. (the "Company") to be held at 12:00 noon (CET) on Monday 30 July 2018

On behalf of the Board, I am writing to inform you that the Annual General Meeting of the Company will be held on Monday 30 July 2018 at the Sofitel Luxembourg Europe, 4, rue du Fort Niedergrünwald, L-2226 Luxembourg at 12:00 noon (CET) ("AGM" or "Meeting").

The notice convening the Annual General Meeting is set out on pages 3 and 4.

Voting and attendance at the AGM

In accordance with Luxembourg law, all resolutions put to the AGM will be passed by a simple majority of the votes cast by shareholders, regardless of the proportion of the issued share capital represented by shareholders attending the AGM.

The results of the votes on all the resolutions at the AGM will be announced via the regulatory news service and published on the Company's website at www.bandmretail.com as soon as possible following the AGM.

The Board appreciates that as the location of the AGM is in Luxembourg, as required by our constitution, many shareholders will be unable to attend in person. However, **your vote is important and I would encourage you, irrespective of the number of ordinary shares you hold, to vote** by either appointing a proxy if you are a registered shareholder, or by giving your direction to Link Market Services Trustees Limited if you are a Depository Interest holder in CREST. A white Form of Direction is enclosed for Depository Interest holders for voting, which must be completed and returned in accordance with the instructions and closing date timelines set out on page 10.

If you want to participate in the AGM, whether by proxy or in person, in accordance with Luxembourg law on the exercise of certain rights of shareholders relating to the general meetings of listed companies, it is important to note as follows.

For shareholders (who do not hold their shares in CREST), you are required to complete and return a white Declaration of Participation which is enclosed, if you wish to participate in the AGM in person or by proxy. The white Declaration of Participation must be received by the Company by the record date which, for this year's AGM is **Monday 16 July 2018 at 12:00 midnight (CET)** in accordance with the procedures set out below.

The white Declaration of Participation is not a substitution for the white Form of Proxy, and the procedure for lodging a white Form of Proxy for shareholders (who do not hold their shares in CREST) will need to be followed as set out in the form and in the notes below.

Holders of Depository Interests in CREST do not need to complete a Declaration of Participation, but for voting must lodge their white Form of Direction under the procedure set out in the notes below.

Dividends

Following the interim dividend of 2.4 pence per ordinary share paid to shareholders in December 2017, the Board is recommending a final dividend of 4.8 pence per ordinary share to be paid on 6 August 2018 to shareholders on the register as at 29 June 2018, subject to shareholders' approval at the AGM. This will make the total dividend for the year 7.2 pence per ordinary share which is in the upper end of the Group's dividend policy¹.

Resolutions

For each of the resolutions in the Notice of the AGM on pages 3 and 4, an explanatory note is set out on pages 5, 6 and 7 of this document.

Recommendation

Your Board recommends that shareholders vote in favour of all the resolutions set out in the Notice of the Annual General Meeting, which they consider to be in the best interests of shareholders as a whole. The Directors intend to vote in favour of all resolutions in respect of their own beneficial shareholdings totalling 116,948 ordinary shares representing approximately 0.01% of the present issued ordinary share capital of the Company².

Yours faithfully,

Peter Bamford
Chairman

¹ dividends are stated as gross amounts before deduction of Luxembourg withholding tax which is currently 15%

² not including shareholdings of related parties or associates

NOTICE OF THE 2018 ANNUAL GENERAL MEETING

B&M EUROPEAN VALUE RETAIL S.A.

R.C.S. Luxembourg: B 187275

Notice is hereby given that the Annual General Meeting of the shareholders of B&M European Value Retail S.A. (the "Company") will be held at the Sofitel Luxembourg Europe, 4, rue du Fort Niedergrünwald, L-2226 Luxembourg on Monday 30 July 2018 starting at 12:00 noon (CET) to consider and to vote upon the following items.

1. To receive the Report of the Board of Directors on the consolidated Financial Statements and Annual Accounts of the Company for the financial year ended 31 March 2018 and on the unconsolidated Financial Statements and Annual Accounts of the Company for the financial year ended 31 March 2018.
2. To receive the consolidated Financial Statements and Annual Accounts of the Company for the financial year ended 31 March 2018, the unconsolidated Financial Statements and Annual Accounts of the Company for the financial year ended 31 March 2018 and the Reports of the Independent Auditor ("réviseur d'entreprises agréé") thereon.
3. To approve the consolidated Financial Statements and Annual Accounts of the Company for the financial year ended 31 March 2018.
4. To approve the unconsolidated Financial Statements and Annual Accounts of the Company for the financial year ended 31 March 2018.
5. To approve the result of the Company for the financial year ended 31 March 2018 and the allocation of the result in the total amount of GBP £76,538,619 on the following basis:
 - (a) to the legal reserve the amount of GBP £10,000;
 - (b) to the interim dividend of 2.4 pence (gross) per ordinary share paid by the Company in December 2017, being a total aggregate distribution of GBP £24,013,292.54 (gross);
 - (c) to a final dividend of 4.8 pence (gross) per ordinary share to be paid by the Company on 6 August 2018 to shareholders on the register as at 29 June 2018, being a total aggregate distribution of GBP £48,026,938.66 (gross); and
 - (d) to the Company's retained earnings account, the balance of the net profit in the amount of GBP £4,488,387.80.
6. To approve a total dividend distribution by the Company for the year ended 31 March 2018 of 7.2 pence (gross) per ordinary share out of the available distributable profits of the Company, comprising:
 - (a) an interim dividend of 2.4 pence per ordinary share paid on 22 December 2017; and
 - (b) a final dividend of 4.8 pence per ordinary share recommended by the Directors on 29 May 2018, to be paid on 6 August 2018 to those shareholders whose names appear on the register of members of the Company at the close of business on 29 June 2018.
7. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy set out on pages 53 to 58) as set out on pages 59 to 64 of the Company's Annual Report and Accounts for the financial year ended 31 March 2018.
8. To approve the Directors' Remuneration Policy, the full text of which is contained in the directors' remuneration report for the financial year ended 31 March 2018, as set out on pages 53 to 58 of the Company's Annual Report and Accounts 2018.
9. To hereby authorise the Directors to approve the amendments to the B&M European Value Retail S.A. Long Term Incentive Plan ("LTIP"), the principal terms of which are summarised in Appendix 1 to this Notice, and establish further plans based on the LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual and overall participation in the LTIP.
10. To hereby authorise the Directors to approve the B&M European Value Retail S.A. Deferred Bonus Share Plan ("DBSP"), the principal terms of which are summarised in Appendix 2 to this Notice, and establish further plans based on the DBSP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual and overall participation in the DBSP.
11. To discharge all the Directors for the financial year ended 31 March 2018 and also each of the former Directors who retired during but prior to the end of that financial year.
12. To ratify the appointment made by the Board of Directors on 13 November 2017 with effect as from 1 March 2018, of Peter Bamford as a Director of the Company and to re-elect Peter Bamford as a Director until the Annual General Meeting resolving on the financial statements for the financial year ending 31 March 2019.
13. To re-elect Simon Arora, as a Director until the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.
14. To re-elect Paul McDonald, as a Director until the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.
15. To re-elect Thomas Hübner, as a Director until the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.

NOTICE OF THE 2018 ANNUAL GENERAL MEETING continued

16. To re-elect Kathleen Guion, as a Director until the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.
17. To re-elect Ron McMillan, as a Director until the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.
18. To re-elect Harry Brouwer, as a Director until the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.
19. To discharge the Independent Auditor ("réviseur d'entreprises agréé") KPMG Luxembourg, Société Coopérative, for the financial year ended 31 March 2018.
20. To re-appoint KPMG Luxembourg Société Coopérative as Independent Auditor ("réviseur d'entreprises agréé") of the Company, to hold office until the conclusion of the Annual General Meeting resolving on the financial statements for the financial year ended 31 March 2019.
21. To authorise the Directors to determine the remuneration of KPMG Luxembourg Société Coopérative as the Independent Auditor ("réviseur d'entreprises agréé"), subject to resolution 20 being passed.
22. To resolve that the Company be and is hereby generally authorised to make market purchases of its ordinary shares of 10 pence each on the London Stock Exchange, in conformity with the conditions set out under article 430-22 of the Luxembourg Law of 10 August 1915 on Commercial Companies (as amended) and subject to the following conditions:
 - (a) the maximum aggregate number of ordinary shares which may be purchased is 100,056,122 (one hundred million fifty-six thousand one hundred and twenty two) ordinary shares representing approximately 10% (ten per cent) of the issued ordinary share capital of the Company as at 20 June 2018;
 - (b) the minimum price, exclusive of any expenses, which may be paid for each ordinary share is 10 pence;
 - (c) the maximum price, exclusive of any expenses, which may be paid for each ordinary share is an amount equal to the higher of:
 - (i) 105% of the average of the middle market quotations for an ordinary share in the Company, as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and
 - (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share in the Company on the trading venue where the purchase by the Company pursuant to the authority conferred by this resolution 22 will be carried out; and
 - (d) the authority to purchase conferred by this resolution shall expire at the conclusion of the next AGM of the Company or on 29 July 2019 whichever is the earlier, save that the Company may before such expiry enter into a contract of purchase under which such purchase may be completed or executed wholly or partly after the expiration of this authority.
23. To confirm that the Board of Directors shall have full power to issue ordinary shares on a non-pre-emptive basis in respect of the issue for cash of shares representing 5% (five per cent) of the issued share capital of the Company generally, as provided by the Articles of Association and to acknowledge the Directors' intention to comply with the Statement of Principles on Dis-applying Pre-Emption Rights most recently published by the Pre-Emption Group, to the extent practical for a Luxembourg company.
24. To confirm that the Board of Directors shall have full power, in addition to any authority granted under resolution 23, to issue ordinary shares on a non-pre-emptive basis in respect of the issue for cash of shares representing a further 5% (five per cent) of the issued share capital of the Company to be used for the purposes of financing a transaction (or refinancing such a transaction within six months of the original transaction) which the Board of Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Dis-applying Pre-Emption Rights most recently published by the Pre-Emption Group, as provided by the Articles of Association.

On behalf of the Board of Directors

Peter Bamford

Chairman
9, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg

21 June 2018

EXPLANATION OF BUSINESS TO BE CONSIDERED AT THE 2018 ANNUAL GENERAL MEETING

Resolutions 1 to 4: Accounts

Luxembourg law requires the Company to prepare both consolidated Financial Statements and Annual Accounts for the Group and Financial Statements and Annual Accounts for the Company on a stand-alone basis. For this reason shareholders have been sent two sets of Financial Statements and Annual Accounts, including the consolidated accounts for the year ended 31 March 2018 and the unconsolidated accounts for the year ended 31 March 2018, bound into a single document ("Annual Report & Accounts"). The Annual Report & Accounts also includes the Directors' Report and the Independent Auditor's Reports for the same periods. Resolutions 1 to 4 invite shareholders to approve the Directors' Report, the Consolidated Financial Statements and Annual Accounts of the Company, the Unconsolidated Financial Statements and Annual Accounts of the Company and the Reports of the Independent Auditor ("réviseur d'entreprises agréé") thereon.

Resolution 5: Approval of the result and allocation

In accordance with the Company's Articles of Association (the "Articles") and Luxembourg law, at least 5% (five per cent) of the Company's net profit must be allocated to the legal reserve account each year. This allocation is no longer mandatory if and for as long as such legal reserve amounts to at least 10% (ten per cent) of the nominal issued share capital of the Company. The legal reserve was credited in full in accordance with the resolutions of shareholders passed at the Company's AGM in 2016 making the total aggregate amount of the legal reserve equal to 10% (ten per cent) of the nominal issued share capital of the Company. Further shares have been issued in the last 12 months following the exercise of share options granted to certain directors and employees of the Group and more are anticipated on the maturing of options in the next few years. Accordingly it is proposed to credit the legal reserve with the sum of £10,000 from the net profit of the Company to cover the mandatory limit of 10% (ten per cent) of the nominal issued share capital of the Company, taking into account those shares and options in the meantime.

Resolution 6: Approval of the total dividend

In addition to the interim dividend of 2.4 pence per ordinary share declared by the Board on 13 November 2017 and paid to shareholders on 22 December 2017, the Board is recommending a final dividend of 4.8 pence per ordinary share which, subject to shareholders' approval, will make a total dividend for the year ended 31 March 2018 of 7.2 pence per ordinary share. The final dividend will be paid on 6 August 2018 to shareholders registered at the close of business on 29 June 2018.

Resolution 7: Directors' Remuneration Report

Shareholders are invited to approve the Directors' Remuneration Report (other than the Directors' Remuneration Policy which is referred to in resolution 8) which has been approved and adopted by the Board. As a Luxembourg incorporated company, the UK regime for reporting on executive pay does not apply to the Company, however the Director's Remuneration Report has been prepared on a voluntary basis as a matter of good governance substantially as if the Company were subject to the UK regime. The shareholder vote on this resolution is advisory in nature.

Resolution 8: Directors' Remuneration Policy

Shareholders are invited to separately approve the adoption of the Directors' Remuneration Policy. The full text of the Directors' Remuneration Policy is set out on pages 53 to page 58 (inclusive) of the Annual Report & Accounts 2018. It will remain in force until the Annual General Meeting of the Company in 2021. The Director's Remuneration Policy has been prepared by the Company, as a Luxembourg incorporated company, on a voluntary basis as best practice substantially as if the Company were subject to the UK incorporated companies regulations in relation to director's remuneration policies.

Resolutions 9: Long Term Incentive Plan

This resolution seeks to approve the amendments to the Company's Long Term Incentive Plan to permit awards of up to two times salary and the inclusion of dividend accruals as explained in Appendix 1 below and in the new Directors' Remuneration Policy proposed to shareholders under resolution 8.

Resolution 10: Deferred Bonus Share Plan

This resolution seeks to approve the adoption of the Company's new Deferred Bonus Share Plan, under which part of future bonus awards will be made in the form of shares generally deferred for three years as explained in Appendix 2 below and in the new Directors' Remuneration Policy proposed to shareholders under resolution 8.

Resolution 11: Discharge of the Directors

In accordance with the Articles and with Luxembourg law, the meeting is invited to vote on whether the Directors of the Company who have served during the financial year ended 31 March 2018 should be granted a discharge. By granting a discharge, the shareholders acknowledge that the Directors have correctly carried out their management duties for the financial year ended 31 March 2018. The Statement of Directors' Responsibilities on page 70 of the Annual Report & Accounts sets out the Directors' obligations in respect of the preparation of the Unconsolidated Financial Statements and Annual Accounts and of the Consolidated Financial Statements and Annual Accounts. The discharge contained in this resolution is for each of the Directors who held office as at the date of the financial year end 31 March 2018, and, also for the two former Directors who retired during the financial year but prior to that date being David Novak who retired on 18 January 2018 and Sir Terry Leahy who retired on 1 March 2018.

EXPLANATION OF BUSINESS TO BE CONSIDERED AT THE 2018 ANNUAL GENERAL MEETING continued

Resolutions 12 to 18: Election and re-election of Directors

With effect from 1 March 2018 Peter Bamford was appointed by the Board as Non-Executive Director of the Company, filling a vacancy on the retirement of Sir Terry Leahy as a Director on the same date. Shareholders are requested to ratify that appointment made previously by the Board and also to approve the re-election of Peter Bamford as a Director until the next annual general meeting to be held in 2019. Each of the Directors holding office immediately prior to this Meeting will retire at the Annual General Meeting this year. Each of them will offer themselves for re-election as Directors at the Annual General Meeting until the next annual general meeting to be held in 2019.

Accordingly, resolutions 12 to 18 propose the re-election of all of the Directors, and where approved by the Annual General Meeting, the re-election will take effect at the conclusion of the Annual General Meeting until the next annual general meeting to be held in 2019. Biographies of each of the Directors can be found on pages 38 and 39 of the Annual Report & Accounts 2018. Following an internal evaluation of the Board, each of its Committee's and the Directors in the financial year 2017/18, each of the members of the Board are considered to be effective and demonstrate commitment to their respective roles and the Board therefore recommends that the proposed re-election of each of the Directors be approved.

Resolutions 19: Discharge of the independent auditor

Shareholders are asked to grant a discharge to the Independent Auditor ("réviseur d'entreprises agréé") KPMG Luxembourg, Société Coopérative, for the financial year ended 31 March 2018.

Resolution 20: Re-appointment of the independent auditor

The independent auditor of the Company must be appointed at each annual general meeting to hold office until the next annual general meeting. The Board has unanimously approved a recommendation to shareholders to re-appoint KPMG Luxembourg, Société Coopérative as the Company's independent auditor ("réviseur d'entreprises agréé") for the financial year 2018/19.

Resolution 21: Remuneration of the independent auditor

Subject to the approval by shareholders of the re-appointment of KPMG Luxembourg, Société Coopérative as the Company's independent auditor ("réviseur d'entreprises agréé") for the financial year 2018/19 as set out in resolution 20, resolution 21 gives the Directors authority to determine the remuneration of the independent auditor.

Resolution 22: Share buybacks

This resolution will authorise the Company to make market purchases of up to 100,056,122 (one hundred million fifty-six thousand one hundred and twenty two) ordinary shares representing 10% (ten per cent) of the current issued ordinary share capital of the Company and specifies the minimum and maximum prices at which the ordinary shares may be bought. Renewal of this authority will be sought at the AGM each year. This authority will expire at the conclusion of the AGM of the Company in 2019 or if earlier on 29 July 2019.

The Directors have no present intention to exercise this authority, but the resolution provides them with the flexibility to do so in future.

The Directors would not exercise the authority unless they considered that it would result in an increase in earnings per share and would promote the success of the Company for the benefit of its shareholders as a whole.

Any ordinary shares purchased would be effected by a market purchase on a recognised investment exchange and may either be cancelled or held as treasury shares, which may then be cancelled, sold for cash or used to meet the Company's obligations under its employee share schemes. Accordingly, if this resolution is passed, the Company will have the option of holding, as treasury shares, any of its own shares that it purchases pursuant to the authority conferred. This would give the Company the ability to sell treasury shares quickly and cost effectively and provide the Company with additional flexibility in the management of its capital base. The Directors may cancel the right to accrue dividends on treasury shares. No voting rights are attached to shares held in treasury.

The Company does not hold any of its own shares. As at 1 June 2018, being the latest practicable date prior to publication of this Notice, the total number of non-vested ordinary shares or outstanding options to subscribe for ordinary shares in the Company was 840,571 (approximately 0.084% of the Company's issued share capital and approximately 0.093% of the Company's issued ordinary share capital if the full authority proposed to buy back shares were used and the shares purchased were cancelled).

Resolutions 23 and 24: Dis-application of pre-emptive issues of shares

In common with the articles of association of other Luxembourg public limited liability companies, the Articles of Association of the Company provide full power to the Board of Directors to issue ordinary shares on a non-pre-emptive basis under certain conditions within the framework of the Company's authorised share capital which is limited in both time (expiring on the fifth anniversary of the publication of the resolutions taken on 13 June 2014, unless otherwise renewed) and in amount. Under Luxembourg law the authority of the Board of Directors to issue shares must be included in the Articles of Association of the Company. As an extraordinary general meeting of shareholders ("EGM") has also been convened by the Company for 30 July 2018 at 1:00pm (CET) to propose amendments to the Articles of Association to update them following certain changes from the modernisation of Luxembourg company law, a resolution is also proposed for shareholders therefore to also update the Articles of Association to renew that five year authority (commencing from the date of the EGM) in the meantime as otherwise it would expire next year and then necessitate a further EGM to be held.

The present Articles of Association provide the Directors with authority, within the framework of the Company's authorised share capital, to dis-apply pre-emption rights for the issue (i) for cash of shares representing up to a maximum of 5% (five per cent) of the issued ordinary share capital of the Company per year, (ii) for cash of shares representing an additional 5% (five per cent) of the issued ordinary share capital of the Company per year provided this is used only for financing (or refinancing with six months thereafter) an acquisition or other capital investment as contemplated by the Statement of Principles on Disapplying Pre-emption Rights of the Pre-Emption Group, (iii) to deal with fractional entitlements on otherwise pre-emptive issues of shares, and (iv) in connection with employee share options.

In relation to resolutions 23 and 24, the Directors intend to adhere to the provisions in the Statement of Principles on Disapplying Pre-emption Rights of the Pre-Emption Group ("Statement of Principles") in relation to the allotment of shares for cash on a non-pre-emptive basis, to the extent practical as a Luxembourg company. These resolutions serve to confirm that intention.

Accordingly, the Directors intend to adhere to the provisions in the Statement of Principles and not to allot shares for cash on a non-pre-emptive basis:

- (a) in excess of an amount equal to 5% (five per cent) of the total issued ordinary share capital of the Company (excluding treasury shares); or
- (b) in excess of an amount equal to 7.5% (seven point five per cent) of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three year period, without prior consultation with shareholders,

in each case, except where the issue is in connection with an acquisition or specified capital investment as contemplated by the Statement of Principles, in which case an additional 5% (five per cent) of the total issued ordinary share capital of the Company (excluding treasury shares) may also be used but only for the purposes of financing such a transaction or refinancing such a transaction within six months of it having taken place.

Resolution 24 which relates to the additional amount of shares in connection with an acquisition or specified capital investment, has been included as a separate resolution to the amount of the general authority referred to in resolution 23, following the issue of the further guidelines of the Pre-Emption Group in May 2016.

The maximum amount of shares which could be allotted under both resolution 23 and resolution 24 together in aggregate would be equal to 10% (ten per cent) of the Company's total issued share capital. In accordance with Article 5.2 of the Articles of Association, the limits under resolutions 23 and 24 are to be calculated by reference to the nominal issued share capital of the Company at the time of the first issue of shares in the relevant year. As at 1 June 2018, being the latest practicable date prior to publication of this Notice, an issue of shares for cash up to an aggregate nominal value of £10,005,612.20 (being 100,056,122 ordinary shares of 10 pence each) would have represented 10% of the Company's issued share capital.

At the present time there is no intention to exercise the power to issue shares for cash on a non-pre-emptive basis, except as may be required to satisfy options under the Company's share option schemes.

NOTES TO THE NOTICE OF THE 2018 ANNUAL GENERAL MEETING (AGM)

1. Record date

To have the right to attend and to vote at the 2018 AGM (and also for the purpose of calculating how many votes a person may cast) a shareholder must have their name entered on the Register of Shareholders of the Company as **at 12 midnight (CET) on Monday 16 July 2018**. Changes to the Register of Shareholders after this time will be disregarded in determining the rights of any person to attend or to vote at the AGM.

2. Declaration of Participation

Shareholders must submit their Declaration of Participation for the AGM to the Company **by 12 midnight (CET) on Monday 16 July 2018**. Holders of Depository Interests in CREST do not need to complete a Declaration of Participation.

The completed Declaration of Participation should be returned to the Company either by email or post to:

Emmanuel.Forgeotdarc@bmstores.eu

B&M European Value Retail S.A.
9, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg

2.1 Electronic communications

Other documents and information relating to the 2018 AGM are available on the B&M European Value Retail S.A.'s website: <http://www.bandmretail.com/investors/agm.aspx> from a period commencing on the date of publication of this convening notice, and ending no earlier than after closing of the 2018 AGM. These documents and information include:

- the convening notice
- the Annual Report including the consolidated financial statements and annual accounts of the Company as at 31 March 2018 and the standalone financial statements and annual accounts of the Company as at 31 March 2018
- the white Form of Declaration of Participation
- the white Form of Proxy
- the white Form of Direction
- the Company's LTIP Rules showing the proposed changes to them
- the Company's proposed Deferred Bonus Share Plan Rules

These documents will also be sent electronically to those shareholders who have provided the Company with an email address requesting AGM documents to be sent to them by email.

2.2 Mail communications

Shareholders who have not requested AGM documents to be sent to them by email will be sent hard copies by registered post mail with a Declaration of Participation and Proxy form.

3. Quorum and voting

In accordance with Article 24.6 of the Articles of Association of the Company, all decisions taken at the AGM will be passed by a simple majority of the votes cast on each resolution, regardless of the proportion of issued ordinary share capital represented by shareholders at the AGM. Each holder of ordinary shares has one vote in respect of each ordinary share held. As a result, the quorum for the AGM is at least one shareholder present in person or by proxy.

4. Total voting rights

As at 20 June 2018 (being the last business day prior to the publication of this Notice) the Company's issued ordinary share capital consists of 1,000,561,222 (one billion five hundred and sixty-one thousand two hundred and twenty-two), ordinary shares carrying one vote each. The Company holds no treasury shares, therefore the total voting rights in the Company as at 20 June 2018 is 1,000,561,222 (one billion five hundred and sixty-one thousand two hundred and twenty-two).

5. Poll

All items in the Notice of the 2018 AGM will be decided by a poll of shareholders.

6. Rights of shareholders to request additional items to the agenda

In accordance with Article 24.4 of the Articles of Association of the Company, one or more shareholders who together hold at least 5% (five per cent) of the issued ordinary share capital of the Company, are entitled to request that new items be added to the agenda of the AGM and to do so, are requested to provide draft resolutions in support of such items.

Any request must be:

- sent by email to Emmanuel.Forgeotdarc@bmstores.eu with reasons justifying your request, a draft of your proposed resolution and indicating a postal or email address which the Company can send an acknowledgment of receipt of your request to; and
- received by the Company **no later than 12 midnight (CET) on 8 July 2018**. The Company will acknowledge receipt of any request within 48 hours of receipt. If necessary, the Company will publish a revised agenda of the AGM **by no later than 15 July 2018**.

7. Appointment of proxies by shareholders (who do not hold their shares in CREST)

7.1 This facility is only open to shareholders who hold registered ordinary shares of the Company and do not hold their ordinary shares as Depository Interests through CREST.

7.2 Any shareholder entitled to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.

7.3 Any person to whom this Notice is sent who is a person nominated to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

7.4 In the case of joint holdings, unless otherwise notified to the Company by those joint holders, the vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

7.5 If you submit more than one valid proxy appointment in respect of the same share, the appointment received last before the latest time for the receipt of proxies will take precedence.

7.6 The appointment of a proxy can be registered by using the white paper Form of Proxy enclosed and returning it as set out below and by the time referred to below.

7.7 Registering the appointment of a proxy will not preclude a shareholder from attending the AGM and voting in person if they wish to do so. Any shareholder or the proxy holder of a shareholder attending the meeting has the right to ask questions relating to the business being dealt with at the meeting.

7.8 The white Form of Proxy should be completed in accordance with the instructions detailed in it.

7.9 To be valid, the white Form of Proxy must be completed and returned to arrive **by no later than 12:00 noon (CET) on Thursday 26 July 2018** at:

Link Corporate Services S.A.
9, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg

Shareholders should bear in mind that the receipt address is in Luxembourg and should therefore allow extra time for posting in order to ensure that the above deadline is met.

As an alternative method for lodging your voting instructions a pdf copy of the white Form of Proxy may be sent in the first instance to Emmanuel.Forgeotdarc@bmstores.eu with the original proxy to follow to Link Corporate Services S.A.'s address as above. Please note, however, that the original white Form of Proxy must still be received at this address **by no later than 12:00 noon (CET) on Thursday 26 July 2018**.

NOTES TO THE NOTICE OF THE 2018 ANNUAL GENERAL MEETING (AGM) continued

8. Voting instructions from holders of Depository Interests (“DI Holders”)

- 8.1** As a DI Holder, you will be directing the Depository, Link Market Services Trustees Limited, to vote your ordinary shares in accordance with your voting instructions.
- 8.2** Voting instructions must be lodged using the white Form of Direction enclosed with this Notice of AGM or electronically (see below).
- 8.3** DI Holders who hold their ordinary shares in CREST and wish to attend the AGM should contact the Depository at Link Market Services Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England or by emailing custodymgf@linkgroup.co.uk by no later than **12:00 noon (CET) on Wednesday 25 July 2018**.
- 8.4** DI Holders who hold their ordinary shares in CREST may direct the Depository on how to vote on their behalf at the AGM by completing and returning the enclosed white Form of Direction. The white Form of Direction should be completed in accordance with the instructions as detailed thereon.
- 8.5** To be valid, the white Form of Direction must be completed and returned, together, if applicable, with the power of attorney or other authority under which it is signed (or a copy of such authority certified by a notary), so as to arrive by no later than **12:00 noon (CET) on Wednesday 25 July 2018** at the offices of Link Asset Services in England:

Link Asset Services
PXS
34 Beckenham Road
Beckenham
Kent BR3 4TU
England

8.6 As an alternative method for lodging your voting instructions you can use **Electronic voting instructions via the CREST voting service as follows:**

- 8.6.1** DI Holders who hold their ordinary shares in CREST may transmit voting instructions by using the CREST voting service in accordance with the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.
- 8.6.2** In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (“CREST Voting Instruction”), must be properly authenticated in accordance with Euroclear UK & Ireland’s specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST).
- 8.6.3** To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company’s agent RA10 by no later than **12:00 noon (CET) on Wednesday 25 July 2018**. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company’s agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.
- 8.6.4** DI Holders who hold their ordinary shares in CREST and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such actions as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by a particular time. In this connection, DI Holders, and where applicable, their CREST sponsors or voting service providers, are referred in particular, to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.
- 8.6.5** The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

9. Corporate representatives

A company which is a Shareholder may authorise a person or persons to act as its representative(s) at the AGM. Any Director or the Daily Manager may require such a corporate representative to produce a certified copy of the resolution from which their authority is derived.

10. Bondholders

Holders of bonds in the Company may not vote but are entitled to attend and speak at the Annual General Meeting.

In order to attend the meeting, holders of bonds need to produce to the Company a copy of a recent statement of Euroclear or Clearstream (as applicable), confirming their capacity as being a bondholder in the Company, before the commencement of the meeting.

11. Communication

Except as provided above, members who have general queries about the 2018 AGM can call the Daily Manager on +352 246 130 207 or email Emmanuel.Forgeotdarc@bmstores.eu

ENQUIRIES AND CONTACTS

Link Asset Services maintain a copy of the Company's statutory Register of Members and the Depositary Interests Register. They also provide a telephone helpline service. If you have any enquiries about the AGM or about your shareholding, you may contact Link directly using the details given below:

Share Register

Link Corporate Services S.A.
9, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg
Tel: +352 44 0929
Email: enquiries@linkgroup.co.uk
www.linkassetsservices.com

Depositary Interests Register

Link Market Services (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey
GY2 4LH
Channel Islands
Email: custodymgmt@linkgroup.co.uk

Depositary

Link Market Services Trustees Limited
Regulated Business
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
England
Email: custodymgmt@linkgroup.co.uk

APPENDIX 1 – SUMMARY OF AMENDMENTS TO THE B&M EUROPEAN VALUE RETAIL S.A. LONG TERM INCENTIVE PLAN (“LTIP”)

Individual limit

The maximum value of LTIP awards that can be made to any individual participant is 200% of base salary for the relevant financial year. In each case the value of the award is measured by reference to the value of B&M shares at the date of grant. The previous individual limit was 100% of base salary (and 200% in exceptional circumstances).

Dividend accruals

LTIP awards will not confer any shareholder rights on participants until the awards have vested and the participants have received their shares.

The number of B&M shares comprised in a LTIP award will be increased in respect of an amount equivalent to the dividends that would have been paid (before withholding tax) on the shares vesting under the LTIP award between the time when the awards were granted and the time when they vest (and assuming reinvestment in shares on the relevant ex-dividend dates).

Overall limits on the issuance of shares

For completeness, whilst not requiring shareholders’ approval, the Company will apply the 5% in 10 years dilution limit for awards made under executive share plans from the 2018 AGM.

APPENDIX 2 – SUMMARY OF THE PRINCIPAL TERMS OF THE B&M EUROPEAN VALUE RETAIL S.A. DEFERRED BONUS SHARE PLAN (“DBSP”)

Operation

The board of directors of the Company or the remuneration committee of the board (the “**Board**”) will supervise and administer the operation of the DBSP.

Eligibility

Any current employee (including an Executive Director) of the Company and any of its subsidiaries will be eligible to participate in the DBSP, at the discretion of the Board.

Grant of awards

Awards made under the DBSP will be in the form of a nil cost option to receive ordinary shares in the Company (“**Shares**”), where a participant can decide when to exercise his/her award during a limited period of time after it has vested.

The Board may normally grant awards within the period of six weeks following: (i) the date of adoption of the DBSP; (ii) the Company’s announcement of its results for any period; or (iii) the date on which a participant becomes an employee. The Board may also grant awards when there are exceptional circumstances which it considers justifies the granting of awards.

No awards will be granted after the tenth anniversary of the date of adoption of the DBSP.

Awards are not transferable (other than to the participant’s personal representatives in the event of death). Awards are not pensionable.

Individual limit

The maximum number of shares that may be awarded to a participant in any financial year will be limited to a proportion of the individual’s total annual bonus outcome for the preceding financial year. The proportion of annual bonus outcome that is deferred into a DBSP award will be determined by the Board from time to time, although for the duration of the Directors’ Remuneration Policy proposed for approval at the 2018 AGM, it is intended that at least one-third of a participant’s annual bonus outcomes will be deferred into awards granted under the DBSP.

Overall DBSP limits

The DBSP may operate over new issue shares, treasury shares or shares purchased in the market.

In any ten year period the Company may not issue (or have the possibility to issue) more than:

- (a) 10% of the issued ordinary share capital of the Company in respect of awards made in that period under the DBSP and any other employee share scheme adopted by the Company; and
- (b) 5% of the issued ordinary share capital of the Company in respect of awards made in that period under the DBSP and any other discretionary share plan adopted by the Company.

Treasury Shares will count as new issue shares for the purposes of these limits, but they will also cease to count towards these limits if shareholder guidelines are amended so as not to require such treatment.

These limits do not include:

- any rights to shares which have been released or lapsed (in part or in whole); or
- any shares subject to awards, that were granted before the shares were first admitted to trading on London Stock Exchange.

Vesting of awards

Awards will normally vest three years after the grant date and provided the participant is still a director or employee in the Company’s group.

Leaving employment

As a general rule, if a participant leaves employment with the Company’s group he will retain his award which will vest on the normal vesting date (unless the Board permits earlier exercise). However, if the participant voluntarily resigns or the reason for leaving is the individual’s misconduct in circumstances permitting the Company to summarily dismiss the individual, his award will lapse.

Where an individual holding a vested award leaves the Company’s employment, the individual will be able to exercise that vested award within 12 months of the date of cessation of employment (unless the reason for leaving is misconduct permitting the Company to summarily dismiss the individual, in which case the award will lapse).

Corporate events

If any person obtains control of the Company as a result of a takeover offer or the sanctioning of a scheme of arrangement (other than an internal corporate reorganisation), or if a person has become bound or entitled to acquire all shares on a compulsory basis, or if a business sale or a voluntary winding-up of the Company occurs, all outstanding awards shall vest. The Board may also allow awards to vest in the event of a demerger.

In the event of a corporate event leading to a change of control of the Company (not being an internal corporate reorganisation), the Board may decide that subsisting awards are surrendered in consideration for the grant of an equivalent award over shares in the acquiring company.

Participants' rights

DBSP awards will not confer any shareholder rights on participants until the awards have vested and the participants have received their shares.

The number of shares comprised in an award will be increased in respect of an amount equivalent to the dividends that would have been paid (before withholding tax) on the shares vesting under the awards between the time when the awards were granted and the time when they vest (and assuming reinvestment in shares on the relevant ex-dividend dates).

Rights attaching to Shares

Any shares allotted when an award is exercised will rank equally with all other shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any increase or variation of the Company's share capital (such as a capitalisation or rights issue, or sub-division, consolidation or reduction or of a special or exceptional distribution), the Board may make such adjustments as it considers appropriate to the number of shares subject to an award.

Malus and clawback

The Board retains a power to recoup the value of unvested and previously vested awards from an individual within a period of three years from the date of vesting of an award, if it considers it appropriate to do so. The Board may choose to exercise this power in the following circumstances:

- the financial accounts of a company in the Company's group were misstated in respect of any financial year;
- assessment of a performance condition, relating to an annual bonus to which a DBSP award relates, was based upon an error or inaccurate or misleading information or assumptions;
- the participant acts in a manner which would justify his/her summary dismissal or there are circumstances of employee misbehaviour or material error; or
- other circumstances which would, in the opinion of the Board, have a sufficiently significant impact on the reputation of any company in the Company's group.

Alterations to the DBSP

The Board may, at any time, alter the provisions of the DBSP in any respect, provided that the prior approval of shareholders must be obtained for any alterations that are in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of shares held in treasury, the basis for determining a participant's entitlement to, and the terms of, the shares to be provided under the DBSP and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the DBSP, to take account of a change in legislation or to obtain or maintain favourable tax treatment for participants or for any company in the Company's group.

If the proposed alterations are to the material disadvantage of participants, the Board must obtain written consent of participants holding at least 75% (by reference to shares under award) of the affected awards for the proposed alterations.

Overseas plans

The Board may at any time, without further shareholder approval, establish further sub-plans in overseas territories, with any such plan to be similar to the DBSP, but modified to take account of local legislation or statutory regulation.

