



NOTICE OF EXTRAORDINARY GENERAL MEETING

B&M European Value Retail S.A.

Société Anonyme

Registered office: 68-70, Boulevard de la Pétrusse, L-2320 Luxembourg
Grand-Duchy of Luxembourg
R.C.S. Luxembourg: B 187275

Notice of the Extraordinary General Meeting of B&M European Value Retail S.A. to be held on Tuesday 25 July 2023 at 12:45 pm (CET) at the SOFITEL Grand-Ducal, 35, Rue du Laboratoire, L-1911 Luxembourg before a Luxembourg notary, is set out on pages 3 to 9 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 Form of Proxy is for use in connection with the meeting and should be completed and returned in accordance with the instructions printed on it, as soon as possible and by no later than Friday 21 July 2023 at 12:45 pm (CET). The Form of Proxy is **not** for use by holders of CREST Depositary Interests or other indirect holders of beneficial interests whose shares are held in broker, nominee or other custodian accounts.

CREST Depositary Interest Holders

Holders of CREST Depositary Interests in shares wishing to cast their votes must give their voting instructions directly to their broker or nominee account holder in CREST ("CREST Account Holder"). You cannot give voting instructions directly to the Company. Your CREST Account Holder will cast your votes via the Euroclear UK & Ireland ("EUI") and CREST International service for proxy voting (which is provided by Broadridge Financial Solutions Limited). Your CREST Account Holder will advise you on how you can give your voting instructions to them and confirm the final deadline and time by which they will require your voting instructions. It is important to note that the voting deadline of the CREST international service for proxy voting provided by Broadridge is expected to be at least three business days prior to the Company's proxy appointment deadline of Friday 21 July 2023 at 12:45 pm (CET). You should therefore check with your CREST Account Holder what their own deadline is for receiving voting instructions from you.



B&M EUROPEAN VALUE RETAIL S.A. – EXTRAORDINARY GENERAL MEETING

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Registered office: 68-70, Boulevard de la Pétrusse, L-2320 Luxembourg

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Letter from the Chairman

19 June 2023

Dear Shareholder,

Notice of the Extraordinary General Meeting of B&M European Value Retail S.A. (“the Company”) to be held on Tuesday 25 July 2023 at 12:45 pm (CET).

On behalf of the board of directors (the “Board”), I am writing to inform you that an Extraordinary General Meeting of the Company will be held on Tuesday 25 July 2023 at the SOFITEL Grand-Ducal hotel, 35, Rue du Laboratoire, L-1911 Luxembourg, at 12:45 pm (CET) (“EGM” or “Meeting”).

The notice convening the Extraordinary General Meeting is set out on pages 3 to 9.

Amendment to the Articles of Association of the Company (the “Articles”)

Under Luxembourg law on commercial companies, the authority for the board to increase the issued share capital must be provided for under the articles of association and is limited in time: it can be given for periods of up to five (5) years.

The Board’s existing authority under article 5.2 of the Articles to issue new shares in the Company, within the limits of the authorised share capital expires this year in July and the Board is therefore proposing to renew this authority, without changing any of its terms and conditions, for a new period of five (5) years.

Voting and attendance at the EGM

In accordance with Luxembourg law and article 24.6.3 of the Articles, any resolution which concerns an amendment to the Articles must be passed by at least two-thirds of the votes cast with at least half of the issued share capital of the Company being present or represented at the EGM. If this quorum is not met, a second meeting may be convened to deliberate upon the same agenda in accordance with same article 24.6.3 and such second meeting may validly deliberate regardless of the proportion of the issued share capital represented, however the same two-thirds majority requirement shall still apply.

The results of the votes on the resolution at the EGM 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 EGM.

The Board appreciates that as the location of the EGM 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** either

- (a) by completing and returning the enclosed Form of Proxy if you are holding your ordinary shares in an account with LuxCSD; or
- (b) by giving your voting instructions to your broker or nominee account holder to cast your votes on your behalf by the voting deadline confirmed to you by them, if you are a holder of CREST Depository Interests or an indirect holder of beneficial interests in shares which are held in a broker, nominee or other custodian account.

If you are holding your shares in an account with LuxCSD and want to participate in the EGM, whether by proxy or in person, in accordance with Luxembourg law on the exercise of certain rights of shareholders in general meetings of listed companies, you are required to complete and return a declaration of participation. A form of Declaration of Participation is enclosed with this notice. The form of Declaration of Participation must be received by the Company by the record date which, for this EGM is Tuesday 11 July 2023 at 12:00 midnight (CET) in accordance with the procedures set out below. Please note the Declaration of Participation is not a substitution for the Form of Proxy, and the procedure for lodging a Form of Proxy as set out in the form and in the notes to the notice of the Meeting below will need to be followed.

Indirect Holders of shares are not required to complete a Declaration of Participation.

Resolutions

An explanatory note is set out on page 4 of this document and a special report issued by the Board in relation to the proposed resolution, in accordance with article 420-26 of the Luxembourg law on commercial companies enclosed to this Notice on pages 10 and 11.

Recommendation

Your Board recommends that shareholders vote in favour of the resolution proposed to the Extraordinary General Meeting. The Directors intend to vote in favour of the resolution in respect of their own beneficial shareholdings totalling 67,279 ordinary shares representing approximately 0.007% of the present issued ordinary share capital of the Company¹.

Yours faithfully,

Peter Bamford

Chairman

On behalf of the Board

¹ Not including shareholdings of related parties or associates.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Société Anonyme

Registered office: 68-70, Boulevard de la Pétrusse, L-2320 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B 187275

(the “**Company**”)

Notice is hereby given that an Extraordinary General Meeting of the shareholders of B&M European Value Retail S.A. (the “Company”) will be held at the SOFITEL Grand-Ducal, 35, Rue du Laboratoire, L-1911 Luxembourg on Tuesday 25 July 2023 at 12:45 pm (CET) to consider and to vote upon the following items.

AGENDA

Extraordinary resolution

Having acknowledged the report of the Board of Directors pursuant to article 420-26 (5) of the Luxembourg law on commercial companies, to renew, with immediate effect and for a period of five (5) years, the power of the Board to increase the issued share capital of the Company within the limits of the authorised share capital and under the conditions set forth in article 5.2 of the Articles.

On behalf of the Board of Directors

Peter Bamford

Chairman
68-70, Boulevard de la Pétrusse L-2320 Luxembourg
Grand-Duchy of Luxembourg

19 June 2023

EXPLANATION OF BUSINESS TO BE CONSIDERED AT THE EXTRAORDINARY GENERAL MEETING

In common with articles of association of other Luxembourg public limited liability companies, the Articles of the Company include the power for the Board of Directors to increase the issued share capital of the Company by the issue of new shares, within the framework of the Company's authorised share capital. This power which is provided for under article 5.2 of the Articles is limited both in time, with the time limit being five (5) years, and, in amount, the issue of shares in any one (1) year cannot exceed two-thirds of the issued share capital of the Company as at the first issue of shares.

The authority given to the Board under article 5.2 will expire this year in July 2023 and the Board is therefore proposing its renewal for a new period of five (5) years as from the EGM date.

Without that renewal, the authority currently in place will expire and it would be necessary to convene extraordinary general meetings of shareholders each and every time new shares are required to be issued, including in relation to the exercise of employee share options.

This would not be workable neither practical and the Board therefore proposes and recommends this resolution.

Further details about the terms and conditions of this authority, especially in relation to the power for the Board to dis-apply pre-emption rights of existing shareholders, are provided under the special report of the Board of Directors of the Company enclosed to this Notice.

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING (EGM)

1. Record date

The right of a shareholder to attend and to vote at the EGM and the number of voting rights a shareholder may cast is determined by reference to the number of shares held by that shareholder **on Tuesday 11 July 2023 at 12:00 midnight (CET)**. By this time the shareholder must be recorded as holding those shares in an account with LuxCSD being the Company's appointed settlement organisation for dematerialised shares. Transfers of shares effective after this time will be disregarded in determining the rights of any person to attend or vote at the EGM.

2. Declaration of Participation

Shareholders must submit their Declaration of Participation for the EGM to the Company **by Tuesday 11 July 2023 at 12:00 midnight (CET)**. 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 to: Hayet.Elmecheri@bmstores.eu

or

by post to:

Banque Internationale à Luxembourg S.A.
Agency Services Team
69, Route d'Esch
L-2953 Luxembourg
Grand-Duchy of Luxembourg

3. Communications

Other documents and information relating to the EGM are available on the B&M European Value Retail S.A.'s website:

<http://www.bandmretail.com/investors/egm.aspx>

from a period commencing on the date of publication of the convening notice of the EGM and ending no earlier than after closing of the EGM. These documents and information include:

- the convening notice
- the Form of Declaration of Participation
- the Form of Proxy
- the Articles showing the proposed amendments to them

4. Quorum and voting

The quorum for the EGM is shareholder(s) represented in person or by proxy at the Meeting who (together) hold at least one half of the issued share capital of the Company.

If this quorum condition is not satisfied, a second meeting may be convened to deliberate upon the same agenda, following notices being given of that second meeting under the Articles of Association of the Company. At any second meeting the quorum requirement of the original meeting does not apply, and the quorum is at least one shareholder present in person or represented by proxy.

In accordance with article 24.6.3 of the Articles of Association of the Company, all decisions taken at the EGM will be passed by at least two thirds of the votes cast at the meeting on the resolution.

Each holder of ordinary shares has one vote in respect of each ordinary share held.

5. Total voting rights

As at 18 June 2023 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 1,001,853,735 (one billion one million eight hundred and fifty-three thousand seven hundred and thirty-five) ordinary shares, carrying one vote each.

The Company holds no treasury shares, but voting rights attached to 13,842 in aggregate are suspended and the total number of voting rights in the Company as at 18 June 2023 is therefore 1,001,839,893 ordinary shares.

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING (EGM) continued

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

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

- sent by email to Hayet.Elmecheri@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 Monday 3 July 2023 at 12:00 midnight (CET)**. The Company will acknowledge receipt of any such request within 48 hours of receipt. If necessary, the Company will publish a revised agenda of the EGM **by no later than Monday 10 July 2023**.

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

7.1 This facility is only open to shareholders holding their dematerialised shares in an account with the Company's appointed settlement organisation for dematerialised shares, LuxCSD.

It does **not** apply to holders of CREST Depository Interests or indirect holders of beneficial interests whose shares are held in broker, nominee or other custodian accounts.

7.2 Any shareholder entitled to attend and vote at the EGM to which paragraph 7.1 applies 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 EGM. 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 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.

7.5 The appointment of a proxy will not preclude a shareholder from attending the EGM 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.

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

7.7 To be valid, the Form of Proxy must be completed and returned to arrive by **no later than Friday 21 July 2023 at 12:45 pm (CET)** at:
Banque Internationale à Luxembourg S.A.
Agency Services Team
69, Route d'Esch
L-2953 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 to ensure that the above deadline is met.

As an alternative method for lodging your voting instructions a pdf copy of the Form of Proxy may be sent in the first instance to Hayet.Elmecheri@bmstores.eu with the original proxy to follow to the Company's address as above. **Please note, however, that the original Form of Proxy must still be received at this address by no later than Friday 21 July 2023 at 12:45 pm (CET).**

8. CREST Depository Interest Holders (“CDI holders”) and CREST Account Holders

8.1 How to submit your votes

- 8.1.1 As a CDI holder, you will be directing your CREST Account Holder on how you wish your votes to be cast.
- 8.1.2 You will need to contact your CREST Account Holder for details of: (i) the means of communication you can use to send your voting instructions to them, and (ii) the latest deadline (date and time) for you to lodge your voting instructions with them.
- 8.1.3 It is important to note that the deadline for your CREST Account Holder to cast your vote via the CREST international voting service provided by Broadridge Financial Solutions Limited (“Broadridge”) is expected to be **at least three business days prior** to the Company’s proxy appointment deadline of Friday 21 July 2023 at 12:45 pm (CET). You should therefore check with your CREST Account Holder what their own deadline is for receiving voting instructions from you.
- 8.1.4 As a holder of CDI interests, you cannot give voting instructions directly to the Company. You must give your voting instructions directly to your CREST Account Holder only. If however you wish to attend the EGM and cast your votes in person at the Meeting, you may do so under the following conditions:
- (a) you obtain a Letter of Representation from your CREST Account Holder, in a form satisfactory to the Company, which
 - (i) confirms the number of CDI’s representing shares in the Company you hold (ii) authorises you to attend and cast votes on those shareholding interests at the EGM, and (iii) confirms that no voting instructions will be taken or cast by your CREST Account Holder on any of those CDI’s via the CREST international voting service provided by Broadridge; and
 - (b) you provide satisfactory original evidence of your personal identification to the Company at the EGM and (where applicable) a form of power of attorney or certified board resolution confirming your representation of any corporate body or other entity that is the underlying owner of the CDI’s.

Please note you will need to check if your CREST Account Holder has a facility to issue Letters of Representation or not. If they do not, you may wish to request that they appoint you as a proxy holder in relation to the shares which they hold for you (see paragraph 8.2.5 below).

- 8.1.5 CREST Account Holders and brokers holding CDI interests for clients in CREST can cast CDI holders voting instructions via the CREST international voting service provided by Broadridge.

Voting must be transmitted to Broadridge by CREST Account Holders by Broadridge’s voting deadline which is expected to be **at least three business days prior** to the Company’s proxy appointment deadline of Friday 21 July 2023 at 12:45 pm (CET).

8.2 Further important information

- 8.2.1 CDI holders should consult with their CREST Account Holder at the earliest opportunity for further information on the processes and timelines for submitting their votes for the Meeting.
- 8.2.2 Euroclear UK & Ireland Limited (“EUI”), the operator of CREST, has arranged for voting instructions relating to the CDI’s held in CREST to be received via a third-party service provider, Broadridge Financial Solutions Limited (“Broadridge”). Further details in relation to this international voting service can be accessed on the EUI “My Euroclear” website at <https://my.euroclear.com> and further details on instructions for voting can be found under the following link: **All you need to know about SRD II in Euroclear UK & International – Euroclear**.
- 8.2.3 Your CREST Account Holders and brokers holding CDI interests for clients in CREST, will be required to make use of the EUI proxy voting service facilitated by Broadridge Global Proxy Voting service in order to receive meeting announcements and send back voting instructions, as required. To facilitate client set up they will need to complete the Meetings and Voting Client Set-up Form (CRT408). Completed application forms should be returned to EUI by an authorised signatory with another relevant authorised signatory copied in for verification purposes using the following email address: UK-membership@euroclear.com.
- 8.2.4 Fully completed and returned applications forms will be shared with Broadridge by EUI. This will enable Broadridge to contact the applicant and share further detailed information on the service offering and initiate the process for granting the applicant access to the Broadridge platform.
- 8.2.5 The above described process is to be completed only for the set-up. Once CREST Account Holders have access to the Broadridge platform, they can complete and submit proxy appointments (including voting instructions) electronically. Broadridge will process and deliver proxy voting instructions received by the Broadridge voting deadline date (see 8.2.6). Alternatively, Broadridge may provide a facility for CREST Account Holders to send a third-party proxy voting instruction through the Broadridge platform to appoint a third-party (who may be a corporate representative or the holder themselves) to attend and vote at the Meeting for the number of shares specified in the proxy instruction (subject to the Broadridge voting deadline). There is no facility to offer a letter of representation or appoint a corporate representative other than through the submission of third-party proxy appointment instructions through Broadridge.

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING (EGM) continued

- 8.2.6 Broadridge's voting deadline is expected to be **at least three business days prior** to the Company's proxy appointment deadline of Friday 21 July 2023 at 12:45 pm (CET).
- 8.2.7 Voting instructions cannot be changed or cancelled after Broadridge's voting deadline.
- 8.2.8 CREST Account Holders or brokers holding CDI interests for clients in CREST, are strongly encouraged to familiarise themselves with the arrangements with Broadridge, including the voting deadlines and procedures and to take, as soon as possible, any further actions required by Broadridge before they can avail themselves of this voting service.

8.3. Holders of beneficial interests in shares held in LuxCSD accounts through brokers, nominees or other custodian

- 8.3.1 Indirect holders of beneficial interests in shares which are not held in broker or nominee accounts in CREST, but which are held in LuxCSD accounts of their broker, nominee or other custodian ("LuxCSD Account Holder") may vote as follows.
- 8.3.2 You can give your voting instructions to your LuxCSD Account Holder. You need to contact your LuxCSD Account Holder to confirm by what means of communication you can send your voting instructions to them, and what is the latest deadline for you to lodge your voting instructions with them.
- 8.3.3 If you give your voting instructions this way, your LuxCSD Account Holder must then complete and submit a Form of Proxy by the date and time and to the address set out in paragraph 7.7 above.
- 8.3.4 As an indirect holder of beneficial interests only, you cannot give instructions directly to the Company on how you wish to cast your votes. You must give your voting instructions directly to your LuxCSD Account Holder. If however you wish to attend the EGM and cast your votes in person at the Meeting, you may do so upon the following conditions:
- (a) you must obtain a Letter of Representation from your LuxCSD Account Holder, in a form satisfactory to the Company, which (i) confirms the number of shares you hold interests in, (ii) authorises you to attend and cast votes on those shareholding interests at the EGM, and (iii) confirms that no voting instructions will be taken or cast by your LuxCSD Account Holder in relation to the shares which you hold interests in; and
 - (b) you provide satisfactory original evidence of your personal identification to the Company at the EGM and (where applicable) a form of power of attorney or certified board resolution confirming your representation of any corporate body or other entity that is the underlying owner of those interests in shares.

Please note you will need to check if your LuxCSD account holder has a facility to issue Letters of Representation or not. If they do not, you may wish to request that they appoint you as a proxy holder in relation to the shares which they hold on your behalf.

9. Corporate representatives

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

10. Communication

Shareholders who have general queries about the 2023 AGM can call the corporate administration manager on +352 246 130 207 or email Hayet.Elmecheri@bmstores.eu.

ENQUIRIES AND CONTACTS

Dematerialised shares in the Company are recorded in an issuance account of LuxCSD, being the Company's appointed settlement organisation. See <https://www.bandmretail.com/investors/csd>.

Banque Internationale à Luxembourg is the agent for the dematerialised shares of the Company. Their contact details are as follows:

Banque Internationale à Luxembourg S.A.
Agency Services Team
69, Route d'Esch
L-2953 Luxembourg
Grand-Duchy of Luxembourg

Tel: +352 4590 3388
Email: as_agm@bil.com

APPENDIX – REPORT OF THE BOARD OF DIRECTORS UNDER ARTICLE 420-26 (5) OF THE LUXEMBOURG LAW ON COMMERCIAL COMPANIES

B&M European Value Retail S.A.

Société Anonyme

Registered office: 68-70, Boulevard de la Pétrusse, L-2320 Luxembourg

Grand Duchy of Luxembourg

R.C.S. Luxembourg: B 187275

(the “Company”)

Report of the Board of Directors of the Company to the Extraordinary General Meeting of shareholders to be held on 25 July 2023 at 12:45 pm CET AUTHORISED SHARE CAPITAL AND PRE-EMPTION RIGHTS

19 June 2023

Dear Shareholders,

This report is made in accordance with article 420-26 (5) of the Luxembourg law of 10 August 1915 on commercial companies as amended (“Luxembourg Law”) for the purpose of proposing the renewal of the authority given to the Board of Directors of the Company (the “Board”):

- (i) to increase the issued share capital of the Company by the issue of new shares within the limits of the authorised share capital set forth in article 5.2 of the Articles of Association of the Company (the “Articles”); and
- (ii) to issue such new shares on a non-pre-emptive basis by limiting or cancelling preferential rights to subscribe of existing shareholders.

The authorised share capital as set out in the Articles is GBP £297,036,848.70 represented by 2,970,368,487 shares with a nominal value of GBP £0.10 each.

Under Luxembourg company law the authority of the Board to issue shares in the Company must be included in the Articles of Association and can only be given for periods of up to five (5) years.

The authority currently in place has been given on 30 July 2018 for a period of five (5) years and subject to shareholders’ approval at the Extraordinary General Meeting on 25 July 2023 (“EGM”), it is proposed that the Articles be amended to renew this authority for a new period of five (5) years as from 25 July 2023.

This time limit avoids the need to otherwise hold extraordinary general meetings of shareholders to amend the Articles of Association on a frequent basis each year when share options become exercisable.

Any shares issued pursuant to the proposed new five (5) year authority above will be issued at their nominal par value of GBP £0.10 per share and together with any share premium which may be determined by the Board at any time that any increase in the issued share capital occurs. Where shares are issued for free to employees or officers of the Group to satisfy the exercise of any nil cost share options or similar awards to them, those shares will be paid up from available reserves of the Company.

Under article 5.2 of the existing Articles, there is a maximum limit on the amount of new shares which can be issued in any period of one (1) year, which is set at two thirds of the amount of the issued share capital at the time of the first issue of shares.

The Board also has a special authority under article 5.2 of the Articles, within the framework of the Company’s authorised share capital and within the limit of the first one third of shares which may be issued in any period of one (1) year, to dis-apply pre-emption rights for the issue:

- (a) of shares for cash representing a maximum of five per cent (5%) of the issued ordinary share capital of the Company per year;
- (b) of shares for cash representing an additional five per cent (5%) (to that referred to in (a) above) of the issued ordinary share capital of the Company per year, provided this additional amount is only used for the purpose of financing (or refinancing) an acquisition or other capital investment;
- (c) to deal with fractional entitlements on otherwise pre-emptive issues of shares; and
- (d) in connection with employee share options or similar awards.

The five percent (5%) limits provided for under a) and b) is in line with the guidelines provided for in the Statement of Principles of the Pre-Emption Group on Dis-applying Pre-Emption Rights of the Financial Reporting Council (the “Statement of Principles”).

And each year, at each Annual General Meeting ("AGM") including at the last AGM held on 28 July 2022, the Board confirms its intention to comply with the Statement of Principles most recently published by the Pre-Emption Group and precisely, in accordance with those guidelines proposes two separate resolutions to the shareholders of the Company:

- (i) the first to confirm the power of the Board to issue shares for cash on a non-pre-emptive basis representing up to five per cent (5%) of the issued share capital as referred to in (a) above; and
- (ii) the second to confirm the power of the Board to issue shares for cash on a non-pre-emptive basis representing up to an additional five per cent (5%) of the issued share capital for financing acquisitions and capital investments as referred to in (b) above.

The guidelines of the Pre-Emption Group on the dis-application of pre-emption rights changed and the five per cent (5%) threshold referred to above has been raised up to ten per cent (10%). The Company however wishes to maintain the threshold provided for under article 5.2 of the Articles.

All other terms and conditions set forth under article 5.2 of the Articles will also remain unchanged, including the power for the Board to issue, on a non-preemptive basis, new shares free of charge to employees and officers of the Group, shares which are to be paid up out of the available reserves of the Company.

Shares are issued for free only to satisfy the exercise of nil cost share options or similar awards made to employees and officers of the Group from time to time. Also, and as approved by the Annual General Meeting of the Company on 30 July 2018, the rules of all the share option schemes include an aggregate overall limit of five per cent (5%) of the issued share capital in any ten (10) year period in respect of all discretionary share option schemes together (and ten per cent (10%) of the issued share capital during that same ten (10) year period in respect of all discretionary share option schemes and share option schemes under which substantially all employees are invited to participate on similar terms).

The renewal of the five (5) year authority of the Board to issue shares within the framework of the authorised share capital and the limits set forth in article 5.2, along with the right but subject to conditions and limits on the amounts referred to above, to limit or cancel pre-emption rights on the issue of new shares, is considered by the Board to be in the best corporate interests of the Company, its Group and shareholders. It will provide the Company with the authority and flexibility as a publicly listed company to issue new shares (within the framework of its authorised share capital and the limits in the Articles) from time to time for its corporate purposes generally, the financing (or refinancing) of acquisitions or other capital investments and to efficiently administer the Company's share options schemes benefitting employees and officers of the Group.

The Board therefore recommends that shareholders vote in favour of the amendment proposed to be made to article 5.2 of the Articles.

On behalf of the Board of Directors

B&M European Value Retail S.A.
Peter Bamford
Chairman

