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EG Group successfully reprices Term Loans at reduced margins and repays second-lien facilities in full

BLACKBURN, 11th December 2024: EG Group, a leading international operator of convenience retail, foodservice and fuel stations, today announces further progress with its deleveraging and refinancing strategy with the successful repricing of its EUR and USD Term Loans, and the full repayment of its second-lien facilities.

On November 27, 2024, EG Finco Limited, a subsidiary of EG Group Limited, repriced and simultaneously upsized the principal amount on its EUR Term Loan B ("EUR TLB") to €1,634 million, or $1,831 million-equivalent, reducing the margin by 100 basis points to E+4.50%. The principal amount gives effect to a €153 million repayment from proceeds received from recent asset disposals and a €510 million upsize.

On December 10, 2024, EG America LLC, a subsidiary of EG Group Limited, also repriced and simultaneously upsized the principal amount on its USD Term Loan B ("USD TLB") facility of $1,700 million, reducing the margin by 125 basis points to S+4.25%. The principal amount gives effect to a $203 million repayment from proceeds received from recent asset disposals, and a $210 million upsize.

Investors' additional demand for the repriced term loans, which reflects confidence in the Group's performance and strategy, will enable the Group to fully repay its €610 million in outstanding principal amount of second-lien facilities (E+7.00%), and to fully repay the remaining principal amounts outstanding on the 2026 USD and 2028 GBP Term Loans of $58 million and £39 million respectively.

No other material changes were made to the terms of the USD TLB and EUR TLB facilities, the maturity date of which remains February 7, 2028.

These transactions follow strong recent progress with the Group's deleveraging plan, with the Group completing a number of non-core asset disposals in the final quarter of 2024 and generating over $400 million equivalent of proceeds to repay debt. This, coupled with Group's strong performance and improved free cash flow during the year, resulted in Moody's upgrading the outlook of the business from negative to stable.

These repricing transactions will result in a material reduction in EG Group's annual financing costs and unlock additional free cash flow for the Group to invest in growth opportunities. The Group remains committed to continued deleveraging through consistent execution of its financial policy.

As previously announced, EG Group grew underlying EBITDA by 10% in the nine months to 30 September 2024, driven by earnings growth across all key business streams, and a notably strong performance in the USA.

Mohsin Issa, CEO and co-founder of EG Group, commented: *"I am pleased that we have delivered further progress with our successful deleveraging and refinancing strategy, which is central to the execution of our strategic objectives. The successful repricing will materially reduce our financing costs, enabling us to invest further in the growth of the business. This transaction is a vote of confidence in EG Group's strategy and performance from investors. We thank them for their continued support and look forward to pursuing the opportunities ahead of us."*

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About EG Group

Founded in 2001 by the Issa family, United Kingdom-based EG Group is a leading independent convenience retailer, which has established partnerships with global brands, as well as a focused portfolio of proprietary brands.

The business has an established pedigree of delivering an excellent Grocery & Merchandise, Foodservice and Fuel proposition in all the markets in which it operates. EG Group currently employs c. 38,000 colleagues working in over 5,500 sites across the UK&I, Europe, USA and Australia. The business is regularly recognised for innovation and investment in convenience retail assets, employees and systems. Zuber Issa and Mohsin Issa, co-Founders of EG Group, were jointly named the 2018 EY Entrepreneur of the Year in the UK.

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