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#### PENNON GROUP PLC

#### PUBLICATION OF PROSPECTUS

29 January 2025

Further to the announcement relating to the rights issue to raise total gross proceeds of approximately £490 million (the "**Rights Issue**") released earlier today by Pennon Group plc (the "**Company**"), the Company is pleased to announce that the FCA has approved the prospectus dated 29 January 2025 (the "**Prospectus**") in connection with the Rights Issue and the Prospectus has been published by the Company.

The Prospectus contains further details of the Rights Issue and will be posted to shareholders of the Company that have elected to receive hard copies of such shareholder documentation on 31 January 2025. The Prospectus is also available on the Company's website, [www.Pennon-group.co.uk/investor-information](http://www.Pennon-group.co.uk/investor-information).

A copy of the Prospectus will be submitted to the National Storage Mechanism and will shortly be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

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A copy of the Prospectus is available on the Company's website at [www.Pennon-group.co.uk/investor-information](http://www.Pennon-group.co.uk/investor-information). Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement. The Prospectus provides further details of the securities being offered pursuant to the Rights Issue.

This announcement is for information purposes only and is not intended to constitute, and should not be construed as, an offer to sell or issue, or a solicitation of any offer to purchase, subscribe for or otherwise acquire, the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares of the Company in the United States, New Zealand, China, Singapore, Hong Kong, South Africa, Japan, the United Arab Emirates or in any other jurisdiction where such offer or sale would be unlawful and, subject to certain exceptions, should not be distributed, forwarded to or transmitted in or into any jurisdiction, where to do so might constitute a violation of local securities laws or regulations. The distribution of this announcement, the Prospectus (once published), and any other document relating to the offering or transfer of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares into jurisdictions other than the United Kingdom may be restricted by law, and, therefore, persons into whose possession this announcement, the Prospectus (once published), and/or any accompanying documents comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction. In particular, subject to certain exceptions, this announcement, the Prospectus (once published) and the provisional allotment letters (once printed) should not be distributed, forwarded to or transmitted in or into the United States, New Zealand, China, Singapore, Hong Kong, South Africa, Japan, the United Arab Emirates, or any other jurisdiction where the extension or availability of the Rights Issue (and any other transaction contemplated thereby) would breach any applicable law or regulation.

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#### **INFORMATION TO DISTRIBUTORS**

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (b) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment "distributors" (for the purposes of the UK Product Governance Requirements) should

target market assessment, distributors (for the purposes of the UK FCA product governance requirements) should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the offer of New Ordinary Shares. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A, respectively, of the FCA Handbook Conduct of Business Sourcebook; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

## **FORWARD-LOOKING STATEMENTS**

This announcement may contain projections and other forward-looking statements. The words "believe", "expect", "anticipate", "intend", "estimate", "intend" and "plan" and similar expressions identify forward-looking statements. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the Company's financial position, business strategy, potential plans and potential objectives, are forward-looking statements.

None of the Company, its officers, advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur, in part or in whole.

By their nature, forward-looking statements involve assumptions, risks and uncertainties. Such forward-looking statements may involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or achievements to be materially different from those expected, any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are advised to read the Prospectus and the information incorporated by reference therein in their entirety, and, in particular, the section of the Prospectus headed Part I (*Risk Factors*), for a further discussion of the factors that could affect the Group's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this announcement, the Prospectus and/or the information incorporated by reference into the Prospectus may not prove to be accurate or may not occur. Prospective investors should therefore carefully review the Prospectus. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future.

Nothing in this announcement is intended as a profit forecast or estimate for any period, and no statement in this announcement should be interpreted to mean that earnings or earnings per share or dividend per share for the Company for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share or dividend per share for the Company.

The forward-looking statements in this announcement speak only as at the date of this announcement. To the extent required by applicable law or regulation (including as may be required by the Companies Act, the Prospectus Regulation Rules, the UK Listing Rules, MAR, the Disclosure Guidance and Transparency Rules and FSMA), the Company will update or revise the information in this announcement. Otherwise, neither the Company nor the Underwriters assume any obligation to update or provide any additional information in relation to such forward-looking statements. Additionally, statements of the intentions or beliefs of the Board and/or the Directors reflect the present intentions and beliefs of the Board and/or Directors, respectively, as at the date of this announcement and may be subject to change as the composition of the Board alters, or as circumstances require.

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