

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, INTO OR WITHIN THE UNITED STATES, NEW ZEALAND, CHINA, SINGAPORE, HONG KONG, SOUTH AFRICA, JAPAN, THE UNITED ARAB EMIRATES AND ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT IS AN ADVERTISEMENT FOR THE PURPOSE OF THE PROSPECTUS REGULATION RULES OF THE FINANCIAL CONDUCT AUTHORITY ("FCA") AND DOES NOT CONSTITUTE A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT. NOTHING HEREIN SHALL CONSTITUTE AN OFFERING OF ANY SECURITIES. NOTHING IN THIS ANNOUNCEMENT SHOULD BE INTERPRETED AS A TERM OR CONDITION OF THE RIGHTS ISSUE. ANY DECISION TO PURCHASE, SUBSCRIBE FOR, OTHERWISE ACQUIRE, SELL OR OTHERWISE DISPOSE OF ANY NIL PAID RIGHTS, FULLY PAID RIGHTS OR NEW ORDINARY SHARES MUST BE MADE ONLY ON THE BASIS OF THE INFORMATION CONTAINED IN THE PROSPECTUS. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

PENNON GROUP PLC

ADMISSION OF NIL PAID RIGHTS

3 February 2025

Pennon Group plc (the "**Company**") announces that, pursuant to the Rights Issue announced on 29 January 2025, 185,928,002 New Ordinary Shares will be admitted, nil paid, to listing on the equity shares (commercial companies) category of the Official List maintained by the FCA and will be admitted, nil paid, to trading on the London Stock Exchange plc's main market for listed securities at 8:00 a.m. today.

The Record Date for entitlements under the Rights Issue was close of business on 28 January 2025. Provisional Allotment Letters have been posted to Qualifying Non-CREST Shareholders, Qualifying CSN Shareholders and Qualifying Watershare+ Shareholders (other than, subject to certain limited exceptions, such Shareholders with registered addresses, or who are resident or located, in any of the Excluded Territories). CREST stock accounts of Qualifying CREST Shareholders (other than, subject to certain limited exceptions, Qualifying CREST Shareholders with registered addresses, or who are resident or located, in any of the Excluded Territories) are expected to be credited with Nil Paid Rights in as soon as practicable after 8:00 a.m. today.

Capitalised terms used but not otherwise defined in this announcement shall have the meanings set out in the prospectus dated 29 January 2025 (the "**Prospectus**"), which is available on the Company's website at: www.pennon-group.co.uk/investor-information.

For further information, please contact:

Pennon Group plc

Institutional equity investors and analysts

Louise Rowe - Compliance, ESG and IR Director +44 (0)1392 443 260

James Murgatroyd - FGS Global +44 (0)20 7251 3801
Harry Worthington - FGS Global

Debt investors

Chris Tregenna - Group Treasurer +44 (0)1392 443 260

Joint Global Co-ordinators, Joint Bookrunners, Joint Sponsors and Joint Corporate Brokers

Barclays Bank PLC

+44 (0)20 7623 2323

Alisdair Gayne
Richard Bassingthwaite
Iain Smedley
Chris Madderson

Morgan Stanley & Co. International plc

+44 (0)20 7425 8000

Andrew Foster
Josh Williams
Francesco Puletti
Emma Whitehouse

IMPORTANT NOTICES

THIS STATEMENT CONTAINS INFORMATION

This announcement has been issued by and is the sole responsibility of the Company. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its accuracy, fairness or completeness. The information in this announcement is subject to change without notice.

This announcement is an advertisement for the purposes of the Prospectus Regulation Rules of the FCA and does not constitute a prospectus (or prospectus equivalent document) and investors should not subscribe for, purchase, otherwise acquire, sell or otherwise dispose of any securities referred to in this announcement except on the basis of information in the Prospectus. Neither this announcement nor any part of it should form the basis of or be relied on in connection with or act as an inducement to enter into any contract or commitment whatsoever. Nothing in this announcement should be interpreted as a term or condition of the rights issue.

A copy of the Prospectus is available on the Company's website at 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.

This announcement does not constitute a recommendation concerning any investor's options with respect to the Rights Issue. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice. Each shareholder or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

NOTICE TO ALL INVESTORS

Each of Barclays Bank PLC and Morgan Stanley & Co. International plc is authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA in the United Kingdom. Each of Barclays Bank PLC and Morgan Stanley & Co. International plc is acting exclusively for the Company and no one else in connection with this announcement and the Rights Issue and will not regard any other person as a client in relation to the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice to any person in relation to the Rights Issue or any other matter, transaction or arrangement referred to in this announcement.

None of Barclays Bank PLC and Morgan Stanley & Co. International plc nor any of their respective affiliates, directors, officers, employees or advisers owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) which they might otherwise have in connection with the Rights Issue, this announcement, any statement contained herein, or otherwise.

NOTICE TO US INVESTORS

This announcement does not constitute an offer to sell, or a solicitation of offers to purchase or subscribe for, securities in the United States. The securities being offered pursuant to the Rights Issue have not been and will not be registered under the US Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or with any securities regulatory authority or under the relevant securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, taken up, exercised, renounced, delivered, distributed or transferred, directly or indirectly, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Any sale in the United States of the securities mentioned in this communication will be made solely to "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act. No public offering of the securities has been or will be made in the United States.

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

in relation to the UK Product Governance Requirements (the "UK Product Governance Requirements") and, notwithstanding 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 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.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCFLFLRLTILVIE