

## Form 62-103F1

### *Required Disclosure under the Early Warning Requirements*

**State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.**

Not applicable.

#### **Item 1 – Security and Reporting Issuer**

**1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

This report relates to common shares (“**Common Shares**”) of Pet Valu Holdings Ltd. (the “**Company**”).

The Company’s head office is located at:

130 Royal Crest Court,  
Markham, Ontario, L3R 0A1

**1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”).

#### **Item 2 – Identity of the Acquiror**

**2.1 State the name and address of the acquiror.**

Roark Capital Partners II AIV AG, L.P. and RCPS Equity Cayman LP

c/o Roark Capital Management, LLC  
1180 Peachtree St NE, Suite 2500  
Atlanta, GA 30309

Each of Roark Capital Partners II AIV AG, L.P. and RCPS Equity Cayman LP was formed under the laws of the Cayman Islands and is an investment company managed directly or indirectly by an affiliate of Roark Capital Management, LLC.

**2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On September 28, 2021, pursuant to a final short form prospectus of the Company dated September 23, 2021, PV Holdings S.à.r.l., Roark Capital Partners II AIV AG,

L.P., RCPS Equity Cayman LP and Roark Capital Partners Parallel II AIV AG, L.P. (collectively, the “**Selling Shareholders**”) sold an aggregate of 7,000,000 Common Shares held by the Selling Shareholders at an offering price of \$32.25 per Common Share (the “**Offering Price**”) for total gross proceeds to the Selling Shareholders of approximately \$226 million (the “**Offering**”).

A press release describing the terms of the Offering and containing the required early warning disclosure of the Selling Shareholders was issued on September 28, 2021.

### **2.3 State the names of any joint actors.**

PV Holdings S.à.r.l. and Roark Capital Partners Parallel II AIV AG, L.P., each of which are managed directly or indirectly by an affiliate of Roark Capital Management, LLC, may be considered joint actors of Roark Capital Partners II AIV AG, L.P. and RCPS Equity Cayman LP.

### **Item 3 – Interest in Securities of the Reporting Issuer**

#### **3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.**

RCPS Equity Cayman LP disposed of beneficial ownership of 2,513,559 Common Shares (approximately 3.6% of the outstanding Common Shares) and Roark Capital Partners II AIV AG, L.P. disposed of beneficial ownership of 3,548,141 Common Shares (approximately 5.1% of the outstanding Common Shares) in the Offering.

#### **3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

See Item 3.1.

#### **3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

#### **3.4 State the designation and number or principal amount of securities and the acquiror’s securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Prior to the Offering, RCPS Equity Cayman LP and Roark Capital Partners II AIV AG, L.P. beneficially owned approximately 26.1% and 36.8% of the outstanding Common Shares, respectively. Following the Offering, RCPS Equity Cayman LP and Roark Capital Partners II AIV AG, L.P. beneficially own approximately 22.5% and 31.7% of the outstanding Common Shares, respectively.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**

Not applicable.

- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Roark Capital Management, LLC., which manages directly or indirectly the Selling Shareholders, may be considered to exercise control over 43,796,450 Common Shares (representing approximately 62.6% of the outstanding Common Shares).

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

**3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

**3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

**3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of**

**securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 – Consideration Paid**

**4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

The Common Shares were sold at the Offering Price and less the underwriting fee, the total consideration paid to RCPS Equity Cayman LP was \$77,819,786.640 and to Roark Capital Partners II AIV AG, L.P. was \$109,850,445.360.

**4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 4.1.

**4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

#### **Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or dissolution, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**

- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Selling Shareholders intend to hold their Common Shares for investment purposes. The Selling Shareholders may further purchase, hold, vote, dispose or otherwise deal in the securities of the Company, including through derivative or hedge transactions, in such manner as they deem advisable from time to time, subject to the terms of the Lock Up Agreements (as defined below), and the Investor Rights Agreement (as defined below), each as described in the supplemented PREP prospectus of the Company dated June 23, 2021.

#### **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.**

##### *Investor Rights Agreement*

Upon closing of the Company's initial public offering (the "IPO"), the Company entered into an investor rights agreement (the "Investor Rights Agreement") with Pet Retail Brands LP. Upon dissolution of Pet Retail Brands LP following closing of

the IPO, the Selling Shareholders assumed Pet Retail Brands LP's rights under the Investor Rights Agreement. The Investor Rights Agreement is available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Investor Rights Agreement provides the Selling Shareholders with certain board nomination rights, quorum rights, registration rights, pre-emptive rights, and information rights. The rights to be afforded to the Selling Shareholders under the Investor Rights Agreement will terminate as of the first date upon which the Selling Shareholders, together with their affiliates, cease to own, control or direct at least 5% of the issued and outstanding Common Shares (on a non-diluted basis). In addition, the Investor Rights Agreement will terminate on the earlier of: (a) the date on which the Investor Rights Agreement is terminated by written agreement of the Selling Shareholders and the Company; and (b) the Company's dissolution or liquidation. The Selling Shareholders have the right, in their sole discretion, to assign their rights under the Investors Rights Agreement to any affiliate or any purchaser who acquires 20% or more of the issued and outstanding Common Shares from the Selling Shareholders.

#### *Lock-Up Agreement*

Pursuant to lock-up agreements entered into on closing of the IPO (the "**Lock-Up Agreements**"), the Selling Shareholders agreed not to, directly or indirectly, without the prior written consent of the lead underwriters of the Offering (i) sell, grant any option for the sale of, or otherwise dispose of any Common Shares, retained interest securities or securities convertible into or exercisable or exchangeable for Common Shares in a public offering, by way of private placement or otherwise; (ii) make any short sale, engage in any hedge transaction other than a currency hedge, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares, whether any such transaction is to be settled by delivery of Common Shares, other securities, cash or otherwise; or (iii) agree to or announce any intention to do any of the foregoing things, for a period ending on December 27, 2021.

Pursuant to the terms and conditions of their Lock-Up Agreements, each of the Selling Shareholders may transfer securities (i) to any person (including a corporation, company, limited liability company, limited partnership, partnership or other entity) or trust controlled, directly or indirectly, by such Selling Shareholder, provided the recipients thereof agree in writing with the lead underwriters of the Offering to be bound by the terms of a similar agreement; or (ii) pursuant to a bona fide third party take-over bid made to all shareholders of the Company or an arrangement, amalgamation or similar acquisition transaction involving the acquisition by a third party of 50% or more of the voting power attached to the Common Shares provided that in the event that the take-over bid, arrangement, amalgamation or similar acquisition transaction is not completed, any Common Shares held directly or indirectly by the Selling Shareholder shall remain subject to the restrictions contained in the Lock-Up Agreement.

**Item 7 – Change in Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.**

Not applicable.

**Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable.

**Item 9 – Certification**

The undersigned certify that the statements made in this report are true and complete in every respect.

Dated: September 29, 2021

**Roark Capital Partners II AIV AG, L.P.  
by its general partner RC PV Holdings  
GP II Ltd.**

By: (Signed) “Paul Ginsberg”  
Name: Paul Ginsberg  
Title: Authorized Signatory

**RCPS Equity Cayman LP by its general  
partner Roark Capital GenPar III LLC**

By: (Signed) “Paul Ginsberg”  
Name: Paul Ginsberg  
Title: Authorized Signatory