BOXER

2026 Annual Financial STATEMENTS







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These Group and Company annual financial statements have been prepared by the Group's Finance Division under the supervision of the Chief Finance Officer (CFO), David Wayne, CA(SA).



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Boxer Retail Limited
GROUP

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Directors' **RESPONSIBILITY STATEMENT**

The directors are responsible for the preparation and fair presentation of the Group annual financial statements and annual financial statements of Boxer Retail Limited (the Company), comprising the statement of financial position as at 01 March 2026, the statements of comprehensive income, changes in equity and cash flows for the period then ended, and the notes to the financial statements which include a summary of material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRS IC); the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by the Financial Reporting Standards Council; the requirements of the Companies Act, 71 of 2008 (as amended); and the JSE Requirements.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the annual financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management, as well as the preparation of the supplementary schedules included in these annual financial statements.

The directors have assessed the ability of the Group and Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the period ahead. Please refer to the Directors' Report for further information.

The auditor is responsible for reporting on whether the Group financial statements and financial statements of the Company are fairly presented in accordance with IFRS Accounting Standards.

Approval of the Group annual financial statements and annual financial statements of the Company

The Group annual financial statements and annual financial statements of Boxer Retail Limited, as identified in the first paragraph, were approved by the Board of directors on 7 May 2026 and signed by:

Sean Summers
Chairperson
7 May 2026

Marek Masojada
Chief Executive Officer
7 May 2026

Company Secretary's **CERTIFICATE**

In my capacity as Company Secretary, I certify that for the period ended 01 March 2026, Boxer Retail Limited has filed all returns and notices as required for a company in terms of section 88(2)(e) of the Companies Act No 71 of 2008, as amended, and that such returns and notices are, to the best of my belief, true, correct and up to date.

Vaughan Pierce
Company Secretary
7 May 2026

Chief Executive Officer and Chief Finance Officer

INTERNAL FINANCIAL CONTROL RESPONSIBILITY STATEMENT

Each of the directors, whose names are stated below, hereby confirms that –

a. the annual financial statements set out on pages 22 to 75, fairly present, in all material respects the financial position, financial performance and cash flows of the issuer in terms of International Financial Reporting Standards (IFRS Accounting standards as issued by the International Accounting Standards Board);

b. to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

c. internal financial controls have been put in place to ensure that material information relating to the Company and its consolidated subsidiaries and associates have been provided to effectively prepare the financial statements of the issuer;

d. the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

e. where we are not satisfied, we have disclosed to the Audit, Risk and Compliance committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and

f. we are not aware of any fraud involving directors.

Marek Masojada
Chief Executive Officer
7 May 2026

David Wayne
Chief Finance Officer
7 May 2026

Directors' report **AND STATUTORY INFORMATION**

The directors present the Group and Company annual financial statements for the period ended 01 March 2026.

Nature of the business

Boxer Retail Limited is an investment holding company that is domiciled and incorporated in the Republic of South Africa and listed on the JSE and A2X, the recognised securities exchanges in South Africa. The Group comprises subsidiaries that engage in the retail of food, health and beauty products, general merchandise and liquor, and additional value added services, in South Africa and Eswatini. Noteworthy subsidiaries are presented in note 28 of the Group Annual Financial Statements.

Overview of operations and financial results

The Group provides an overview of its operational and financial performance for the 2026 financial period (FY26) in "Review of operations" presented on pages 16 to 19 of the Group Annual Financial Statements.

The Group manages its retail operations on a 52-week trading calendar basis where the financial reporting period always ends on a Sunday. To ensure calendar realignment, the inclusion of a 53rd week of trading is required approximately every six years. The Group reported on a 53-week basis in FY25. Refer to the Pro forma financial information disclosed in the Supplementary information section for more detail as well as the external auditor's review.

Going concern

The Board of directors (the Board) has performed a formal review of the Company and its subsidiaries' ability to continue trading as a going concerns in the foreseeable future. As part of this review, the Board has considered the impact of the current economic environment, assessed financial forecasts, considered the adequacy of insurance covers and current trading trends. In line with standard governance practice, the Board has assessed the Group's solvency and liquidity and is satisfied as to the Group's ability to continue as a going concern for the foreseeable future and that the presentation of the Annual Financial Statements on a going concern basis is appropriate.

In accordance with the requirements of the Companies Act, the Group and Company ensures that it complies with the liquidity and solvency requirements before any dividend payment and provision of financial assistance.

Shareholder distribution

The Board declared an interim gross dividend (number 1) of 45.30 cents per share out of income reserves which was paid on 8 December 2025. A final dividend of 95.37 cents per share was approved by the Board, to be paid on 1 June 2026, bringing our total FY26 dividend to 140.67 cents per share.

Share capital and treasury shares

At period end the Company has 1 000 000 000 authorised, ordinary, no par value shares, of which 457 407 408 shares are issued.

At period end, 4 723 968 (2025: 3 796 296) shares of Boxer Retail Limited were held within the Group to settle future obligations under the Group's employee share scheme. Further details of the Group's share capital and treasury shares, including all movements for the period under review is disclosed in notes 18, 19 and 5 of the Group's annual financial statements.

Details of the Company's shareholder analysis as at 01 March 2026 are set out on page 84.

Borrowings

The Group's overall level of debt as at 01 March 2026 is R200 million (2025: R850 million).The Group's net funding position (defined as overall debt net of cash and cash equivalents) of R180 million at 02 March 2025 increased to a cash positive position of R709 million at 01 March 2026. Refer to the review of operations for further information on the Group's net funding position. Subsequent to year end the Group settled its borrowings of R200 million on 28 April 2026.

Legal proceedings

The Company and its subsidiaries are not involved, and have not in the 2026 financial period been involved, in any legal or arbitration proceedings which may have or have had a material effect on the financial position of the Group, nor is the Company aware of any such proceedings that are pending or threatened.

External auditor

The directors have nominated Ernst & Young Inc. to act as external auditor for the coming financial period in accordance with section 90 of the Companies Act 71 of 2008.

Directors' report **AND STATUTORY INFORMATION** continued

Special resolutions

The Company's shareholders approved the following special resolutions during the 2026 financial year:

General approval to repurchase Company shares

On 29 July 2025, shareholders resolved that the Company or any of its subsidiaries may acquire issued shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may determine from time to time. Acquisition of such shares is subject to the Memorandum of Incorporation of the Company, the provisions of the Companies Act and the Listings Requirements of the JSE.

Directors fees for the 2026 and 2027 annual financial periods

On 29 July 2025, shareholders approved the non-executive directors' fees as proposed.

Directors, prescribed officers and company secretary

Details of the directors and prescribed officers who served on the Board during the period and any changes at reporting date are provided below. The biographical details of the current directors and prescribed officers, including Board committee membership, will be published in the Integrated Annual Report later in the year and are available on the Company's website at: www.boxerinvestor.co.za.

Directors		
Charlotte Maponya	Lead Independent Non-Executive	Appointed: 15 October 2024
Cindy Robertson	Independent Non-Executive	Appointed: 15 October 2024
David Wayne	Executive – Chief Finance Officer	Appointed: 15 October 2024
Dineo Molefe	Independent Non-Executive	Appointed: 15 October 2024
James Formby	Non-Executive	Appointed: 9 October 2024
Jesmane Boggenpoel	Independent Non-Executive	Appointed: 15 October 2024
Leon Lourens	Independent Non-Executive	Resigned: 28 February 2026
Marek Masojada	Executive – Chief Executive Officer	Appointed: 15 October 2024
Sean Summers	Non-Executive Chairperson	Appointed: 20 August 2024

On 28 February 2026, James Formby resigned as Non-Executive Chairperson, however he remains a Non-Executive director of the Board. On 01 March 2026 Sean Summers was appointed Non-Executive Chairperson of the Board.

Refer to note 4.2 of the Group Annual Financial Statements for details of the directors' interest in shares.

In accordance with the Company's Memorandum of Incorporation, at least one-third of directors retire by rotation at each Annual General Meeting (AGM) and may offer themselves for re-election. In determining those directors retiring, the Board considers applicable regulatory requirements, the Board's Corporate Governance Charter and the tenure of each director since their last election. Non-executive directors retire at least every three years, while those who have served for more than nine years are subject to annual re-election. The directors standing for election or re-election at the 2026 AGM are Charlotte Maponya, Cindy Robertson, Dineo Molefe and James Formby. Further details will be included in the Notice of AGM, expected to be published at the end of June 2026.

Company Secretary		
Vaughan Pierce	Company Secretary	Appointed: 15 October 2024

Audit, risk and compliance committee

We draw your attention to the Group Audit, Risk and Compliance Committee report on pages 10 - 14, where we set out the responsibilities of the Committee and how it has discharged these responsibilities during the period.

Events subsequent to the reporting date

Subsequent to year end the Group settled its borrowings of R200 million resulting in zero long-term debt.

Sean Summers
Chairperson
7 May 2026

Marek Masojada
Chief Executive Officer
7 May 2026

Independent auditor's REPORT

To the shareholders of Boxer Retail Limited Group

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Boxer Retail Limited and its subsidiaries ("the group") and company set out on pages 22 to 75, which comprise of the consolidated and separate statements of financial position as at 1 March 2026, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity, the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 1 March 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements of the group and company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the group and company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (the EAR Rule), we report:

Final materiality

The ISAs recognise that:

- Misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- Judgments about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgment. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

Group final materiality:

We determined the final materiality for the Group to be R130 Million, which is based on 5% of earnings before interest and tax (EBIT). We have identified EBIT as the most appropriate basis as we typically believe that profit companies are evaluated by users on their ability to generate earnings.

Company materiality:

We determined the final materiality for the standalone company to be R82 Million, which is based on 1% of Total Assets. We have identified Total Assets as the most appropriate basis due to the fact that Boxer Retail Limited is the holding company of the group's operational subsidiaries and is not a profit orientated entity.

Group audit scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account the size and risk profile of the components in the Group. In addition, we further consider the organisation of the Group and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent internal audit results when assessing the level of work to be performed at each component of the Group. Our process focuses on identifying and assessing the risk of material misstatements of the Group financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

Independent auditor's **REPORT** continued

In selecting components, we perform risk assessment activities across the Group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements. This assessment included performing overall analytical procedures at Group level.

We identified 1 component ("full scope component") which was selected based on the pervasiveness of risk in the component and for which we therefore performed procedures on what we considered to be the entire financial information of the component.

At a Group level, we tested the consolidation process as well as centralised testing over IT applications, and control testing.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

The key audit matters only applies to the audit of the consolidated financial statements.

Key audit matter	How the matter was addressed in the audit
Revenue Recognition The Group's revenue arises from a high volume of retail transactions processed daily across an extensive store network. While revenue is generated from individual point-of-sale transactions, the overall revenue balance represents the aggregation of a large number of low-value transactions, making it inherently sensitive to errors or inappropriate adjustments when considered at scale. Revenue is a key performance measure for the Group and therefore subject to heightened management focus, particularly around period-end. In line with ISA 240, there is a presumed fraud risk in revenue recognition, which in the context of the Group's operating model primarily relates to the potential for inappropriate manual or non-routine journal entries or adjustments to be processed outside the normal transaction flow. Accordingly, revenue recognition required significant audit attention and was determined to be a key audit matter.	Our procedures, amongst others, included the following: We obtained an understanding of the Group's revenue process and related IT environment, including key systems, interfaces and application controls supporting revenue recording. We evaluated the design and operating effectiveness of relevant controls over revenue at the point of sale and through the final financial reporting process, where applicable, to assess whether revenue transactions are consistently generated, processed and recorded accurately and completely. We performed a 100% population test of revenue from initial transaction capture through to general ledger recording, performed on a store and trading-day basis, to assess the completeness and accuracy of revenue across the full population. To address cut-off, we analysed a sample of revenue transactions processed immediately before and after year end, by store and trading day, to confirm that revenue was recognised in the correct accounting period. We traced a sample of revenue transactions, selected by store and trading day, from recorded revenue to the corresponding bank statements, to obtain audit evidence over the occurrence and completeness of revenue and related cash receipts. We assessed revenue completeness by reconciling recorded revenue to a complete listing of stores and trading dates for the year, confirming that all trading activity was captured in revenue. We assessed the presentation and disclosure of revenue in the financial statements for compliance with the requirements of IFRS 15 Revenue from contracts with customers.
Key observations: Based on the procedures performed over the recognition of revenue, we did not identify any significant matters requiring further consideration in concluding our procedures.	

Independent auditor's **REPORT** continued

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 86-page document titled "Boxer 2026 Annual Financial Statements for the period ended 1 March 2026", which includes the Directors' report and statutory information, Report of the Audit, Risk and Compliance Committee and Company Secretary's certificate, as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements.

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

Independent auditor's **REPORT** continued

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditor of Boxer Retail Limited for 2 years.

Ernst & Young Inc.
Director: Matthew R Brown
Registered Auditor
Chartered Accountant (SA)
7 May 2026

Report of the **AUDIT, RISK AND COMPLIANCE COMMITTEE**

The Audit, Risk and Compliance Committee (the Committee) presents its report for the financial period ended 01 March 2026 (FY26). This report was prepared in accordance with the requirements of the Companies Act, No. 71 of 2008, as amended (the Companies Act), the King IV™ Report on Corporate Governance for South Africa (King IV), the JSE Limited Listings Requirements (Listings Requirements), IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS) and other applicable regulatory requirements.

Committee Chair overview

I am pleased to present the Audit, Risk and Compliance Committee's report for FY26, the Group's first full financial year as a listed company. As expected, this has introduced increased complexity and higher expectations across financial reporting, risk management, compliance and assurance. The business has responded well. The relevant teams have demonstrated strong professionalism and commitment, embedding governance in a way that is practical, sustainable and aligned to the needs of the business. Importantly, this progress has been achieved efficiently without compromising Boxer's low-cost operating model. Governance, controls and processes have been strengthened in a measured way, supporting the business without introducing unnecessary administrative burden or cost.

A significant milestone during the year was the successful transition of the internal audit, risk management and compliance functions from Pick n Pay to fully in-house Boxer-managed functions. These are now led by dedicated Boxer executives and supported by in-house teams. While the underlying foundations remain strong, each function has established clear multi-year roadmaps to support its continued development and maturity.

The Committee has maintained a strong focus on the control environment as the business continues to expand. Boxer's growth strategy is well defined and executable, with ongoing store rollout in a challenging trading environment where customers remain under pressure. In this context, particular attention has been given to ensuring that controls are robust and scalable, supporting growth without compromising discipline.

Technology is an important enabler of the Group's strategy. The Committee has spent time reviewing IT governance, system resilience and cybersecurity risks, particularly as the business invests in operational efficiency and customer-facing initiatives. This remains an area of ongoing focus.

The broader geopolitical and macro-economic environment remains uncertain. Developments in the Middle East, and the resulting volatility in fuel costs, will have a direct impact on the cost of doing business and on our customers. These factors are being closely monitored, with a disciplined approach to managing their impact while maintaining Boxer's value offering.

The business has delivered against its strategic and operational objectives, while continuing to build a robust governance foundation. The Committee is satisfied that the Group's governance, risk and assurance functions are working effectively, are well coordinated, and are continuing to mature in a disciplined and practical way. On behalf of the Committee, I thank management and the broader teams for their commitment and professionalism.

Leon Lourens retired from the Board and the Committee on 28 February 2026 to take on a full-time executive position outside of Boxer. I acknowledge Leon's contribution to the Committee during a period of significant change, including the listing and the transition to an independent governance structure. We thank him for his contribution and wish him well. I welcome Dineo Molefe to the Committee and look forward to the experience and perspective she will bring in the year ahead.

Report of the **AUDIT, RISK AND COMPLIANCE COMMITTEE** continued

Committee mandate

The Committee assists the Board in discharging its responsibilities for financial reporting, risk governance, assurance and regulatory compliance across the Group.

The Committee provides independent oversight and assessment of the integrity of the Group's financial and integrated reporting, the effectiveness of its risk management and internal control environment, and the performance of its assurance functions. In doing so, the Committee supports transparency, accountability and informed decision-making, and contributes to the long-term sustainability of the Group.

The Committee's responsibilities are aligned with the Companies Act, JSE Listings Requirements and the principles of King IV, and are set out in its Terms of Reference.

The Committee's key areas of oversight include:

- **Financial reporting and integrity** – reviewing and recommending the approval of the Annual Financial Statements and other external reports, and ensuring that these present a fair, balanced and transparent view of the Group's performance and position.
- **Financial sustainability** – assessing the Group's solvency and liquidity, and supporting the Board in confirming the appropriateness of the going concern basis of preparation.
- **Risk governance** – overseeing the Group's risk management framework and processes, including the identification, assessment and management of key risks.
- **Combined assurance** – overseeing a coordinated approach to assurance across internal audit, external audit, risk management and other assurance providers, to support an effective control environment and the integrity of reporting.
- **External and internal audit oversight** – monitoring the independence, effectiveness and performance of the external auditor and internal audit function.
- **Regulatory compliance** – overseeing the Group's compliance with applicable laws, regulations and codes, including the Companies Act and JSE Listings Requirements.

The Committee operates in accordance with formal Terms of Reference, which are reviewed annually and approved by the Board, and are available on the Company's Investor Relations website at www.boxerinvestor.co.za/esg-governance.

Committee governance

The Committee is constituted as a statutory committee of the Board and operates independently of management within a clearly defined governance framework. The Board has delegated to the Committee oversight of audit, risk and compliance matters, while retaining ultimate accountability. The Committee supports the Board by providing independent insight and recommendations on matters within its mandate.

The Committee adopts an annual work plan to guide its activities and ensure that it discharges its responsibilities effectively and in a disciplined manner. The phasing of agenda items continued to be refined during the year to ensure appropriate focus on interim and year-end responsibilities.

The Committee Chair reports to the Board after each meeting. In addition, the Committee Chair engages periodically with the Chair of the Group Audit, Risk and Compliance Committee of Pick n Pay Stores Limited on matters of mutual interest.

The Committee comprises independent non-executive directors who are nominated by the Nominations and Corporate Governance Committee and elected by shareholders at the Annual General Meeting. Members collectively have the appropriate skills, experience and financial literacy to fulfil the Committee's responsibilities.

Committee composition and meeting attendance

All members of the Committee satisfy the requirements of section 94 of the Companies Act and collectively possess the necessary skills, experience and financial literacy to discharge their responsibilities effectively. The Committee met four times during FY26, including a post financial year-end meeting to consider the Annual Financial Statements and the outcomes of the external audit and combined assurance process. Details of Committee membership and attendance are set out below:

Member	Status	Attendance	Notes
Current members			
Cindy Robertson (Chair)	Independent non-executive	4/4	
Jesmane Boggenpoel	Independent non-executive	4/4	
Dineo Molefe	Independent non-executive	1/1	Appointed 1 March 2026
Former member			
Leon Lourens	Independent non-executive	3/3	Resigned 28 February 2026

The composition of the Committee changed towards the end of FY26, as reflected above. Biographical details of Committee members are available on the Boxer Investor Relations website at www.boxerinvestor.co.za/leadership and will be included in the 2026 Notice of AGM.

Report of the **AUDIT, RISK AND COMPLIANCE COMMITTEE** continued

Committee effectiveness and re-election

The Committee conducted a formal self-assessment during FY26 and is satisfied that it has operated effectively and in line with its mandate. In accordance with the Companies Act, all members of the Committee will be put to shareholders for formal re-election at the 2026 AGM to be held in July 2026.

How the Committee discharged its duties in FY26

The Committee executed its responsibilities in accordance with its mandate and annual workplan, with a continued focus on strengthening governance, oversight and assurance. The Committee engaged constructively with management, internal audit, the external auditor and other assurance providers, ensuring that key matters were appropriately considered and resolved.

Financial reporting

The Committee provided oversight of the integrity and transparency of the Group's financial reporting and the effectiveness of the finance function, with particular focus on the quality of earnings and sustainability of performance.

Key areas of focus and activities during FY26 included:

- Reviewing financial results, budgets, forecasts and capital expenditure, including the assessment of key performance drivers, margin dynamics and variances against budget and prior year
- Evaluating areas of significant judgement, including revenue recognition, impairments and provisions
- Assessing disclosure quality, consistency and alignment with JSE requirements
- Monitoring compliance with IFRS and other regulatory requirements
- Reviewing liquidity, debt covenants and capital allocation priorities in the context of ongoing expansion, and the approval of the repayment of long-term debt
- Maintaining oversight of the Group's tax compliance and governance framework
- Reviewing financial reporting controls and monitoring remediation of identified control matters

The Committee considered the composition, experience and capacity of the finance function and is satisfied that it is appropriately resourced. The Committee further confirmed that the Chief Finance Officer, David Wayne CA(SA), has the appropriate expertise and experience for his continued appointment.

External audit

The Committee oversees the appointment, remuneration, independence and effectiveness of the Group's external auditor. The Committee maintained regular engagement with the external auditor during the year, with unrestricted access provided to the Committee and its Chair.

Key areas of focus and activities during FY26 included:

- Reviewing and approving the external audit plan and scope, ensuring appropriate coverage of key risk areas and significant balances
- Assessing audit risks and areas of judgement, and engaging with management and the auditor on these matters
- Approving audit fees, with a focus on transparency and value
- Monitoring independence, including the nature and extent of non-audit services
- Evaluating audit findings and confirming the resolution of all material audit matters
- Assessing audit quality, including the application of professional scepticism
- Supporting the use of audit technology and data analytics to enhance audit effectiveness

Report of the **AUDIT, RISK AND COMPLIANCE COMMITTEE** continued

Internal audit

The Committee oversaw the effectiveness of the internal audit function, recognising its role as a key component of the Group's combined assurance framework. During FY26, the internal audit function continued to mature, with the successful transition to an in-house capability aligned to the Group's evolving risk and assurance requirements.

The Committee notes that the head of internal audit also has responsibility for the Group's risk management function. While this presents a potential conflict of interest, the Committee has considered the matter carefully and is satisfied that appropriate safeguards are in place and documented in the audit charter to maintain the independence of the internal audit function.

Key areas of focus and activities during FY26 included:

- Approving the internal audit plan and budget, aligned to key risk areas
- Assessing independence, capability and the evolving structure of the in-house function
- Reviewing internal audit reports across financial, operational and IT controls
- Monitoring the timely and effective remediation of audit findings
- Engaging independently with the Head of Internal Audit
- Overseeing integration into the Combined Assurance framework

The Committee noted the continued strengthening of internal audit coverage and its increasing contribution to enhancing the Group's control environment, particularly in the context of the Group's expansion strategy.

Risk management

The Committee provided oversight of the Group's risk governance framework, ensuring that key risks are identified, assessed and managed in a structured and disciplined manner, aligned to the Group's strategic objectives. During FY26, the Committee oversaw the continued maturation of the Group's Enterprise Risk Management (ERM) framework, reflecting the transition to an in-house Boxer risk function fully independent of its holding company, and a more embedded approach to risk management across the business.

Key areas of focus and activities during FY26 included:

- Reviewing the risk management framework and strategy, aligned to the Group's stage of maturity
- Overseeing the transition to an in-house risk function and strengthening risk capability
- Reviewing key risk exposures across strategic and operational areas
- Ensuring clear accountability for risk ownership at executive level
- Exercised oversight of IT governance, including cybersecurity, systems resilience, effectiveness of disaster recover plans and incident response processes and technology related risks
- Monitoring emerging risks, including macro-economic, supply chain, technology and cybersecurity risks
- Reviewing enhancements to risk methodologies and reporting
- Overseeing the integration of risk management with assurance activities
- Monitoring insurance coverage and risk transfer arrangements

The Committee noted the continued strengthening of risk governance processes and the increasing integration of risk management into operational and strategic decision-making, including consideration of the pace of expansion and its impact on the control and risk environment.

Compliance

The Committee provided oversight of the Group's compliance framework, ensuring adherence to applicable laws, regulations and internal policies, and supporting a culture of ethical conduct and accountability across the organisation. During FY26, following the appointment of a Compliance Manager, the Committee oversaw the continued development and formalisation of the Group's compliance framework, reflecting the increasing requirements of a listed environment and the need for a structured and proactive approach to regulatory compliance.

Key areas of focus and activities during FY26 included:

- Approving the compliance framework and associated policies
- Monitoring adherence to applicable laws and regulatory requirements
- Reviewing litigation and legal matters within defined risk thresholds
- Monitoring whistleblowing processes and investigation outcomes
- Reviewing compliance with key operational policies, including occupational health and safety and food safety
- Enhancing compliance reporting to support improved visibility and trend analysis

The Committee noted the continued strengthening of compliance processes and governance structures, supporting a disciplined and proactive approach to regulatory compliance as the Group matures as a listed entity.

Report of the **AUDIT, RISK AND COMPLIANCE COMMITTEE** continued

Combined assurance

The Committee oversaw the development and implementation of the Group's Combined Assurance Framework, supporting a coordinated and risk-based approach to assurance across the organisation. During FY26, the Committee focused on establishing a structured and integrated assurance model aligned to the Group's evolving risk and control environment, recognising the increasing complexity of a listed operating environment.

Key areas of focus and activities during FY26 included:

- Approving the Combined Assurance Framework and multi-year plan
- Aligning assurance activities across the three lines of defence
- Establishing a Combined Assurance Forum to enhance coordination
- Embedding Control Self-Assessments across key operational areas
- Expanding assurance coverage to improve visibility over risk and control effectiveness
- Encouraging a phased and structured approach to assurance maturity

The Committee noted that FY26 represented a foundational year in establishing the Group's Combined Assurance model, with a focus on enhancing risk and control visibility.

Key focus areas and significant judgements

The Committee devoted focused attention to a number of key areas during FY26, reflecting the Group's continued growth and the increasing complexity of a listed operating environment.

Key areas of focus included:

- **Sustaining financial performance and reporting integrity** – in the context of strong growth, strong focus on material provisions and potential impairments, with particular attention to margin management, cost discipline and areas of accounting judgement
- **Maintaining a robust control environment during accelerated expansion** – including the scalability of store-level robust training pipeline for new store personnel, controls and the effectiveness of remediation actions in response to identified control weaknesses
- **Embedding risk governance capabilities** – including the transition to an in-house risk function, the defining of a comprehensive risk universe and the identification of emerging risks
- **Establishing a structured Combined Assurance model** – supporting improved visibility over risk and control effectiveness and enabling a coordinated approach to assurance across the organisation
- **Ensuring audit quality and effective external assurance** – including focused engagement on key risk areas and areas of significant judgement

Key focus areas for FY27

The Committee will continue to focus on strengthening governance, oversight and assurance processes, with particular emphasis on:

- Further embedding the Combined Assurance Framework and expanding assurance coverage across all areas of the business
- Enhancing risk management capabilities, including the continued development of risk analytics and reporting
- Monitoring the effectiveness of the control environment in the context of continued operational expansion
- Maintaining the quality, integrity and transparency of financial and integrated reporting
- Ongoing oversight of IT governance, cybersecurity and emerging technology risks
- Preparing for the adoption of King V in FY27, including a comprehensive review of the Group's corporate governance frameworks, policies and procedures to ensure alignment with updated principles and continued adherence to best practice
- Embedding the compliance framework and expanding coverage across all areas of the business

Conclusions and governance statements

The Committee's key governance conclusions and statements for FY26 are set out below.

Internal control effectiveness

The Committee reviewed the effectiveness of the Group's internal financial controls, including CEO and CFO attestations and supporting management representations. Based on the work performed by management, external and internal audit and other assurance providers, and having considered control incidents identified during the year and the effectiveness of remediation actions implemented, the Committee is satisfied that the Group's internal financial controls were effective and provide a sound basis for the preparation of reliable financial statements.

Report of the **AUDIT, RISK AND COMPLIANCE COMMITTEE** continued

External auditor

The Committee is satisfied that Ernst & Young Inc. is independent and effective in performing its duties as external auditor. In accordance with paragraph 5.7 (h)(iii) of the JSE Listings Requirements, the Committee has considered the auditor's suitability, independence, performance and quality of audit work, including the application of professional scepticism and the resolution of all material audit matters. The Committee noted that no reportable irregularities were identified and that an unqualified audit opinion will be issued. The Committee recommends the reappointment of Ernst & Young Inc. as external auditor for FY27, subject to shareholder approval at the Annual General Meeting.

Internal audit

The Committee is satisfied that the internal audit function, which reports into the committee, operated independently and effectively during FY26. The Committee considered the capability, capacity and performance of the in-house internal audit function, the execution of the approved audit plan, and the responsiveness of management to audit findings. The Committee is satisfied that internal audit continues to provide appropriate assurance over the Group's control environment.

Risk management

The Committee is satisfied that the Group's risk management framework is effective and supports the identification, assessment and management of key risks. The Committee considered the continued maturation of the Enterprise Risk Management framework, the establishment of an independent risk function, and the embedding of risk ownership across the business. The Committee is satisfied that appropriate risk mitigation strategies are in place and that an acceptable level of residual risk is maintained.

Going concern

The Committee reviewed the Group's financial position, cash flow forecasts, solvency and liquidity, and compliance with debt covenants. Based on this review, and having considered management's representations, the Committee is satisfied that the Group is a going concern and supports the adoption of the going concern basis of preparation for the FY26 Annual Financial Statements.

Annual Financial Statements approval

The Committee reviewed the consolidated Group and separate Company Annual Financial Statements for the 52 weeks ended 01 March 2026. The Committee is satisfied that, in all material respects, the financial statements comply with IFRS and the Companies Act and fairly present the financial position, performance and cash flows of the Group and Company. The Committee recommended the Annual Financial Statements to the Board for approval.

Cindy Robertson
Chair: Audit, Risk and Compliance Committee

7 May 2026

Review of **OPERATIONS**

Audited financial results for the 52 weeks ended 01 March 2026

	52 weeks 01 March 2026 FY26	53 weeks 02 March 2025 FY25	% change
Turnover	**46.7 billion**	42.6 billion*	9.6
Trading profit	**2.64 billion**	2.31 billion	14.3
Trading profit margin	**5.7 %**	5.4%	
Profit before tax before capital items	**2.16 billion**	1.94 billion	11.1
Headline earnings	**1.60 billion**	1.41 billion	13.2
Headline earnings per share (HEPS) – cents	**351.67**	413.76	(15.0)**
Dividend per share – cents	**140.67**		
Pro forma FY25 (52 weeks)* **			
Turnover (52/52w)	**46.7 billion**	41.6 billion	12.3
Trading profit (52/52w)	**2.64 billion**	2.25 billion	17.3
Trading profit margin	**5.7 %**	5.4%	

* *FY25 Turnover restated to now include certain items previously recognised within cost of goods sold (COGS). FY25 trading profit is not impacted; FY25 Trading profit margin has been revised as a consequence of this turnover restatement.*

** *The decline in HEPS is the result of the IPO structure, which resulted in a substantial increase in the number of shares in issue during November 2024.*

****Pro forma financial information Note 1*

Highlights

- Turnover growth of 12.3% on a 52/52w basis, showing continued market share gains
- 4.5% like-for-like sales growth, with strong like-for-like volume growth in the context of internal selling price deflation
- 51 net new stores opened to take the Boxer retail estate to 576 stores
- Trading profit growth of 17.3% on a 52/52w basis, with the trading margin expanding to 5.7%
- 3 400 jobs created, to take total employment to 35 314 employees
- Net cash (excluding lease liabilities) of R709 million, compared to net debt of R180 million at March FY25
- Return on Invested Capital (ROIC) a sector-leading 26.0% (66.7% excluding IFRS 16)

Introduction

FY26 was Boxer's first full financial year as a listed entity post the November 2024 IPO. Boxer remains true to its vision of being the People's Champion by continuously fighting for low prices for our customers, and this philosophy continued to deliver excellent outcomes for all our stakeholders in FY26.

At the end of FY25 Boxer updated the self-reinforcing virtuous circle at the centre of its discount model by adding Innovation to the core strategic model components of Value, Efficiency, Expansion and Volume. In line with this, Boxer is pleased to report that it has successfully executed on a range of Innovation initiatives, including the rollout of the B-Inside supplier portal, which made a notable contribution to the FY26 result.

For the 52 weeks ended 1 March 2026, Boxer turnover reached R46.7 billion, growing 12.3% on a 52/52w basis. Trading profit totalled R2.6 billion, increasing 17.3% on a 52/52w basis. The trading profit margin expanded to 5.7% from 5.4% in FY25. Boxer regards this as an exceptional performance in the context of the challenging macroeconomic environment and the additional trading expenses incurred as a consequence of becoming a listed entity.

FY26 Headline earnings grew 13.2% to R1.6 billion. This is particularly impressive in the context of the additional trading expenses, the 53rd trading week in the FY25 earnings base, and also a 31.3% increase in the net finance charge (to R482 million) resulting from the IPO-related balance sheet restructure and higher lease charges resulting from store estate expansion.

HEPS declined 15.0% as a consequence of a 33.2% increase in the weighted average number of ordinary shares (WANOS) due to the dilution from the 157.4 million shares issued in the IPO. Given that none of the equity capital raised on IPO was retained by Boxer, the Board is comfortable that Headline earnings growth (as opposed to HEPS growth) provides the most appropriate measure of Boxer's FY26 financial performance.

Review of **OPERATIONS** continued

Operational performance review

Turnover

Turnover growth for the period was 12.3% (52/52w basis), including like-for-like sales growth of 4.5%. Sales growth softened from 13.9% (5.3% like-for-like) in H1 to 10.9% (3.7% like-for-like) in H2[1] as a result of a constrained trading environment over the extended Black Friday period and a further reduction in selling price inflation. Sales growth from new stores (turnover growth less like-for-like sales growth) was a robust 7.8%, indicating the high quality of store openings in the latter part of FY25 and FY26.

Boxer added 51 net new stores in FY26 (vs. 48 in FY25), taking the total estate to 576 stores, comprising 338 Boxer Superstores, 206 Boxer Liquor and 32 Boxer Build stores. Store additions by format comprised 18 net new Superstores, 31 net new liquor stores and 2 new Build stores. FY26 store openings were weighted slightly towards the latter part of the year, with 29 net new store openings in H2 FY26 vs. 22 in H1 FY26.

Internal selling price inflation, as measured on a volume-held-constant basis, was -1.2% for FY26, indicating a decline vs. the +0.3% for FY25, and well below the +3.1% reported for FY24. Selling price inflation continued to drop through the period, with H1 FY26 inflation of -0.7% and H2 FY26 inflation of -1.6%. Boxer's FY26 selling price inflation compares favourably with Statistics SA food and non-alcoholic beverage inflation for the 12 month period of +4.4%.

Store estate – number of stores	FY26	FY25	Net additions	% growth
Total stores	**576**	**525**	**51**	**9.7**
Superstores	338	320	18	5.6
Liquor	206	175	31	17.7
Build	32	30	2	6.7
Liquor stores as % of Superstores	61%	55%		
Trading space (GLA, sqm)	694.4	649.8		6.9

Gross profit

The gross profit margin for the period expanded by 0.3% to 21.6% from a restated 21.3% in FY25. Boxer continued to invest in customer value during FY26, with value increasingly being offered via the B-Rewards programme. The reported gross profit margin accretion was the result of exceptional margin mix management and economies of scale. The logistics cost pressure anticipated to arise from the commencement of operations at the Tongaat DC was offset by increased efficiencies across the remainder of Boxer's distribution network. Boxer's gross profit margin remains well below JSE-listed food retail peers, which is testament to the great prices the Group delivers to its customers every day.

Other trading income

Commissions and other income increased 25.0% year-on-year to R390m, and now amounts to 0.8% of annual turnover. Growth was driven by both value added services and the contribution of income from the newly launched B-Inside supplier portal.

Trading expenses

Trading expenses increased 10.9%, including the additional week in the prior year base. Trading expenses as a % of turnover increased to 16.8% vs. 16.6% in FY25, with trading expenses impacted by:

- **New store rollout** was the primary driver of expense growth, with 51 net new stores added and trading space increasing by 6.9% for the year.
- **Ongoing costs of being a separate listed entity:** Incremental ongoing expenses resulting from becoming a listed entity totalled R31 million, below the R45 million annualised charge guided ahead of the IPO.
- **Expensing of IPO admission award:** On IPO, Boxer awarded 3.8m restricted shares (with two-and three-year vesting periods) to 181 executives and managers. These shares were bought and paid for on IPO for a total cost of R205 million. While the cash cost has already been incurred, this cost is being expensed through the income statement in FY26, FY27 and FY28. The non-cash income statement expense for FY26 was R81m.

Employee costs – Increased 10.4% to R3.4 billion, driven by employee growth, above-inflation wage increases and share-based payments, offset by increased employee tax incentives.

Occupancy costs – Increased 9.4% to R1.3 billion, due to annual lease escalations and store rollout. Occupancy cost was impacted by IFRS 16 profit on termination of leases to the value of R35 million, vs. R42 million in FY25.

Operations costs – Increased 12.3% to R2.4 billion, driven by PPE depreciation, electricity costs, and IT expenditure.

Merchandising and Administration costs – Increased 11.0% to R775 million, impacted by credit and debit card commissions, with cards accounting for an increased proportion of customer payments.

[1] *H1 FY26 and H2 FY26 sales growth adjusted to reflect the turnover restatement.*

Review of **OPERATIONS** continued

Trading profit

Trading profit increased 14.3% to R2.6 billion. Trading profit growth was supported by gross margin accretion and growth in other trading income, which together more than offset the increase in trading expenses as a % of turnover.

Rm	FY26	FY25 (53 weeks)	% change
Turnover	46 682	42 597	9.6
Gross profit	10 072	9 053	11.3
Other trading income	390	312	25.0
Trading expenses	7 824	7 057	10.9
Trading profit	**2 638**	**2 308**	**14.3**
Gross profit margin	21.6%	21.3%	
Trading profit margin	5.7%	5.4%	

On a 52/52w basis (excluding the additional trading week in FY25), trading profit growth was 17.3%, with the trading margin accreting from 5.4% to 5.7%.

Rm	FY26	FY25 as reported (53 weeks)	FY25 (52 weeks pro forma)	FY26 growth as reported	FY26 growth (52/52 week basis)
Turnover	46 682	42 597	41 551	9.6%	12.3%
Trading profit	2 638	2 308	2 248	14.3%	17.3%
Trading margin	5.7 %	5.4%	5.4%		

Net finance costs

Net finance costs, including implied interest charges under IFRS 16, increased 31.3% year-on-year to R482 million.

Funding interest – Net funding interest received declined from R45m in FY25 to R1m in FY26, as a result of the external debt taken on as part of the new funding structure implemented in the balance sheet restructure associated with the IPO. Importantly, net funding interest swung from R2 million net interest paid in H1 FY26 to R3m net interest received in H2 FY26. Given the rapid de-gearing in process, Boxer expects to move towards a comfortable net funding interest received position in FY27.

Lease interest – Lease liability interest increased 17.2% year-on-year to R483 million, driven by the store rollout programme and the mechanics of IFRS 16, whereby lease interest expense is disproportionately higher on commencement of new leases.

Profit before tax before capital items

Profit before tax before capital items increased 11.1% year-on-year to R2.2 billion, as result of the 31.3% net finance cost increase exceeding the trading profit increase.

Tax

Boxer's effective tax rate declined to 26.3% from 27.5% in the previous year. The decline was largely attributable to increased employee tax incentives and learnership allowances which are non-taxable income. Boxer's effective tax rate remains close to the South African statutory tax rate of 27.0%.

Earnings per share

FY26 attributable earnings and headline earnings increased by 12.5% and 13.2% respectively. The calculation of EPS and HEPS was impacted by the issue of 157.4 million new shares in the Boxer IPO, which took the number of shares in issue from 300 million shares to 457.4 million shares. This had the impact of increasing WANOS by 33.2% from 340.1 million in FY25 to 453.0 million in FY26, with a consequent negative impact on the per share earnings metrics.

Headline earnings per share (HEPS) – All impairment losses and other capital items are excluded from the calculation of Headline earnings per share. HEPS declined 15.0% year-on-year to 351.67 cents per share.

Earnings per share (EPS) – All items of a capital nature, including impairments, are included in the calculations of Earnings per share. EPS declined 15.5% year-on-year to 343.50 cents per share.

Review of **OPERATIONS** continued

Financial position review

Gearing

Boxer had net cash (excluding lease liabilities) of R709 million at FY26 period-end. This includes a R200 million drawdown on the term loan facility, offset by R538 million in cash and R371 million (of an operational nature) owed to Boxer by Pick n Pay. The increase in the net amount owed by Pick n Pay is a consequence of Boxer settling a R127m intercompany loan to Pick n Pay during the period. This loan constituted the last of the intercompany loans between Boxer and Pick n Pay from the time of the IPO and before.

Including R5.3 billion of lease liabilities (up 9.9% year-on-year), Boxer had total net debt of R4.6 billion at period end.

Rm	**FY26**	**FY25**
Cash and cash equivalents	538	466
Long-term bank debt	(200)	(850)
Net amounts owed by Pick n Pay*	371	204
Net cash/(debt) excluding lease liabilities	**709**	**(180)**
Lease liabilities	(5 271)	(4 797)
Net debt including lease liabilities	**(4 562)**	**(4 977)**

**Amounts owed by Pick n Pay relate to outstanding overnight settlements of operational cashflows which result from the sharing of payments system infrastructure.*

Working capital

Working capital absorbed liquidity of R386 million during the period. Inventory increased by 26.3% to R4.3bn owing to growth in the store base, inventory investment originating from commencement of operations at the Tongaat DC, and strategic inventory buy-ins. Trade and other payables increased by 9.4% to R5.2 billion, approximately in line with COGS growth. Overall FY26 cash generation was healthy, even taking account of the inventory investment.

Capital investment

Capital investment for the period totalled R1.0 billion, 8.3% up on the R939 million invested in FY25. Expansion capital investment amounted to R702 million, accounting for 67.6% of total capital investment.

Boxer's lean capital structure together with its efficient operating model ensured Boxer retained its best-in-class return on investment of the listed South African food retailers, producing a FY26 ROIC (post-IFRS 16) of 26.0%, ahead of the 25.5% reported for FY25. Capital investment for FY27 is expected to be approximately R1.1 billion.

Cash dividend declaration

The Board has declared a final dividend of 95.37 cents per share, which brings the total FY26 dividend to 140.67 cents per share. This amounts to a payout ratio on FY26 Headline earnings per share of 40%, in-line with the guidance provided by the Board in the pre-listing statement. The final dividend will be paid on 1 June 2026. Please refer to the cash dividend declaration included within this announcement for detailed information.

Outlook

FY26 was a strong year of delivery for Boxer across multiple dimensions. Turnover momentum on a 52/52w basis accelerated vs. FY25, primarily driven by the success of the new store rollout programme, which drove sales growth from new stores to reach 7.8%. Simultaneously, Boxer was able to report mid-teens 52/52w trading profit growth and trading profit margin accretion, despite absorbing substantial incremental operating costs.

When assessing the outlook for FY27, it is worth noting that the IPO-related trading expenses are now fully in the base. Furthermore the term debt taken on as part of the IPO restructuring was mostly paid down by 01 March 2026 (with the last R200 million subsequently fully paid down post year-end). Finally, the dilutive impact of the IPO share issuance on EPS and HEPS growth is now also fully in the base, meaning that per share earnings growth will approximate absolute earnings growth going forward.

Currently elevated oil and diesel prices mean that the trading outlook for FY27 is unclear. Boxer expects the war in the Persian Gulf to impact food inflation, logistical costs, and the ability of the consumer to spend. How these factors ultimately play out is uncertain, and is largely predicated on the duration of the war. Turnover growth for the first 9 weeks of FY27 was slightly below that achieved over H2 FY26, with continued internal selling price deflation. Boxer expects selling prices to gradually rise through the remainder of FY27 as the impacts of the war flow through the supply chain.

Irrespective of these short-term dynamics, Boxer will continue to build the business for the long term by remaining resolutely focused on providing value to its customers. Boxer has a strong track record of managing effectively through periods of disruption and will remain focused on execution to capture its long-term growth opportunity.

Sean Summers
Chairperson

Marek Masojada
Chief Executive Officer

7 May 2026

Cash dividend **DECLARATION**

Tax reference number: 9304/920/25/0

Number of shares in issue: 457 407 408

The Board has declared a gross dividend (number 2) of 95.370 cents per share out of income reserves.

The dividend declared is subject to withholding tax at 20%.

The tax payable is 19.074 cents per share, resulting in shareholders who are not exempt from dividends tax with a net dividend of 76.296 cents per share.

The key dates in respect of the dividend is as follows:

Declaration date	Thursday	7 May 2026
Last day to trade (CUM dividend)	Tuesday	26 May 2026
Ex-Dividend date	Wednesday	27 May 2026
Record date	Friday	29 May 2026
Payment date	Monday	1 June 2026

Share certificates may not be dematerialised or rematerialised between Wednesday, 27 May 2026 and Friday, 29 May 2026 both days inclusive.



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Group annual FINANCIAL STATEMENTS

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Group statement of **COMPREHENSIVE INCOME**

	Note	52 weeks to 01 March 2026 Rm	Restated* 53 weeks to 02 March 2025 Rm
Revenue	2	**47 139**	43 000
Turnover	2	**46 682**	42 597
Cost of merchandise sold		**(36 610)**	(33 544)
Gross profit		**10 072**	9 053
Other trading income	2	**390**	312
Trading expenses		**(7 824)**	(7 057)
Employee costs	3.1	**(3 400)**	(3 079)
Occupancy costs		**(1 293)**	(1 182)
Operations costs		**(2 356)**	(2 098)
Merchandising and administration costs		**(775)**	(698)
Trading profit		**2 638**	2 308
Finance income	2	**67**	91
Finance costs	3.3	**(549)**	(458)
Profit before tax before capital items		**2 156**	1 941
Loss on capital items		**(44)**	(33)
Loss on disposal of assets		**(13)**	(13)
Loss from impairments of property, plant and equipment and intangible assets	6,7	**(16)**	(4)
Loss from impairment on right-of-use assets	8	**(15)**	(16)
Profit before tax	3	**2 112**	1 908
Tax	24	**(556)**	(525)
Profit for the period		**1 556**	1 383
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss		**–**	5
Fair value gain on investment in Pick n Pay Stores Limited	13	**–**	5
Items that may be reclassified to profit or loss		**(2)**	(1)
Movement in cash flow hedge		**(2)**	(1)
Total comprehensive income for the period		**1 554**	1 387
Earnings per share		**Cents**	Cents
Basic earnings per share	31	**343.50**	406.70
Diluted earnings per share	31	**340.19**	405.51

* *Comparative figures have been restated to correct for the turnover related to certain articles where system mapping erroneously resulted in turnover being presented within cost of merchandise sold. The reclassification increased prior period revenue, turnover and cost of merchandise sold by R253 million, with no net impact on previously reported profit.*

Group statement of **FINANCIAL POSITION**

	Note	As at 01 March 2026 Rm	As at 02 March 2025 Rm
ASSETS			
Non-current assets			
Property, plant and equipment	6	**4 091**	3 807
Intangible assets	7	**324**	337
Right-of-use assets	8	**3 981**	3 654
Loans	11	**122**	126
Deferred tax asset	12	**153**	165
		8 671	8 089
Current assets			
Inventory	14	**4 267**	3 378
Trade and other receivables	15	**436**	458
Cash and cash equivalents	16	**538**	466
Loans	11	**5**	8
Right-of-return asset	23	**4**	3
Amount owing by related party	17.1	**371**	331
		5 621	4 644
Total assets		**14 292**	12 733
EQUITY AND LIABILITIES			
Equity			
Share capital	18	**8 203**	8 203
Treasury shares	19	**(265)**	(205)
Retained earnings		**3 587**	2 142
Common control reserve		**(8 197)**	(8 197)
Other reserves		**(3)**	(1)
Total equity		**3 325**	1 942
Non-current liabilities			
Lease liabilities	9	**4 633**	4 150
Borrowings	20	**200**	850
		4 833	5 000
Current liabilities			
Trade and other payables	21	**5 201**	4 755
Lease liabilities	9	**638**	647
Provisions	22	**40**	57
Deferred revenue	23	**143**	119
Current tax liability	24	**110**	86
Amount owing to related party	17.2	**–**	127
Derivative financial instruments	26	**2**	–
		6 134	5 791
Total equity and liabilities		**14 292**	12 733

Group statement of **CHANGES IN EQUITY**

	Note	Share capital Rm	Share premium Rm	Treasury shares Rm	Retained earnings Rm	Common control reserve Rm	Fair value reserve Rm	Other reserves Rm	Total equity Rm
At 25 February 2024		–	9	–	1 891	–	(59)	–	1 841
Total comprehensive income for the period		–	–	–	1 329	–	59	(1)	1 387
Profit for the period		–	–	–	1 383	–	–	–	1 383
Movement in cash flow hedge		–	–	–	–	–	–	(1)	(1)
Fair value gain on investment in Pick n Pay Stores Limited	13	–	–	–	–	–	5	–	5
Reclassification to retained earnings	13	–	–	–	(54)	–	54	–	–
Share purchases	19	–	–	(205)	–	–	–	–	(205)
Transactions with owners		8 203	(9)	–	(1 078)	(8 197)	–	–	(1 081)
Dividends	31	–	–	–	(1 100)	(8 160)	–	–	(9 260)
Capital reorganisation under common control		46	(9)	–	–	(37)	–	–	–
Issue of shares		8 157	–	–	–	–	–	–	8 157
Share-based payments		–	–	–	22	–	–	–	22
At 02 March 2025		8 203	–	(205)	2 142	(8 197)	–	(1)	1 942

	Note	**Share capital Rm**	**Share premium Rm**	**Treasury shares Rm**	**Retained earnings Rm**	**Common control reserve Rm**	**Fair value reserve Rm**	**Other reserves Rm**	**Total equity Rm**
At 02 March 2025		**8 203**	**–**	**(205)**	**2 142**	**(8 197)**	**–**	**(1)**	**1 942**
Total comprehensive income for the period		**–**	**–**	**–**	**1 556**	**–**	**–**	**(2)**	**1 554**
Profit for the period		**–**	**–**	**–**	**1 556**	**–**	**–**	**–**	**1 556**
Movement in cash flow hedge		**–**	**–**	**–**	**–**	**–**	**–**	**(2)**	**(2)**
Share purchases	19	**–**	**–**	**(60)**	**–**	**–**	**–**	**–**	**(60)**
Transactions with owners		**–**	**–**	**–**	**(111)**	**–**	**–**	**–**	**(111)**
Dividends	31	**–**	**–**	**–**	**(207)**	**–**	**–**	**–**	**(207)**
Share-based payments		**–**	**–**	**–**	**96**	**–**	**–**	**–**	**96**
At 01 March 2026		**8 203**	**–**	**(265)**	**3 587**	**(8 197)**	**–**	**(3)**	**3 325**

Group statement of **CASH FLOWS**

	Note	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Cash flows from operating activities			
Trading profit		**2 638**	2 308
Adjusted for non-cash items		**1 444**	1 225
Depreciation on property, plant and equipment	6	**665**	591
Amortisation on intangible assets	7	**19**	14
Depreciation on right-of-use assets	8	**699**	653
Share-based payment expense	3	**96**	16
Profit on termination of leases		**(35)**	(42)
Amortisation of financial guarantee contract		**–**	(1)
Derecognition of financial guarantee contract		**–**	(6)
Cash generated before movements in working capital		**4 082**	3 533
Movements in working capital		**(386)**	(78)
Movement in trade and other payables, provisions and deferred revenue		**483**	146
Movement in inventory and right-of-return asset		**(891)**	(148)
Movement in trade and other receivables		**22**	(76)
Cash generated from trading activities		**3 696**	3 455
Interest paid on lease liabilities	9	**(472)**	(345)
Interest paid	3.3	**(66)**	(47)
Interest received		**57**	86
Cash generated from operations		**3 215**	3 149
Dividend paid	31	**(207)**	(9 260)
Tax paid	24	**(520)**	(750)
Cash generated/(utilised) from operating activities		**2 488**	(6 861)
Cash flows from investing activities			
Investment in intangible assets	7	**(22)**	(16)
Investment in property, plant and equipment	6	**(995)**	(895)
Proceeds on disposal of Pick n Pay Stores Limited shares	13	**–**	31
Proceeds on disposal of property, plant and equipment and intangible assets		**5**	12
Purchase of operations	29	**–**	(28)
Loans advanced by the Group		**(26)**	(59)
Loans repaid to the Group		**43**	47
Lease incentives received		**76**	74
Cash utilised in investing activities		**(919)**	(834)
Cash flows from financing activities			
Net proceeds on issue of shares*	18	**–**	8 157
Borrowings (repaid)/raised	20	**(650)**	850
Share purchases	19	**(60)**	(205)
Related party loans advanced to the Group	17	**–**	966
Related party loans repaid by the Group	17	**(127)**	(2 347)
Principal lease liability payments	9	**(620)**	(613)
Cash (utilised)/generated from financing activities		**(1 457)**	6 808
Net increase/(decrease) in cash and cash equivalents		**112**	(887)
Cash and cash equivalents at beginning of period		**797**	1 684
Cash and cash equivalents at end of period	16	**909**	797
Comprising of:		**909**	797
Cash and cash equivalents	16	**538**	466
Amount owing by related party	17.1	**371**	331

* *This amount is disclosed net of transaction costs of R343 million.*

Accounting **POLICIES**

1. Material accounting policy information

1.1 Statement of compliance

The consolidated annual financial statements for the 52 weeks ended 01 March 2026 (2025: 53 weeks ended 02 March 2025) of Boxer Retail Limited (the Company) and its subsidiaries (together, the Group) have been prepared in accordance with IFRS Accounting Standards as issued by the IASB and IFRS IC; the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by the Financial Reporting Standards Council; the requirements of the Companies Act, 71 of 2008 (as amended); and the JSE Requirements.

1.2 Basis of preparation

The Group annual financial statements are prepared on the historical cost basis except where stated otherwise in the accounting policies below.

All financial information has been rounded to the nearest million, unless otherwise stated.

The Group reports on the retail calendar of trading weeks, by which each financial year is an exact 52-week period of trading weeks from Monday to Sunday. The result is the loss of a day per financial year. These lost days are taken into account by reporting a 53-week financial year approximately every six years.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except where the Group has adopted IFRS Accounting Standards and IFRIC Interpretations and amendments that became effective during the period. Several new standards, amendments to standards and interpretations became applicable to the Group during the current period and have been applied in the preparation of these annual financial statements. New standards, amendments to standards and interpretations did not have a significant impact on the Group. The financial statements have been prepared on the going concern basis.

The Group has not early adopted any other IFRS Accounting Standards and IFRIC interpretations and amendments that are not yet effective for the Group. Refer to note 33.

1.3 Basis of consolidation

Investment in subsidiaries

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are consolidated in the Group annual financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without leading to control being obtained or lost, is accounted for as an equity transaction.

Group re-organisations under common control

In circumstances where the Boxer Retail Limited Group undergoes a reorganisation whereby a newly-incorporated non-operating holding company acquires a group of entities, and this acquisition does not meet the definition of a business combination under IFRS 3, and the combining entities are controlled by the same ultimate shareholder before and after the acquisition, with the control being non-transitory, the Boxer Retail Group accounts for the acquisition as a reorganisation under common control. The Boxer Retail Limited Group accounts for reorganisations under common control using a book-value method whereby the consolidated financial statements of the new holding company are a continuation of the existing group, with an equity reclassification at acquisition date to reflect the capital structure of the holding company.

1.4 Foreign currency transactions and translations

Functional currency and presentation currency

The Group annual financial statements are presented in South African Rand.

The Group has no risk on foreign currency translations in relation to its foreign operation in Eswatini as the exchange rate of the Eswatini Lilangeni to South African Rand is 1:1.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.5 Use of estimates, judgements and assumptions

The preparation of these annual financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Estimates, judgements and assumptions used in the Group's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period include, but are not limited to, the following:

Purchase rebates and other income earned from suppliers

The Group enters into various agreements with suppliers and these agreements provide for various purchase rebates and other income.

Purchase rebates are accrued for as part of cost of inventory sold when they are closely related to the purchase of inventory. Management uses judgement when assessing the nature of the rebates earned for recognition as a reduction in the purchase price of inventories and when recognising the relevant portion as a reduction in the cost of inventory.

Taking into account cumulative purchases of inventory to date, as well as historical and forecasted performance, management uses judgement to estimate the probability of meeting contractual obligations and in determining the amount of volume-related rebates recognised. Rebates actually received may therefore differ from that which has been accrued.

Other income earned from suppliers is recognised in revenue, within other income, when services are provided to suppliers that are not closely related to the purchase of inventory and when the Group can reasonably estimate the fair value of the service. Management uses judgement in determining whether the services provided to suppliers are sufficiently separable from the purchase of inventory, by determining if the supplier could have entered into an agreement with a party, other than a purchaser of its inventory, in order to receive those services.

Estimating variable consideration for returns

The Group estimates variable consideration to be included in the transaction price for the sale of goods where customers are entitled to a right of return within a specified time frame. The Group uses statistical projection methods for forecasting sales returns which are based on historical return data. Any significant changes in experience as compared to historical return patterns will impact the expected return percentages estimated by the Group. Estimated return percentages are updated regularly and the refund liability is adjusted accordingly. Refer to note 23.

Measurements of share-based payments expense

The Group issues equity-settled share awards to qualifying employees. Judgement, informed by terms and conditions of the grant, is used to determine the number of awards expected to vest, and impacts the quantum of share-based payments expense recognised for the period. Refer to note 5.

Provision for expected credit losses on loans and trade and other receivables

The Group considers both quantitative and qualitative information and analysis, based on historical experience and informed credit assessment including forward-looking information specific to trade and other receivables, loans and economic environment in determining the expected credit losses. At each reporting period, the methodologies and assumptions used for estimating expected credit losses are reviewed and adjusted as necessary to reflect changes in circumstances. The assessment of these factors involves judgements and estimates. The Group's historical credit loss experience and forecast economic conditions may therefore not be representative of the actual default in future. Refer to notes 11 and 15.

Inventory net realisable value allowances

The Group evaluates its inventory to ensure that it is carried at the lower of cost and net realisable value. Allowances are made against slow moving, obsolete and damaged items. Damaged inventories are identified and written down through inventory verification processes. Allowances for slow moving and obsolete inventories are assessed continuously. Obsolescence is assessed based on comparison of the level of inventory holding and the projected likely future sales, taking into account factors existing at the reporting date. Refer to note 14.

Measurement of deferred revenue in respect of prepaid gift cards

Prepaid gift cards provide rights to customers which are accounted for as separate performance obligations. The consideration allocated to unredeemed gift cards are measured by reference to its stand-alone selling prices adjusted for an expected forfeiture rate. The Group applies statistical projection methods in its estimation of forfeiture rates by using customers' historical redemption patterns as the main input, and is therefore subject to uncertainty. The expected forfeiture rate is updated regularly and the liabilities for unredeemed gift cards are adjusted accordingly. Refer to note 23.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.5 Use of estimates, judgements and assumptions continued

Estimates of useful lives and residual values of intangible assets

Intangible assets with finite useful lives are amortised over their useful lives, taking into account applicable residual values. Useful lives and residual values are reviewed at each reporting date, taking into account factors such as the manner of recovery, innovation in technology and relevant market information.

Estimates of useful lives and residual values of property, plant and equipment

Property, plant and equipment with finite useful lives are depreciated over their useful lives, taking into account applicable residual values. Useful lives and residual values are reviewed at each reporting date, considering factors such as the manner of recovery and relevant market information.

Estimates of useful lives of right-of-use assets

Right-of-use assets are depreciated over their useful lives, and are directly linked to the lease term of the underlying lease agreement that has been accounted for in the measurement of the corresponding lease liabilities. Useful lives are reviewed at each reporting date, considering factors such as lease term extension and termination options.

Measurements of the recoverable amounts of cash-generating units

The recoverable amount of a cash-generating unit (CGU) is determined through a discounted cash flow model. The Group treats a store as a separate CGU for impairment testing of intangible assets, property, plant and equipment and right-of-use assets. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model, future cash flows and the growth rate used for extrapolation purposes. Refer to notes 6, 7 and 8.

Estimates of lease terms of lease agreements

Lease terms applicable to lease agreements, relating to the Group's lease liabilities, are negotiated on an individual basis and contain a wide range of terms and conditions. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Management exercises judgement in determining the reasonable certainty of exercising termination or extension options in determining the lease term, including considerations of the age of the lease, the nature of the leased asset and the expected return on the underlying cash generating unit to which the leased asset belongs.

Subsequent to the commencement date of lease agreements, lease terms are reassessed when there is a significant event or change in circumstances that is within the Group’s control and affects its ability to exercise or not to exercise the option to renew or to terminate. Significant events could include a change in the Group’s assessment of whether it is reasonably certain to exercise a renewal or termination option, the incurrences of unanticipated significant leasehold improvements or the negotiation of unanticipated lease incentives. Refer to note 9.

Estimates of incremental borrowing rates applied in the measurement of lease liabilities

Incremental borrowing rates applied in the measurement of lease liabilities are specific to the term, currency and start date of the applicable lease agreement. Incremental borrowing rates are based on a series of inputs including the prime lending rate, the repo rate and a credit risk adjustment. Refer to note 9.

Income and deferred taxes

The Group is subject to income tax. Significant judgement is required in determining the provision for tax as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of the taxes that are likely to become due.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted. Refer to note 12 and 24.

Allowance for impairment loss on amounts owing by related parties

At each reporting period, the historical observed default rates are updated and changes in forward-looking estimates are analysed for amounts owing by related parties. The assessment of historical observed default rates and forward-looking factors require significant judgement and estimates. The Group’s historical credit loss experience and forecast economic conditions may therefore not be representative of the actual default in the future. Refer to notes 17 and 26.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.6 Intangible assets

Intangible assets acquired are initially recognised at cost. If the intangible assets are acquired via a business combination, initial recognition is at fair value.

Subsequent to initial recognition, intangible assets are measured at cost less accumulated amortisation and impairment losses, with the exception of goodwill and other intangible assets with indefinite useful lives which are measured at cost less impairment losses.

Amortisation

Management determines the amortisation methods, useful lives and residual values at acquisition. These are reviewed at each reporting date and adjusted if appropriate. Any adjustments are accounted for prospectively as a change in estimate.

Amortisation is calculated on a straight-line basis over the estimated useful life of each intangible asset from the date that it is available for its intended use and is recognised as an expense in the statement of comprehensive income, within operations costs, unless it is capitalised to the cost of another asset in terms of IFRS Accounting Standards.

Useful lives

The estimated useful lives, per category of intangible assets, are as follows:

Goodwill	Indefinite
Systems development	4 to 8 years
Licences	9 to 10 years

Impairment

Intangible assets are assessed for impairment as non-financial assets in accordance with note 1.11.

1.7 Property, plant and equipment

Property, plant and equipment are initially recognised at cost and are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, with the exception of land. Land is measured at cost less accumulated impairment losses as it has an indefinite life and is not depreciated.

Depreciation

Management determines the depreciation methods, useful lives and residual values at acquisition. These are reviewed at each reporting date and adjusted, if appropriate. Any adjustments are accounted for prospectively as changes in estimate.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment from the date that they are available for its intended use, and is recognised as an expense in the statement of comprehensive income, within operation expenses, unless it is capitalised to the cost of another asset in terms of IFRS Accounting Standards. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Useful lives

The estimated useful lives, per category of property, plant and equipment, are as follows:

Property

• Land	Indefinite
• Buildings and other major components	40 years

Furniture, fittings, equipment and vehicles

• Computer equipment	2 to 4 years
• Furniture and fittings	5 to 14 years
• Equipment	2 to 14 years
• Vehicles	3 to 5 years
Leasehold improvements	Over the lease period

Impairment

Property, plant and equipment are assessed for impairment as non-financial assets as per note 1.11.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.8 Right-of-use assets

Right-of-use assets are initially recognised at cost and are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Cost

The cost of right-of-use assets include the initial measurement of the corresponding lease liabilities, any initial direct costs less any lease incentives received.

Depreciation

Depreciation is based on the cost of the right-of-use asset over its useful life. At the commencement date of lease agreements, management determines useful lives as the lease term of corresponding lease liabilities. These lease terms are reviewed at each reporting date and adjusted, if appropriate. Any adjustments are accounted for prospectively as a change in estimate.

Depreciation is recognised as an expense in the statement of comprehensive income, within occupancy costs, on a straight-lined basis over the estimated useful lives of the right-of-use assets.

Useful lives

The estimated useful lives, per category of right-of-use assets, are as follows:

Property	2 to 22 years
Equipment and vehicles	2 to 7 years

Impairment

Right-of-use assets are assessed for impairment as non-financial assets in accordance with note 1.11.

1.9 Inventory

Cost is calculated on the weighted-average basis and includes expenditure incurred in acquiring the inventory and bringing it to its existing location and condition, including distribution costs, and is stated net of relevant purchase rebates.

Obsolete, redundant and slow-moving items are identified on a regular basis and are written down to their estimated net realisable values.

The carrying amount of inventories sold is recognised as an expense in the statement of comprehensive income.

1.10 Right-of-return assets and refund liabilities

For the sale of goods where customers are entitled to a right of return within a specified period of time, the Group recognises a right-of-return asset (and corresponding adjustment to cost of sales) which is representative of the Group's right to recover the goods expected to be returned by customers.

The asset is measured at the carrying amount of inventory estimated to be returned using the expected value method, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its estimated level of returns, as well as any additional decreases in the value of the returned products.

For goods that are expected to be returned, the Group recognises a refund liability for the customer's right to a refund (and corresponding adjustment to turnover) which is measured at the amount the Group expects it will have to return to the customer. Refer to note 23.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.11 Impairment of assets

The determination of whether an asset is impaired requires management judgement and estimation.

Financial assets

The Group recognises an allowance for expected credit losses (ECL's) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group applies a simplified approach for measuring impairment on trade receivables at an amount equal to lifetime ECLs. To measure lifetime ECLs, trade receivables are assessed on an individual basis. The ECL rates are based on historical credit loss experienced during the period, adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the debtors to settle their receivables.

The Group applies a general approach for measuring impairment on other receivables and loans, at an amount equal to expected credit losses, taking into account past experience and future macro-economic factors. The loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at reporting date, the credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. The Group considers credit risk to have increased significantly since initial recognition, if there has been a significant change in the counterparties' ability to meet its obligations. In addition, changes in the general economic or market conditions, changes in internal and external credit ratings and changes in the amount of financial support available to the counterparty are considered.

The Group considers a financial asset in default when contractual payments are one to two weeks past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Non-financial assets

The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. In assessing recoverable amount, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating units (CGUs) to which the asset belongs. A CGU is the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or groups of assets.

Goodwill acquired in a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination and, for the purposes of impairment testing, are evaluated at the lowest level at which goodwill is monitored for internal reporting purposes.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. The carrying amount is impaired and the non-financial asset is written down to its recoverable amount with the related impairment loss recognised in the statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs (or groups of units) and then to reduce the carrying value of the other assets in the unit (or groups of units) on a pro rata basis.

An impairment loss for a non-financial asset is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment losses in respect of goodwill are not reversed.

Impairment losses for non-financial assets recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

1.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Dividends received on treasury shares are eliminated on consolidation. Treasury shares are treated as a deduction from the weighted average number of shares in issue.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.13 Treasury shares

Issued shares of the Company held by subsidiaries are classified as treasury shares in the Group annual financial statements, are treated as a reduction of equity at its cost price and are disclosed as a separate component in the statement of changes in equity. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of the Company's own equity instruments. Amounts received when treasury shares are sold or re-issued is recognised directly in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.

1.14 Lease liabilities

The Group enters into various lease agreements as the lessee of property, equipment and vehicles.

Initial recognition

At the date when the Group gains the right to control the use of underlying leased assets, referred to as the commencement date, the Group measures the lease liability at the present value of the lease payments to be made over the lease term, discounted at an applicable discount rate.

Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised. Judgement is applied in determining the likelihood of exercising extension or termination options in determining the lease period.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised or termination options reasonably certain not to be exercised. Variable lease payments are initially measured using the index or rate at the commencement date.

The discount rate used for the Group's commercial vehicle fleet is the interest rate implicit in the lease agreement. All other lease payments are discounted using the Group's incremental borrowing rate specific to the lease term, currency and commencement date of the lease. Incremental borrowing rates are based on a series of inputs including the prime rate, the repo rate and credit risk adjustments.

The Group accounts for non-lease components together with the lease component to which it relates as a single lease component.

Subsequent measurement

Lease liabilities are subsequently measured at amortised cost using the effective interest method, whereby the carrying value is increased by effective interest incurred and reduced by future lease payments. Interest costs are recorded in the statement of comprehensive income.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments of lease payments based on an index or rate take effect, the lease liability is remeasured with a corresponding adjustment to the right-of-use asset. Further remeasurements occur when there is a change in future lease payments resulting from a rent review.

Lease terms are reassessed when there is a significant event or change in circumstance that is within the Group's control and affects the Group's ability to exercise or not to exercise the option to renew or to terminate. Significant events could include a change in the Group's assessment of whether it is reasonably certain to exercise a renewal or termination options, the incurrences of unanticipated significant leasehold improvements or the negotiation of unanticipated lease incentives. Upon the occurrence of the significant event, lease liabilities are remeasured with a corresponding adjustment to the related right-of-use assets, or to the statement of comprehensive income if the right-of-use asset carrying value is nil.

Variable lease payments

Certain property leases contain variable payment terms linked to sales generated from retail owned and franchise stores, referred to as turnover rent expense. Turnover rent expense is recognised in the statement of comprehensive income within occupancy costs, in the period in which the event or condition that triggers the payment occurs.

Leasing of low-value assets and short-term leases

The Group elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying assets is of low value (low-value assets).

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.15 Financial instruments

Initial recognition and measurement

The Group classifies its financial instruments into the following categories: financial assets at amortised cost, financial instruments at fair value through other comprehensive income or loss, financial liabilities at amortised cost and derivatives designated as hedging instruments.

Financial instruments are recognised on trade date when the Group becomes a party to the contractual provisions of the instrument and are initially recognised at fair value, plus transaction costs for financial instruments not measured at fair value through profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position, when the Group has a legally enforceable right to offset the recognised amounts, and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Subsequent measurement

Financial assets at amortised cost

The Group's financial assets at amortised cost include trade and other receivables, cash and cash equivalents, amounts owing by related parties and loans.

Trade and other receivables and loans

Trade and other receivables and loans are measured at amortised cost, using the effective interest method, less impairment losses. Trade and other receivables mainly comprise trade debtors. The effective interest method amortisation is included in finance income in the statement of comprehensive income. Loans mainly comprise employee loans with maturity dates of more than 12 months after the reporting date.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost, using the effective interest method, less accumulated impairment losses. The effective interest amortisation is included in finance income or costs, as relevant, in the statement of comprehensive income. Cash and cash equivalents comprise cash on hand and amounts held on short-term deposit at financial institutions. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits net of outstanding overnight borrowings.

Amounts owing by related parties

Amounts owing by related parties are measured at amortised cost, using the effective interest method, less impairment losses. For the purpose of the statement of cash flows, amounts owing by related parties are considered cash and cash equivalents as the loan balances are held to meet the short term cash commitments of the Group and are highly liquid investments that are readily convertible to known amounts of cash with an insignificant risk of changes in value.

Financial assets at fair value through other comprehensive income

Financial instruments that are classified at fair value through other comprehensive income (OCI) are investments in equity instruments. The Group made an irrevocable election to present subsequent changes in the fair value of investments in equity instruments to other comprehensive income as they are neither held for trading nor contingent consideration recognised by the Group in a business combination to which IFRS 3 applies.

Investments in equity instruments are subsequently measured at fair value with unrealised gains or losses recognised in the statement of comprehensive income and recorded in the fair value reserve in the statement of changes in equity. When the investment is derecognised, the cumulative gain or loss is reclassified within equity, between the fair value reserve and retained earnings.

Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise of lease liabilities, trade and other payables, borrowings, amounts owing to related parties and provisions for financial guarantee contracts.

Lease liabilities

Refer to note 1.14 for further information.

Trade and other payables

Trade and other payables are measured at amortised cost using the effective interest method. The effective interest amortisation is included in finance costs in the statement of comprehensive income. Trade and other payables mainly comprise trade payables for merchandise for resale and are all short term in nature.

Borrowings

Borrowings are measured at amortised cost using the effective interest method. The effective interest amortisation is included in finance costs in the statement of comprehensive income. The maturity date of each financial liability is dependent on the contractual terms of the related borrowing.

Amounts owing to related parties

Amounts owing to related parties are measured at amortised cost using the effective interest method. The effective interest method amortisation is included in finance income or costs in the statement of comprehensive income.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.15 Financial instruments continued

Subsequent measurement continued

Derivatives designated as hedging instruments

The Group holds derivative financial instruments, being forward exchange contracts (FECs) that are designated as hedging instruments, in order to mitigate the risks associated with the firm commitment of purchasing imported inventory, defined as the hedged item.

The relationship between the FECs and the underlying inventory is classified as a cash flow hedge, as the FECs are used to hedge the variability in cash flows attributable to the foreign currency risks of importing inventory.

The hedge is deemed to be highly effective as the terms of the FEC match the terms of the purchase of imported inventory. The effective portion of the change in fair value of the FECs are recognised in other comprehensive income and accumulated in the cash flow hedging reserve within equity. The accumulated amount in the reserve is released to the statement of comprehensive income when the underlying inventory is sold. Where a forecast transaction is no longer expected to occur, the cumulative unrealised gain or loss is recognised immediately in the statement of comprehensive income.

FECs are measured at fair value and are carried as derivative financial assets when the fair value is positive and as derivative financial liabilities when the fair value is negative.

1.16 Provisions

The Group recognises a provision for the estimated direct cost of settling all outstanding claims and legal disputes at period end. The provision is determined by using established claims patterns. Full provision is made for the cost of claims reported but not yet settled at period end by using the best information available.

1.17 Revenue

Revenue is recognised when the Group satisfies performance obligations and transfers control of goods or services to its customers at an amount that reflects the consideration the Group expects to be entitled to in exchange for these goods or services, allocated to each specific performance obligation.

Turnover

Revenue from the sale of goods, or turnover, comprises sales to customers through its owned stores and the Group's supply arrangements. All turnover is stated exclusive of value added tax.

Turnover is recognised at a point in time when the Group transfers control of goods to its customer at the point of sale and is measured at the consideration received or receivable, net of returns and discounts, including loyalty discounts. Discounts or loyalty payments to customers are deducted from turnover, unless it is directly funded by suppliers. Payment of the transaction price in respect of sale of goods is due immediately when the customer purchases goods and takes delivery.

Turnover recognised through deferred revenue transactions (prepaid gift cards and loyalty programmes) is not recognised at the time of the initial transaction, but is deferred and recognised as a contract liability (deferred revenue) when the consideration is received, and recognised as turnover over time when the Group's obligations are fulfilled.

Prepaid gift cards

Gift cards represent a prepaid value card which effectively can be redeemed as cash consideration against future purchases. The consideration allocated to prepaid gift cards is measured at the fair value of the consideration received in advance, adjusted for an expected forfeiture rate. Such consideration is not recognised as turnover at the time of the initial transaction, but is recognised as a deferred revenue liability until the prepaid gift card has been redeemed or when the Group's obligations have been fulfilled. The Group updates its estimates of forfeiture on a regular basis and any adjustments to the deferred revenue liability are recognised in turnover.

Commissions and other income

The Group acts as a payment office for the services provided by a variety of third parties to the Group's customers , such as bill payments, sale of electricity and travel tickets.

Commissions related to the sale of third-party products are recognised at a point in time, when the underlying third-party product is sold to the customer.

Other income is recognised as and when the Group satisfies its obligations in terms of the contract.

Finance income

Finance income is recognised as it accrues in the statement of comprehensive income, using the effective interest method, by reference to the principal amounts outstanding and at the interest rate applicable.

1.18 Finance costs

Finance costs incurred are recognised as an expense in the statement of comprehensive income and are accrued on an effective interest basis by reference to the principal amounts outstanding and at the interest rate applicable.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.19 Deferred tax

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

1.20 Employee benefits

Share-based payment transactions

The share ownership programme enables Group employees to acquire shares in the Company, thereby treating them as equity-settled share-based payment transactions in the Group.

Retirement benefits

The Group operates several retirement schemes comprising defined-contribution funds, the assets of which are held in trustee-administered funds.

Defined-contribution plans

A defined-contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate legal entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined-contribution retirement plans are recognised as an expense in the statement of comprehensive income when they are due.

Where the Group is responsible for providing retirement benefits to employees with a retirement scheme outside the Group, contributions are made on behalf of the employee and the cost is accounted for in the period when the services have been rendered.

Contributions to a defined-contribution plan that are made more than 12 months after the end of the period in which the employees render the services are discounted to their present value.

1.21 Dividends distributed to shareholders

Dividends are accounted for in the period that they have been paid by the Group and are directly charged to equity.

1.22 Interest in joint operations

The Group recognises its interest in a joint operations, where it has joint control, in accordance with the rights and obligations arising from its involvement in the joint operation.

The Group recognise in relation to its interest its:

- Assets, including its share of any assets held jointly.
- Liabilities, including its share of any liabilities incurred jointly.
- Revenue from the sale of its share of the output arising from the joint operation.
- Share of the revenue from the sale of the output by the joint operation.
- Expenses, including its share of any expenses incurred jointly.

These items are included in the relevant notes to the Group annual financial statements.

The Group has assessed the risks associated with its interest in the joint operation and has determined that there are no significant risks that could materially affect the Group's financial position, financial performance or cash flows.

1.23 Operating segments

The Group discloses segmental financial information which is used internally by the entity's Chief Operating Decision-Maker (CODM) in order to assess performance and allocate resources. The Group annually performs a detailed review of the executive, or group of executives, that could be considered the appropriate and relevant CODM of the Group.

Operating segments are individual components of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's CODM and for which discrete financial information is available. The CODM evaluates segmental performance based on trading profit as management believes that such information is most relevant in evaluating the operating cash generation for the Group. Trading profit is the key drive of earnings before interest, tax, depreciation and amortisation (EBITDA), with EBITDA being the key driver of the Group's liquidity and cash generation which is a key area of focus for the Board.

Segmental trading profit is the reported measure used for evaluating the Group's operating segments' performance. This metric is equal to the Group's reported "profit before tax", before net finance costs and capital items.

Operating segments that display similar economic characteristics are aggregated for reporting purposes.

The Group has one operating segment, namely Boxer Group, with no individual customer accounting for more than 10% of turnover.

The Boxer Group operating segment includes all retail operations under the Boxer Superstores, Boxer Build and Boxer Liquors brands selling products such as groceries, general merchandise and liquor.

Accounting **POLICIES** continued

1. Material accounting policy information continued

1.24 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the Group for the period by the weighted average number of shares in issue (excluding treasury shares).

Dilutive earnings per share is calculated by adjusting the profit attributable to ordinary equity holders of the Group, and the weighted average number of shares in issue, for the effects of all dilutive potential ordinary shares.

Basic and diluted earnings per share for comparative periods are restated for events, other than the conversion of potential ordinary shares, which change the number of ordinary shares without a corresponding change in resources.

Notes to the GROUP ANNUAL FINANCIAL STATEMENTS

2. Revenue

	52 weeks to 01 March 2026 Rm	Restated* 53 weeks to 02 March 2025 Rm
Revenue from contracts with customers	**47 072**	42 909
Turnover	**46 682**	42 597
Commissions and other income	**390**	312
Finance income	**67**	91
Bank balances and investments#	**57**	28
Loans and receivables at the effective interest rate#	**10**	6
Related party interest received (note 28.3)	**–**	57
	47 139	43 000

* *Comparative figures have been restated to correct for the turnover related to certain articles (see Group Statement of Comprehensive Income)*
\# *Disclosure has been expanded for the current year. Prior year disclosure has been expanded for comparability.*

Revenue recognised during the period, recorded within turnover, from amounts included in deferred revenue at the beginning of the period amounted to R119 million (2025: R94 million). Refer to note 23.

3. Profit before tax

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Profit before tax is stated after taking into account the following expenses:		
3.1 Employee costs	**3 400**	3 079
Salaries, wages and staff benefits	**3 177**	2 950
Contributions to defined contribution plans (note 27)	**127**	113
Share-based payment expense	**96**	16
3.2 Audit fees*	**7**	5
3.3 Finance costs	**549**	458
Lease liabilities (note 9)	**483**	412
Related party interest paid (note 28.3)	**–**	19
Other interest	**66**	27

* *Fees for other non-audit services amounted to R0.3 million. Audit fees paid relating to the IPO transaction costs included within equity in the prior year were R10 million.*

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

4. Directors' remuneration and interest in shares

4.1 Directors' remuneration

	Fees for board meetings	Fees for committee and other work	Base salary	Retirement and medical contributions	Fringe and other benefits	Total fixed remuneration	Short-term performance bonus	Legacy settlements[5]	Total remuneration	Long-term share awards charges – current period[1]
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
52 weeks to 01 March 2026										
Executive directors[2]										
Marek Masojada	–	–	6.9	1.3	0.3	8.5	8.5	4.2	21.2	13.7
David Wayne	–	–	3.6	0.7	0.2	4.5	4.5	2.2	11.2	5.4
Non-executive directors[3]										
Charlotte Maponya	0.9	–	–	–	–	–	–	–	0.9	–
Cindy Robertson	0.5	0.6	–	–	–	–	–	–	1.1	–
Dineo Molefe	0.5	0.1	–	–	–	–	–	–	0.6	–
James Formby	1.8	–	–	–	–	–	–	–	1.8	–
Jesmane Boggenpoel	0.5	0.5	–	–	–	–	–	–	1.0	–
Leon Lourens	0.5	0.5	–	–	–	–	–	–	1.0	–
Sean Summers[4]	0.5	0.1	–	–	–	–	–	–	0.6	–
	5.2	1.8	10.5	2.0	0.5	13.0	13.0	6.4	39.4	19.1

1 *The long-term share awards expense or recoupment is determined in accordance with IFRS 2 Share-Based Payments, and is measured on an equity-settled basis.*
2 *The Executive directors are employed and remunerated by Boxer Superstores (Proprietary) Limited, a subsidiary of the Boxer Retail Limited Group.*
3 *The Non-Executive directors have been remunerated by Boxer Retail Limited.*
4 *Sean Summers has ceded his directors fees to Pick and Pay Retailers (Proprietary) Limited.*
5 *Legacy settlements relate to incentives paid in respect of the pre-IPO retention scheme.*

	Fees for board meetings	Fees for committee and other work	Base salary	Retirement and medical contributions	Fringe and other benefits	Total fixed remuneration	Short-term performance bonus	Legacy Settlements	Total remuneration	Long-term share awards charges – current period[1]
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
53 weeks to 02 March 2025										
Executive directors[2]										
Marek Masojada	–	–	5.6	1.1	0.3	7.0	11.5	–	18.5	–
David Wayne	–	–	2.7	0.6	0.2	3.5	4.1	–	7.6	(0.2)
Non-executive directors[3]										
Charlotte Maponya	0.4	–	–	–	–	–	–	–	0.4	–
Cindy Robertson	0.2	0.3	–	–	–	–	–	–	0.5	–
Dineo Molefe	0.2	–	–	–	–	–	–	–	0.2	–
James Formby	0.8	–	–	–	–	–	–	–	0.8	–
Jesmane Boggenpoel	0.2	0.2	–	–	–	–	–	–	0.4	–
Leon Lourens	0.2	0.2	–	–	–	–	–	–	0.4	–
Sean Summers[4]	0.2	–	–	–	–	–	–	–	0.2	–
	2.2	0.7	8.3	1.7	0.5	10.5	15.6	–	29.0	(0.2)

1 *The long-term share awards expense or recoupment is determined in accordance with IFRS 2 Share-Based Payments, and is measured on an equity-settled basis.*
2 *The Executive directors are employed and remunerated by Boxer Superstores (Proprietary) Limited, a subsidiary of the Boxer Retail Limited Group.*
3 *The Non-Executive directors have been remunerated by Boxer Retail Limited. The remuneration is from appointment date of 15 October 2024 to 02 March 2025.*
4 *Sean Summers has ceded his directors fees to Pick and Pay Retailers (Proprietary) Limited.*

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

4. Directors' remuneration and interest in shares continued

4.2 Directors' interest in shares

52 weeks to 01 March 2026	How held[1]	Balance held at 02 March 2025	Additions/ grants	Balance held at 01 March 2026	Beneficial/ Non-beneficial interest[3]
Marek Masojada	**Direct – LTIP[2]**	**521 040**	**158 533**	**679 573**	**Beneficial**
David Wayne	**Direct – LTIP[2]**	**210 896**	**55 953**	**266 849**	**Beneficial**
James Formby	**Indirect**	**7 000**	**5 000**	**12 000**	**Beneficial**
Dineo Molefe	**Direct**	**7 628**	**–**	**7 628**	**Beneficial**

53 weeks to 02 March 2025	How held[1]	Balance held at 25 February 2024	Additions/grants	Balance held at 02 March 2025	Beneficial/ Non-beneficial interest[3]
Marek Masojada	Direct – LTIP[2]	–	521 040	521 040	Beneficial
David Wayne	Direct – LTIP[2]	–	210 896	210 896	Beneficial
James Formby	Indirect	–	7 000	7 000	Beneficial
Dineo Molefe	Direct	–	7 628	7 628	Beneficial

1. *Direct interests represent a holding in the director's personal capacity. Indirect interests represent a holding by a trust or company (of which the director is a trustee or director/ shareholder, as relevant), a spouse or minor children of directors.*
2. *Direct – LTIP relates to the long term incentive plan share scheme, which shares are held in escrow and not yet vested, refer to note 5 Share based payments.*
3. *Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect to that shareholding and/or obtain any benefit as a result of holding those shares. The total directors beneficial interest in ordinary shares held amounted to 0.2% (2025: 0.2%) of total issued ordinary shares. Non-beneficial interest represents an interest in shares in which a person will not benefit directly as a result of holding those shares.*

There have been no changes in directors interest in shares since 01 March 2026 up to the date of approval of the 2026 audited Group annual financial statements.

4.3 Share awards granted to directors

52 weeks to 01 March 2026	Calendar year granted	Award grant price R	Balance held at 02 March 2025	Granted/ (exercised)	Balance held at 01 March 2026
Long term incentive plan (LTIP)					
Marek Masojada					
Vesting FY 2027	**2024**	**Nil**	**208 416**	**–**	**208 416**
Vesting FY 2028	**2024**	**Nil**	**312 624**	**–**	**312 624**
Vesting FY 2029	**2025**	**Nil**	**–**	**158 533**	**158 533**
			521 040	**158 533**	**679 573**
David Wayne					
Vesting FY 2027	**2024**	**Nil**	**84 358**	**–**	**84 358**
Vesting FY 2028	**2024**	**Nil**	**126 538**	**–**	**126 538**
Vesting FY 2029	**2025**	**Nil**	**–**	**55 953**	**55 953**
			210 896	**55 953**	**266 849**

53 weeks to 02 March 2025	Calendar year granted	Award grant price R	Balance held at 25 February 2024	Granted/ (exercised)	Balance held at 02 March 2025
Long term incentive plan (LTIP)					
Marek Masojada					
Vesting FY 2027	2024	Nil	–	208 416	208 416
Vesting FY 2028	2024	Nil	–	312 624	312 624
			–	521 040	521 040
David Wayne					
Vesting FY 2027	2024	Nil	–	84 358	84 358
Vesting FY 2028	2024	Nil	–	126 538	126 538
			–	210 896	210 896

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

5. Share-based payments

The Boxer Retail Limited (BOX) long term incentive plan (LTIP)

The LTIP recognises executive and senior and middle management employees of the Group who have a significant role to play in delivering the Group's strategy and ensuring the growth and sustainability of the Group. Through the attachment of performance and service conditions, the LTIP incentivises participating employees to deliver long-term earnings growth in line with the objectives of the Group, while encouraging the retention of key skill and talent. The LTIP is structured as a zero-strike forfeitable share plan in terms of which participants are beneficial owners of shares from the award date, but the shares are held in escrow and are subject to forfeiture restrictions until the vesting date. Dividends on LTIP shares are held, net of dividend withholding tax, by the escrow agent, until the vesting date and are paid in proportion to the vesting of the underlying award.

5.1 Admission Awards

BOX shares (Admission Awards) were awarded under the LTIP during the prior period and have vesting periods of two and three years and have financial performance conditions attached. Performance conditions include growth in the Group's adjusted trading profit after leases (ATPAL) in relation to the rate of South African Consumer Price Inflation Index (CPI), and a gatekeeper clause which specifies that the Group's return on invested capital (ROIC) must be greater than its weighted average cost of capital (WACC) over the vesting period. Vesting is dependent on service and performance conditions being met, subject to the discretion of the Group's remuneration committee within the LTIP scheme rules.

The fair value of an LTIP share award is the market price of a Boxer Retail Limited share at grant date which was R54. The awards have a grant price of nil.

Reconciliation of the total number of share awards:	**52 weeks to 01 March 2026 Number of shares 000's**	53 weeks to 02 March 2025 Number of shares 000's
At beginning of period	**3 795**	–
Share awards granted	**–**	3 795
Share awards forfeited	**(15)**	–
At end of period	**3 780**	3 795
Outstanding restricted shares vest during the following financial periods:	**000's**	000's
2027	**1 512**	1 518
2028	**2 268**	2 277
	3 780	3 795

5.2 Performance Awards

BOX shares (Performance Awards) were awarded under the LTIP during the current period and have a vesting period of three years and have financial performance conditions attached. Performance conditions include growth in the Group's Headline Earnings in relation to the rate of South African Consumer Price Inflation Index (CPI), and a gatekeeper clause which specifies that the Group's return on invested capital (ROIC) must be greater than its weighted average cost of capital (WACC) over the vesting period. Vesting is dependent on service and performance conditions being met, subject to the discretion of the Group's remuneration committee within the LTIP scheme rules.

Reconciliation of the total number of share awards:	**52 weeks to 01 March 2026 Number of shares 000's**	53 weeks to 02 March 2025 Number of shares 000's
At beginning of period	**–**	–
Share awards granted	**932**	–
Share awards forfeited	**(2)**	–
At end of period	**930**	–
Outstanding restricted shares vest during the following financial periods:	**000's**	**000's**
2029	**930**	–
	930	–

The fair value of an LTIP share award is the market price of a Boxer Retail Limited share at grant date which was R69.26. The awards have a grant price of nil.

The total equity-settled share based payment expense recognised for the LTIP in the current financial period was R96 million (2025: R22 million).

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

6. Property, plant and equipment

	Property Rm	Furniture, fittings, equipment and vehicles Rm	Leasehold improvements Rm	Total Rm
52 weeks to 01 March 2026				
Carrying value	**367**	**3 214**	**510**	**4 091**
Cost	**381**	**5 022**	**900**	**6 303**
Accumulated depreciation and impairment losses	**(14)**	**(1 808)**	**(390)**	**(2 212)**
Reconciliation of carrying value				
Carrying value at beginning of period:	**313**	**2 960**	**534**	**3 807**
Additions:	**58**	**829**	**80**	**967**
Expansion of operations	**58**	**539**	**54**	**651**
Maintaining operations	**–**	**290**	**26**	**316**
Depreciation	**(4)**	**(559)**	**(102)**	**(665)**
Impairment	**–**	**–**	**–**	**–**
Disposals	**–**	**(16)**	**(2)**	**(18)**
Carrying value at end of period	**367**	**3 214**	**510**	**4 091**
53 weeks to 02 March 2025				
Carrying value	313	2 960	534	3 807
Cost	323	4 476	880	5 679
Accumulated depreciation and impairment losses	(10)	(1 516)	(346)	(1 872)
Reconciliation of carrying value				
Carrying value at beginning of period:	277	2 660	531	3 468
Additions:	39	746	110	895
Expansion of operations	4	459	72	535
Maintaining operations	35	287	38	360
Depreciation	(3)	(483)	(105)	(591)
Impairment	–	(2)	–	(2)
Disposals	–	(20)	(4)	(24)
Purchase of operations (note 29)	–	59	2	61
Carrying value at end of period	313	2 960	534	3 807

Property includes land with an indefinite useful life, with a carrying value of R63 million (2025: R88 million). The decrease is due to a transfer between land and buildings within the property category. The transfer within the property category related to the Whetstone DC and the allocation of land and buildings between the Group and the joint operation partner in order to ensure that the assets were equally split between land and buildings.

The Group treats each trading store as a separate cash-generating unit (CGU) for impairment testing of property, plant and equipment.

The recoverable amount for each CGU was determined using cash flow projections covering the relevant CGU's refurbishment cycles, which averages five years. The cash flow projections are based on financial budgets (informed by past experience and the expected performance on the retail market in the relevant areas) approved by management. The pre-tax discount rate applied to these cash flow projections, which reflects the specific risks of the relevant CGU, was 11.5% (2025: 12.9%). Cash flows for CGUs beyond these planning periods were extrapolated using an estimated growth rate of 4.1% (2025: 5.0%). Management believes that any reasonable possible change in key assumptions on which these CGUs' recoverable amounts are based would not result in any additional significant impairment losses.

An impairment charge was recorded in relation to one CGU (2025: one CGU) which amounted to less than R1 million (2025: R2 million). This CGU is an individually owned store, which is not material to the Group's overall portfolio of stores. This impairment was as a result of a significant reduction in the future expected revenue of the CGU due to a weakening in the general economic conditions in which the CGU operates.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

7. Intangible assets

	Goodwill Rm	Software Rm	Licences Rm	Total Rm
52 weeks to 01 March 2026				
Carrying value	**242**	**82**	**–**	**324**
Cost	**270**	**135**	**–**	**405**
Accumulated amortisation and impairment losses	**(28)**	**(53)**	**–**	**(81)**
Reconciliation of carrying value				
Carrying value at beginning of period:	**258**	**79**	**–**	**337**
Additions:	**–**	**22**	**–**	**22**
Expansion of operations	**–**	**2**	**–**	**2**
Maintaining operations	**–**	**20**	**–**	**20**
Amortisation	**–**	**(19)**	**–**	**(19)**
Write off/impairment	**(16)**	**–**	**–**	**(16)**
Carrying value at end of period	**242**	**82**	**–**	**324**
53 weeks to 02 March 2025				
Carrying value	258	79	–	337
Cost	258	126	–	384
Accumulated amortisation and impairment losses	–	(47)	–	(47)
Reconciliation of carrying value				
Carrying value at beginning of period:	252	81	1	334
Additions:	–	16	–	16
Maintaining operations	–	16	–	16
(Amortisation)/reversal	–	(18)	4	(14)
Impairment	(2)	–	–	(2)
Disposals	(1)	–	–	(1)
Purchase of operations (note 29)	4	–	–	4
Reclassifications	5	–	(5)	–
Carrying value at end of period	258	79	–	337

Internally generated software intangible assets carrying values are R37m (2025: R52m) and intangible assets that have been acquired are R45m (2025: R 27m).

The Group treats each trading store as a separate cash-generating unit (CGU) for impairment testing of intangible assets, including goodwill.

The recoverable amount for each CGU was determined using cash flow projections covering the relevant CGU's refurbishment cycles, which averages five years. The cash flow projections are based on financial budgets (informed by past experience and the expected performance on the retail market in the relevant areas) approved by management. The pre-tax discount rate applied to these cash flow projections, which reflects the specific risks of the relevant CGU, was 11.5% (2025: 12.9%). Cash flows for CGUs beyond these planning periods were extrapolated using an estimated growth rate of 4.1% (2025: 5.0%). Management believes that any reasonable possible change in key assumptions on which these CGUs' recoverable amounts are based would not result in any additional significant impairment losses.

A store closure led to a goodwill write off in the current financial period. There was also a goodwill impairment charge for one CGU (2025: one CGU) in the current financial period. The CGU impaired in the current and prior year was for an individual trading store, which was not material to the Group's overall portfolio of stores. The impairment was as a result of a significant reduction in the future expected revenue of the CGUs due to a weakening in the general economic conditions in which the CGUs operated.

The goodwill balance relates to various acquisitions of stores, none of which are significant in comparison to the Group's total carrying amount of goodwill.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

8. Right-of-use assets

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Reconciliation of carrying value of right-of-use assets		
Carrying value at beginning of period	**3 654**	3 312
Additions	**1 207**	1 178
Depreciation	**(699)**	(653)
Property	**(652)**	(604)
Equipment and vehicles	**(47)**	(49)
Other movements*	**(166)**	(167)
Impairments	**(15)**	(16)
Carrying value at end of period	**3 981**	3 654
Comprising of:		
Property	**3 826**	3 462
Equipment and vehicles	**155**	192

* *Other movements include lease incentives received, remeasurements and terminations of leases.*

The Group treats each store as a separate CGU for impairment testing of right-of-use assets.

The recoverable amount was determined using cash flow projections covering the relevant CGU's refurbishment cycles, which averages five years. The cash flow projections are based on financial budgets (informed by past experience and the expected performance on the retail market in the relevant areas) approved by management. The pre-tax discount rate applied to these cash flow projections, which reflects the specific risks of the relevant CGU, was 11.5% (2025: 12.9%). Cash flows for each CGUs beyond these planning periods were extrapolated using an estimated growth rate of 4.1% (2025: 5.0%). Management believes that any reasonable possible change in key assumptions on which these CGUs' recoverable amounts are based would not result in any additional significant impairment losses.

An impairment charge was recorded in relation to two CGUs (2025: two CGUs). These CGUs are individual trading stores, which are not material to the Group's overall portfolio of stores. These impairments were as a result of a significant reduction in the future expected revenue of the CGUs due to a weakening in the general economic conditions in which the CGU operates.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

9. Lease liabilities

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
9.1 Reconciliation of lease liabilities		
At beginning of period	**4 797**	4 308
Additions	**1 207**	1 178
Lease payments	**(1 092)**	(958)
Principal lease liability payments	**(620)**	(613)
Interest paid	**(472)**	(345)
Finance costs (note 3.3)	**483**	412
Other movements*	**(124)**	(143)
At end of period	**5 271**	4 797
Lease liabilities are presented in the statement of financial position as follows:		
Current	**638**	647
Non-current	**4 633**	4 150

* *Other movements include remeasurements and terminations of leases.*

9.2 Lease payments		
Lease payments included in the measurement of lease liabilities (note 9.1)	**1 092**	958
Variable lease payments not included in the measurement of lease liabilities	**9**	10
Short-term lease payments	**64**	57
Low value lease payments	**2**	2
	1 167	1 027

Certain property head leases contain variable payment terms linked to sales generated from retail owned stores, referred to as turnover rent. Turnover rent expense averages 1.7% (2025: 1.7%) of turnover.

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
9.3 Maturity analysis		
The undiscounted contractual maturities of lease liabilities are as follows:		
Less than one year	**1 043**	1 036
One year to five years	**3 933**	3 440
Five to ten years	**2 356**	2 051
More than ten years	**376**	182
Total undiscounted lease liabilities	**7 708**	6 709
Finance costs to be incurred in future	**(2 437)**	(1 912)
Lease liabilities	**5 271**	4 797

Lease terms include any non-cancellable periods and reasonably certain extension options, and exclude reasonably certain termination options. Approximately 94% (2025: 93%) of the Group's portfolio of property leases contain extension options and approximately 5% (2025: 5%) contain termination options. The majority of extension and termination options held are exercisable by the Group and not by the respective lessor.

The average lease term of the Group's portfolio of qualifying leases for property are 10 years (2025: 10 years), and for equipment are 5 years (2025: 5 years).

Future lease payments are discounted at the incremental borrowing rate of 9.9% (2025: 9.6%).

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

10. Interest in joint operations

The Group holds interests in two joint arrangements:

1. The Apex Distribution Centre (DC) Consortium (Benoni DC):

The Apex DC consortium was established during the 2024 financial year to develop and manage the DC. Located in Benoni, Gauteng, the DC is jointly owned by the Group and an unrelated third party, holding a 40% and 60% interest, respectively. All matters related to the Apex DC Consortium are decided by unanimous resolution from both parties.

2. The Whetstone DC Consortium (Tongaat DC):

The Whetstone DC Consortium was established during the 2025 financial year to develop and manage the DC located in Mount Moreland, KwaZulu-Natal. The DC is jointly owned by the Group and an unrelated third party, each holding a 50% undivided share. All matters related to the Whetstone DC Consortium are decided by unanimous resolution from both parties.

The following are the share of the groups assets:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Interest in joint operation		
Apex DC Consortium		
Land	**23**	23
Building	**70**	70
Whetstone DC Consortium		
Land	**25**	25
Building	**158**	106

Land and buildings for the current and prior year are reflected in note 6 as this is held directly by the Group.

11. Loans

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Employee loans	**–**	1
Other loans	**127**	133
Total loans	**127**	134
Loans are presented in the statement of financial position as follows:		
Non-current	**122**	126
Current	**5**	8

Loans to employees bear interest at varying rates averaging 4.0% (2025: 4.0%) per annum and have varying repayment terms.

Other loans relate to property related expenditure (maintenance or improvements) for landlords with repayment terms within the agreed lease terms and average interest rates linked to the South African prime rate, averaging at a rate of 10.0% (2025: 13.1%).

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

12. Deferred tax

The movement in deferred tax assets are as follows:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
At beginning of period	**165**	144
Recognised in the statement of comprehensive income (note 24.1)	**(12)**	21
Property, plant and equipment and intangible assets	**(34)**	(44)
Income and expense accruals	**(14)**	23
Prepayments	**2**	2
Leases	**34**	40
At end of period	**153**	165
Comprising:		
Property, plant and equipment and intangible assets	**(357)**	(323)
Income and expense accruals	**175**	189
Prepayments	**(8)**	(10)
Leases	**343**	309
	153	165

13. Investment in Pick n Pay Stores Limited

	Number of shares	Cost Rm	Fair value adjustment Rm	Carrying value Rm
53 weeks to 02 March 2025				
Balance at beginning of period	1 699 500	99	(59)	40
Movements for the period	(1 699 500)	(99)	54	(45)
Shares delivered to RSP participants	(539 000)	(29)	15	(14)
Sale to related party	(1 160 500)	(70)	39	(31)
Fair value remeasurement	–	–	5	5
Balance at end of period	–	–	–	–

Following the Group's exit from the Pick n Pay Stores Limited's option and RSP schemes in the prior year, all remaining shares in Pick n Pay Stores Limited were sold to a related party, Pick n Pay Retailers (Pty) Ltd at market value, as the Group implemented its own share scheme (refer to note 5).

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

14. Inventory

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Merchandise for resale	**4 330**	3 429
Provision for shrinkage, obsolescence and mark down of inventory	**(88)**	(69)
Consumables	**25**	18
	4 267	3 378

R33 million (2025: R24 million) of inventory write-downs have been presented as an expense.

15. Trade and other receivables

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Gross trade and other receivables	**454**	469
Trade receivables from contracts with customers	**379**	346
Prepayments	**48**	57
Other receivables	**27**	66
Allowance for impairment losses	**(18)**	(11)
Trade receivables from contracts with customers	**(12)**	(7)
Other receivables	**(6)**	(4)
Net trade and other receivables	**436**	458

Trade and other receivables are interest-free and have payment terms ranging between 7 and 35 days (2025: 7 and 35 days). The carrying value of trade and other receivables approximate their fair value due to the short term nature of the receivables.

Other receivables mainly comprise of sundry debtors and property debtors.

15.1 Allowance for impairment losses

Impairment losses are recorded in the allowance account until the Group is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off against the financial asset directly. Impairment losses have been included in the statement of comprehensive income.

Set out below is the movement in the allowance for impairment on trade and other receivables:

	Trade and other receivables Rm	Trade receivables from contracts with customers Rm	Other receivables Rm
52 weeks to 01 March 2026			
At beginning of the period	**11**	**7**	**4**
Additional impairment losses recognised	**12**	**7**	**5**
Prior allowances for impairment reversed	**(5)**	**(2)**	**(3)**
At the end of the period	**18**	**12**	**6**
53 weeks to 02 March 2025			
At beginning of the period	10	7	3
Additional impairment losses recognised	9	6	3
Prior allowances for impairment reversed	(8)	(6)	(2)
At the end of the period	11	7	4

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

15. Trade and other receivables continued

15.2 Credit risk exposure

Set out below is the credit risk exposure on the Group's trade and other receivables. The expected credit loss (ECL) relating to trade and other receivables within payment terms is insignificant as a result of the credit quality of these debtors, the stringent credit granting policies and the various forms of security and collateral held by the Group. Refer to note 26 for the Group's credit risk management disclosure.

	Gross receivables	Within payment terms	Exceeding payment terms by more than 14 days
	Rm	Rm	Rm
52 weeks to 01 March 2026	**406**	**361**	**45**
Trade receivables from contracts with customers	**379**	**351**	**28**
Other receivables	**27**	**10**	**17**
53 weeks to 02 March 2025	412	368	44
Trade receivables from contracts with customers	346	340	6
Other receivables	66	28	38

16. Cash and cash equivalents

	52 weeks to 01 March 2026	53 weeks to 02 March 2025
	Rm	Rm
Cash and cash equivalents in the statement of financial position	**538**	466
Related party loan receivable (note 17.1)	**371**	331
Cash and cash equivalents in the statement of cash flows	**909**	797

Cash and cash equivalents includes cash floats at stores as well as the Group's current account balance. The Group's primary bankers, which at period-end had long-term credit ratings of zaAAA (2025: zaAA), indicating the highest level of creditworthiness relative to other issuers within South Africa, facilitates the collection of cash at stores, provides general banking facilities and facilitates the payment of suppliers via an electronic banking platform. The interest rate on the current and call account balances in South Africa is 6.3% (2025: 7.2%). Refer to note 26.3.2.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

17. Amount owing by/(to) related party

The amounts owing by/to the related party are unsecured and are repayable on demand. Due to the repayment terms, fair value is considered to approximate the carrying value. Refer to note 26.3.2 for further details, including applicable interest rates charged/earned on related party balances. For the purpose of the statement of cash flows, the amount owing by the related party is considered cash and cash equivalents as the loan balance is held to meet the short term cash commitments of the Group and is a highly liquid investment that is readily convertible to known amounts of cash with an insignificant risk of changes in value. These amounts represent operational cash flow balances between the entities and was repaid shortly after year end.

		52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
17.1	**Amount owing by related party**		
	Pick n Pay Retailers Proprietary Limited (note 16)	**371**	331
		371	331
17.2	**Amount owing to related party**		
	Pick n Pay Retailers Proprietary Limited	**–**	(127)
		–	(127)
17.3	**Net amount owing by/(to) related party**	**371**	204

		52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
17.4	**Reconciliation of carrying value of amount owing to related party**		
	At the beginning of the period	**(127)**	(1 497)
	Movements:		
	Non-cash movements	**–**	(11)
	Loans received by the Group	**–**	(11)
	Cash movements for the period	**127**	1 381
	Loans received by Group	**–**	(966)
	Loans repaid by Group	**127**	2 347
	At the end of the period	**–**	(127)

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

18. Share capital

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Authorised		
1 000 000 000 (2025: 1 000 000 000) ordinary no par value shares	–	–
Issued		
457 407 408 (2025: 457 407 408) ordinary no par value shares	**8 203**	8 203

The unissued shares remain under the control of the directors until the next annual general meeting.

The holders of ordinary shares are entitled to receive dividends as declared, and are entitled to one vote per share at meetings of the Company.

The Company can issue new shares to settle the Group's obligations under its LTIP scheme (refer to note 5), but issues in this regard are limited to 5% of issued shares.

19. Treasury shares

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
At beginning of the period	**205**	–
Additions during the period	**60**	205
At end of period	**265**	205
	000's	000's
The movement in the number of treasury shares held is as follows:		
At beginning of the period	**3 796**	–
Additions during the period	**928**	3 796
At end of period	**4 724**	3 796

The addition of treasury shares of the Group in the prior year was through a new issue of shares purchased by a Group subsidiary for the purposes of the Group LTIP (Refer to note 5). In the current year, the Group purchased the shares on the open market.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

20. Borrowings

The Group raised interest bearing borrowings during the prior financial period.

The loans are unsecured, repayable in a single bullet payment on 25 October 2029 and bear interest at the 3-month Jibar plus 180 basis points. The average rate for the year was 9.0% p.a. (2025: 9.6% p.a.).

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Total interest bearing borrowings:		
Absa Bank Limited	**120**	510
FirstRand Bank Limited	**80**	340
	200	850
Non-current	**200**	850
Reconciliation of carrying value of borrowings:		
At the beginning of the period	**850**	–
Non-cash movements	**50**	17
Finance charges	**50**	17
Cash movements for the period	**(700)**	833
Borrowings (repaid)/raised	**(650)**	850
Finance charges paid	**(50)**	(17)
At the end of the period	**200**	850

Under the terms of the major borrowing facilities, the Group is required to comply with covenants as specified by the financial institutions. These include a leverage ratio as well as an interest cover ratio.

The Group has met all covenant requirements for the year.

	Required	**52 weeks to 01 March 2026**	53 weeks to 02 March 2025
Net debt to EBITDA	<2.5	**0.2**	0.1
Interest cover	>3.5:1	**6.2:1**	7.2:1

During the current financial year, the Group continued to monitor the impact of the proposed interest rate reform transition of its borrowings to ZARONIA. As at 01 March 2026, no amendments to the underlying loan agreements have been implemented and the existing terms and conditions remain unchanged. The evaluation process is ongoing and any resulting changes will be accounted for in the period in which they are finalised.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

21. Trade and other payables

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Trade and other payables	**5 201**	4 755

Trade payables that are financial instruments are settled within an annual average of 35 days (2025: 30 days). Included in trade and other payables are leave pay obligations and value-added tax (VAT) which are not financial instruments. Refer to note 26 for more information on financial instruments.

22. Provisions

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
At the beginning of the period	**57**	49
Additional provisions raised during the period	**33**	9
Utilised amounts (incurred or changes against the provision)	**(50)**	(1)
At the end of the period	**40**	57

Provisions relate to outstanding claims and legal disputes arising in the ordinary course of business. In management's opinion, any adverse outcome of pending claims will not have a material adverse effect on the financial condition or future operations of the Group.

The Group does not have any material contingent liabilities.

23. Deferred revenue

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Prepaid gift card liability	**138**	116
Refund liability	**5**	3
	143	119

Prepaid gift card liability

Gift cards can be redeemed as cash against future purchases, are redeemable on demand and expire 3 years after last date used. The balance outstanding at period end represents the fair value of the revenue received in advance.

Refund liability

Customers are entitled to return goods purchased within a specified period of time, for a full or partial refund of the amount paid. The refund liability represents the amount of consideration that the Group does not expect to be entitled to because it will be refunded to customers within the next financial period. In addition, the Group recognised a right of return asset of R4 million (2025: R3 million) for its right to recover goods returned by the customer.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

24. Income Tax

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
24.1 Tax recognised in profit or loss		
Normal tax	**544**	546
Current period	**551**	548
Prior period over provision	**(7)**	(2)
Deferred tax (note 12)	**12**	(21)
	556	525
24.2 Tax paid comprises:		
Payable – beginning of period	**86**	290
Recognised in profit or loss	**544**	546
Payable – end of period	**(110)**	(86)
Total tax paid	**520**	750

24.3 Reconciliation of effective tax rate

	%	%
South African statutory tax rate	**27.0**	27.0
ETI allowances exempt income	**(1.5)**	(0.9)
Learnership and other allowances	**(0.3)**	(0.2)
Non-deductible impairment loss on intangible assets	**0.2**	–
Impact of share based payments	**–**	0.1
Non-deductible leasehold improvement depreciation	**1.4**	1.5
Other non-deductible expenditure	**–**	0.1
Net prior period over provision	**(0.5)**	(0.1)
Effective tax rate	**26.3**	27.5

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

25. Commitments

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Authorised capital expenditure		
Contracted for:	**68**	256
Furniture, fittings, equipment and vehicles	**68**	251
Intangible assets	**–**	5
Not contracted for:	**1 072**	895
Property	**–**	45
Furniture, fittings, equipment and vehicles	**1 046**	850
Intangible assets	**26**	–
Total commitments	**1 140**	1 151

All capital expenditure is anticipated to be funded from internally generated cash.

26. Financial instruments

The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents and amount owing by related party. The Group's principal financial liabilities comprise lease liabilities, refund liabilities, trade and other payables, borrowings, amount owing to related party and derivatives designated as hedging instruments. The Group holds fair value through other comprehensive income financial instruments and enters into derivative transactions which comprises of forward foreign exchange rate contracts (FEC) to hedge future foreign currency exposures. Where all relevant criteria are met, hedge accounting is applied, to remove the accounting mismatch between the hedging instrument and the hedged item.

The Group is exposed to credit, market and liquidity risk due to the effects of changes in debt, exchange rates and interest rates experienced in the normal course of business. The Group's objective is to effectively manage each of the risks associated with its financial instruments in order to minimise the potential adverse effect on the financial performance and position of the Group.

The directors are ultimately responsible for ensuring that adequate procedures and processes are in place to identify, assess, manage and monitor financial risks.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

26. Financial instruments continued

26.1 Financial assets and financial liabilities by category

The table below sets out the Group's financial assets and financial liabilities by category:

	Financial assets at amortised cost	Derivatives designated as hedging instruments	Financial liabilities at amortised cost	Total
	Rm	Rm	Rm	Rm
52 weeks to 01 March 2026				
Financial assets				
Loans (note 11)	**127**	**–**	**–**	**127**
Trade and other receivables (note 15)	**388**	**–**	**–**	**388**
Cash and cash equivalents (note 16)	**538**	**–**	**–**	**538**
Amount owing by related party (note 17)	**371**	**–**	**–**	**371**
	1 424	**–**	**–**	**1 424**
Financial liabilities				
Trade and other payables (note 21)	**–**	**–**	**5 025**	**5 025**
Lease liabilities (note 9)	**–**	**–**	**5 271**	**5 271**
Borrowings (note 20)	**–**	**–**	**200**	**200**
Refund liability (note 23)	**–**	**–**	**5**	**5**
Derivative financial instruments – forward exchange contracts (FEC) (note 26.5)	**–**	**2**	**–**	**2**
	–	**2**	**10 501**	**10 503**
53 weeks to 02 March 2025				
Financial assets				
Loans (note 11)	134	–	–	134
Trade and other receivables (note 15)	401	–	–	401
Cash and cash equivalents (note 16)	466	–	–	466
Amount owing by related party (note 17)	331	–	–	331
	1 332	–	–	1 332
Financial liabilities				
Amount owing to related party (note 17)	–	–	127	127
Trade and other payables (note 21)	–	–	4 618	4 618
Lease liabilities (note 9)	–	–	4 797	4 797
Borrowings (note 20)	–	–	850	850
Refund liability (note 23)	–	–	3	3
	–	–	10 395	10 395

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

26. Financial instruments continued

26.2 Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. Financial assets, which potentially subject the Group to credit risk, consist principally of cash and cash equivalents, trade and other receivables, loans and amount owing by related party. The Group's maximum exposure to credit risk is equal to the carrying amount of these classes of assets.

Cash and cash equivalents

The Group's cash is placed with major financial institutions of high credit in South Africa and Eswatini which at period end had a high credit standing and had a long-term credit rating of zaAAA (2025: zaAA) indicating the highest level of creditworthiness relative to other issuers within South Africa (refer to note 16).

Trade and other receivables

Trade and other receivables mainly relates to trade debtors and are presented net of allowance for credit losses (refer to note 15). Majority of trade and other receivables are within payment terms and are therefore considered to have low credit risk.

Loans

Loans mainly comprise landlord loans in line with the Group's credit policy. Loans are granted after reviewing the credit worthiness of each landlord (refer to note 11). Majority of loans are secured and are considered to have low credit risk.

Amount owing by related party

The amount owing by the related party is unsecured and repayable on demand. The amount owing was received shortly after financial year end. For the purpose of the statement of cash flows, the amount owing by the related party is considered cash and cash equivalents as the loan balance is held to meet the short term cash commitments of the Group and is a highly liquid investment that is readily convertible to known amounts of cash with an insignificant risk of changes in value (refer to note 17.1).

26.3 Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk (such as equity price risk). Financial instruments affected by market risk include loans, lease liabilities, borrowings, amounts owing by/to related parties, cash and cash equivalents and derivative financial instruments. The objective of market risk management is to manage and control exposure to market risk, while optimising the return on the risk.

26.3.1 Currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

Transactional currency risk – FECs

The Group has transactional currency exposures arising from the acquisition of goods and services in currencies other than its functional currency. The Group operates internationally and is exposed to currency risk through the importation of merchandise, however it does not have material foreign creditors and in certain cases the Group utilises FECs to mitigate its foreign exchange risks from the import of inventory.

The Group's FECs have been designated as cash flow hedges of firm commitments. All firm commitments are expected to be realised within 12 months.

Transactional currency risk – foreign cash balances, trade and other receivables, trade and other payables.

The Group has exposure to foreign currency translation risk through its foreign cash balances, trade and other receivables and trade and other payables denominated in currencies other than the South African rand. These balances are immaterial in relation to the total of the line items they are included in. These risks are not hedged.

Sensitivity of the Group's exposure to material foreign currencies is estimated by assessing the impact of a reasonable expected movement of the currencies on the statement of comprehensive income, statement of financial position and statement of changes in equity of the Group. A sensitivity analysis is not presented as the estimated impact of the expected movement in currencies is immaterial.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

26. Financial instruments continued

26.3 Market risk management continued

26.3.2 Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises from variable rate interest bearing loans, cash and cash equivalents, borrowings, lease liabilities and amounts owing by/to related parties. The exposure to interest rate risk is managed through the Group's cash management system taking into account expected movements in interest rates when funding or investing decisions are made

	52 weeks to 01 March 2026	53 weeks to 02 March 2025
	%	%
The interest rates on financial instruments at the end of the period are:		
Financial assets		
Fixed-rate interest-bearing financial assets		
Employee loans (note 11)	**4.0**	4.0
Other loans (note 11)	**10.0**	13.1
Variable-rate interest-bearing financial assets		
Cash and cash equivalents (note 16)	**3.1 - 6.3**	3.6 - 7.2
Financial liabilities		
Fixed-rate interest-bearing liabilities		
Lease liabilities (note 9)	**9.9**	9.6
Variable-rate interest-bearing liabilities		
Borrowings (note 20)	**9.0**	9.6

Sensitivity of the Group's exposure to interest rate risk is estimated by assessing the impact of a reasonable expected movement in the relevant interest rates on the statement of comprehensive income and statement of changes in equity of the Group based on the period end closing balances. Interest rates could reasonably be expected to change by 1% up or down (2025: changed by 1% up or down). This range has been used in our sensitivity analysis and could have an impact of approximately R3 million increase (2025: R4 million decrease) on total comprehensive income should the interest rate increase with the opposite effect should it decrease.

26.3.3 Market value risk

The Group does not hold financial instruments that are impacted by equity price risk.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

26. Financial instruments continued

26.4 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages this risk by maintaining adequate reserves and unutilised borrowing facilities (listed below) and by continuously monitoring forecasted and actual cash flows, ensuring that the maturity profiles of financial assets and liabilities do not expose the Group to liquidity risk.

On an annual average, trade and other receivables and inventory are realised within 41 days (2025: 37 days); and trade payables are settled within 35 days (2025: 30 days). To the extent that the Group requires short-term funds, it utilises the banking facilities available.

The table below presents the Group's available facilities and its utilisation thereof:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
FEC facilities		
Total available facilities	**250**	71
Utilised	**(63)**	(26)
	187	45
Borrowing facilities		
Available long-term debt facilities	**200**	850
Available committed working capital facility	**1 400**	2 000
Available uncommitted working capital facility	**2 100**	–
Utilised	**(200)**	(850)
	3 500	2 000

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments:

	Carrying amount Rm	Contractual cash flows Rm	Within 1 year Rm	Over 1 year and within 5 years Rm	Over 5 years and within 10 years Rm	More than 10 years Rm
52 weeks to 01 March 2026						
Lease liabilities (note 9)	**5 271**	**7 708**	**1 043**	**3 933**	**2 356**	**376**
Trade and other payables (note 21)	**5 025**	**5 025**	**5 025**	**–**	**–**	**–**
Borrowings (note 20)	**200**	**302**	**17**	**285**	**–**	**–**
Refund liability (note 23)	**5**	**5**	**5**	**–**	**–**	**–**
Derivative financial instruments – Forward exchange contracts (FEC) (note 26.5)	**2**	**2**	**2**	**–**	**–**	**–**
Total financial obligations	**10 503**	**13 042**	**6 092**	**4 218**	**2 356**	**376**
53 weeks to 02 March 2025						
Lease liabilities (note 9)	4 797	6 709	1 036	3 440	2 051	182
Trade and other payables (note 21)	4 618	4 618	4 618	–	–	–
Amount owing to related party (note 17)	127	127	127	–	–	–
Borrowings (note 20)	850	1 230	81	1 149	–	–
Refund liability (note 23)	3	3	3	–	–	–
Total financial obligations	10 395	12 687	5 865	4 589	2 051	182

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

26. Financial instruments continued

26.5 Fair value of financial instruments

All financial instruments held by the Group are measured at amortised cost, with the exception of derivatives designated as hedging instruments. The carrying value of financial instruments held at amortised cost approximates their fair value.

Financial instruments measured at fair value are classified using a 3 level hierarchy to rank inputs used in measuring fair value. The levels are explained below:

Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – valuation techniques for which the lowest level of input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data, where it is available, and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
The fair values of financial instruments are as follows:		
Derivative financial instruments (designated as hedging instruments)		
Forward exchange contract liabilities – Level 2	**2**	–

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using a forward pricing model utilising present valuation techniques, allowing for counterparty credit risk.

There have been no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the period.

26.6 Capital management

Boxer's capital management strategy is to maintain investor, creditor and market confidence and to sustain future growth by capital re-investment in the business. Capital is represented by total shareholders' equity as per the statement of financial position. The Group's capital management objectives are to safeguard the Group's ability to continue as a going concern in order to provide shareholder returns, as well as benefits to all stakeholders. The Group's lean business model provides a high return on capital, and Boxer is focused on sustaining these high returns by ensuring future capital investment continues to provide high incremental returns on capital. The Group take a cautious approach to debt, as it values the operational flexibility this allows, and believes that this operational flexibility will maximise shareholder value over the long run.

The Board of directors is ultimately responsible for capital management.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

27. Retirement benefit information

The Group provides retirement benefits for all its permanent employees through four defined contribution provident fund schemes which covers 17 533 (2025: 14 944) full-time and variable hour employees. The defined contribution provident fund schemes are subject to the Pension Funds Act, 1956 as amended. The Group provides for contribution of 7% - 14% (2025: 7% - 14%) of employees salary where they qualify and these contributions are charged to expense in the period to which they relate. The total value of contributions to the schemes were R127 million (2025: R113 million).

In addition Eswatini employees are members of the Swazi National Provident Fund which covers 609 (2025: 541) employees.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

28. Related party disclosure

28.1 Identity of related parties

Boxer Retail Group is a partly-owned subsidiary of Pick n Pay Retailers Proprietary Limited. The ultimate holding company is Pick n Pay Stores Limited. Both holding companies are registered in South Africa.

Current directors		
Charlotte Maponya	Lead Independent non-executive	Appointed: 15 October 2024
Cindy Robertson	Independent non-executive	Appointed: 15 October 2024
David Wayne	Executive – Chief Finance Officer	Appointed: 15 October 2024
Dineo Molefe	Independent non-executive	Appointed: 15 October 2024
James Formby	Non-executive	Appointed: 9 October 2024
Jesmane Boggenpoel	Independent non-executive	Appointed: 15 October 2024
Leon Lourens	Independent non-executive	Resigned: 28 February 2026
Marek Masojada	Executive – Chief Executive Officer	Appointed: 15 October 2024
Sean Summers	Non-executive Chairperson	Appointed: 20 August 2024
Company secretary		
Vaughan Pierce	Company secretary	Appointed: 15 October 2024

Refer to note 4 for details of directors remuneration.

The Group contains the following noteworthy wholly-owned subsidiaries:

- Boxer Superstores Proprietary Limited, incorporated in South Africa, and
- Boxer Superstores Eswatini Limited, incorporated in Eswatini.

28.2 Key management personnel

Key management personnel are those directors and key employees who have authority and responsibility for planning, directing and controlling the activities of the Group. No key management personnel had a material interest in any contract of any significance for the Group during the period under review. Remuneration, as paid by other companies within the Boxer Retail Limited Group is detailed below:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Key management personnel remuneration comprises:		
Base salary	**10.5**	8.3
Retirement and medical aid contributions	**2.0**	1.7
Fringe and other benefits	**0.5**	0.5
Bonus and gratuity	**19.4**	15.6
	32.4	26.1
Fees for board meetings, committee and other work	**7.0**	2.9
Total remuneration	**39.4**	29.0
Expense/(gain) relating to share award granted	**19.1**	(0.2)

The prior year expenses for the Non-executive directors are from date of appointment of 15 October 2024 to 02 March 2025. The share gains in the prior year relates to PIK Share options, PIK RSP and Boxer LTIP (refer to prior year annual financial statements). In the current year the share expenses relate to LTIP only (refer note 5).

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

28. Related party disclosure continued

28.3 Material related party transactions

The Group entered into a variety of transactions with related parties. The transactions are entered into in the normal course of business. The following material transactions occurred during the period:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Dividends declared and paid		
Boxer Holdings Proprietary Limited	–	9 260
Pick n Pay Retailers Proprietary Limited	136	–
Interest earned		
Pick n Pay Retailers Proprietary Limited	–	57
Interest incurred		
Pick n Pay Retailers Proprietary Limited	–	19
Trading expenses		
Pick n Pay Retailers Proprietary Limited		
– Rental	9	9
– Shared services	22	20

Refer to note 13 for sale of PIK shares to Pick n Pay Retailers Proprietary Limited in the prior year.

Refer to note 29 for purchases of operations from Pick n Pay Retailers Proprietary Limited in the prior year.

The Group purchased inventory from Tomis Wholesale Proprietary Limited, a 100% held subsidiary of Pick n Pay Stores Limited, for R10 million (FY25: R5 million).

28.4 Related party balances

Refer to note 17 for details of amount owing by/(to) related party.

29. Purchase of operations

During the prior year the Group acquired eight retail operations of which the majority were from Pick n Pay Retailers Proprietary Limited. These acquisitions had no significant impact on the Group's results. The goodwill arising from these acquisitions represent the acquired customer base and the value creation the Group expects to realise as a result of integration with the Group. The fair value of the total identifiable net assets acquired was R61 million. The purchase price of the acquisitions was R65 million resulting in goodwill of R4 million. The amount of the fair value of the purchase price that was settled in cash amounted to R28 million.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

30. Operating segments

Operating segments are identified based on financial information regularly reviewed by the Chief Operating Decision Maker ("CODM") of the Group, for performance assessments and resource allocations. The Group annually performs a detailed review of the executive, or group of executives, that could be considered the appropriate and relevant CODM of the Group. During the current and prior periods under review, the CODM of the Group consisted of the Group executive directors. The Group manages financial performance and resource allocations by reviewing one reportable segment, namely the Boxer Group.

An analysis of the geographical regions in which the Group operates has been presented below.

Geographical information	**South Africa Rm**	**Eswatini Rm**	**Group Rm**
52 weeks to 01 March 2026			
Revenue	**46 454**	**685**	**47 139**
Turnover	**45 997**	**685**	**46 682**
Commission and other income	**390**	**–**	**390**
Finance income	**67**	**–**	**67**
Depreciation and amortisation	**617**	**9**	**626**
Property, plant and equipment	**4 027**	**64**	**4 091**
Intangible assets	**324**	**–**	**324**
Right-of-use assets	**3 935**	**46**	**3 981**
53 weeks to 02 March 2025			
Revenue*	42 351	649	43 000
Turnover*	41 948	649	42 597
Commission and other income	312	–	312
Finance income	91	–	91
Depreciation and amortisation	546	8	554
Property, plant and equipment	3 754	53	3 807
Intangible assets	337	–	337
Right-of-use assets	3 624	30	3 654

* *Comparative figures have been restated to correct for the turnover related to certain articles (see Group Statement of Comprehensive Income)*

31. Basic, headline and diluted earnings per share

	52 weeks to 01 March 2026 Cents per share	53 weeks to 02 March 2025 Cents per share
Basic earnings per share	**343.50**	406.70
Diluted earnings per share	**340.19**	405.51
Headline earnings per share	**351.67**	413.76
Diluted headline earnings per share	**348.27**	412.54
Dividends per share#	**45.30**	27 135.53

In the prior year, dividends of R9 260 million, including a Pre-IPO Dividend of R8 160 million (refer to note 36) were declared pre-listing, when there were 34.1 million shares in issue.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

31. Basic, headline and diluted earnings per share continued

31.1 Reconciliation between basic and headline earnings

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Profit for the period – basic earnings for the period	**1 556**	1 383
Adjustments:	**37**	24
Loss on disposal of assets	**13**	13
Tax effect of loss on disposal of assets	**(3)**	(4)
Loss from impairments of property, plant and equipment and intangible assets	**31**	20
Tax effect of loss from impairments of property, plant and equipment and intangible assets	**(4)**	(5)
Headline earnings for the period	**1 593**	1 407

31.2 Number of ordinary shares

	000's	000's
Number of ordinary shares in issue (note 18)	**457 407**	457 407
Weighted average number of ordinary shares in issue (net of treasury shares)	**452 987**	340 052
Diluted weighted average number of ordinary shares in issue (net of treasury shares)	**457 397**	341 055

31.3 Reconciliation between weighted and diluted weighted average number of share in issue

	000's	000's
Weighted average number of ordinary shares for EPS	**452 987**	340 052
Effects of dilution from:		
Forfeitable shares	**4 411**	1 003
Diluted weighted average number of ordinary shares	**457 398**	341 055

32. Contingent liabilities

The Group had no material contingent liabilities at the reporting date that require disclosure.

Notes to the **GROUP ANNUAL FINANCIAL STATEMENTS** continued

33. Standards and interpretations

Standards and interpretations that are effective for the current period

New or amended standards that became effective in the current financial year that did not have a significant impact on Group's annual financial statements:

Amendments to IAS 21 (effective FY26)	Lack of exchangeability

Standards and interpretations issued but not yet effective

IFRS 18 (Effective: financial year ending Feb 2028)

IFRS 18 introduces new categories and subtotals in the consolidated statement of profit or loss and other comprehensive income. It also requires disclosure of management defined performance measures (MPMs) and includes new requirements for the location, aggregation and disaggregation of financial information. The standard will result in the Group's statement of comprehensive income being reclassified into operating, investing, financing, income tax and discontinued operations categories.

The disclosure of MPMs will be introduced in the notes to the financial statements, detailing why management believes the MPMs provide meaningful insight into the Group's performance. The note will also set out how each MPM is determined and will reconcile it to the most directly comparable subtotals and totals required by IFRS Accounting Standards where differences arise. MPMs are likely to incorporate measures that are currently disclosed as proforma financial measures.

The Group is currently working to identify all impacts the IFRS 18 amendments will have on the presentation of the primary financial statements and notes.

The new or amended standards below have been issued but are not yet effective and are not expected to have a significant impact on the Group's annual financial statements.

Amendments to IFRS 9 and IFRS 7 (effective FY27)	Classification and measurement of Financial instruments
Volume 11 (effective FY27)	Annual improvements to IFRS Accounting standards
Amendments to IFRS 9 and IFRS 7 (effective FY27)	Contracts Referencing Nature-dependent Electricity
IFRS 19 (effective FY28)	Subsidiaries without public accountability
Amendments to IAS 21 (effective FY28)	Translation to a hyperinflationary presentation currency

34. Going concern

In line with standard governance practice, the Board has assessed the Group's solvency and liquidity and is satisfied as to the Group's ability to continue as a going concern for the foreseeable future and that the presentation of the Annual Financial Statements on a going concern basis is appropriate.

35. Subsequent events

Subsequent to year end the Group settled its borrowings of R200 million on 28 April 2026.

36. Significant items

Prior period formation of the Boxer Retail Limited Group, listing and Initial Public Offering (IPO) on the Johannesburg Stock Exchange (JSE)

During the prior period under review, the Group undertook a Listing and IPO on the main board of the JSE. In preparation for this, the following took place, as detailed in the Group's pre-listing statement published on 11 November 2024:

- The Boxer Superstores Proprietary Limited ("Boxer Superstores") Group declared a dividend ("Pre-IPO Dividend") of R8 160 million to its then sole-shareholder, a wholly-owned subsidiary of the Pick n Pay Stores Limited (PIK) Group. This dividend remained unpaid until after the Listing and IPO
- The Boxer Retail Limited Group was formed from the Boxer Superstores Group through a share exchange where the newly incorporated Boxer Retail Limited issued 300 million shares in exchange for acquiring all issued shares of Boxer Superstores.

The formation of the Group during the prior period was a reorganisation under common control whereby the Group's consolidated financial statements were a continuation of the previous Boxer Superstores Group, with an equity reclassification at acquisition date to reflect the capital structure of Boxer Retail Limited.

The Pre-IPO Dividend and the equity reclassifications resulting from the reorganisation under common control were recognised by the Group in the Common Control Reserve within equity.

Subsequent to the formation of the Group, it undertook a Listing and IPO on the JSE, through which it issued 157.4 million shares at a price of R54 per share. The share issue resulted in costs of R343 million which were recognised directly in equity.

As part of the IPO, a wholly-owned subsidiary of the Group, Boxer Superstores, purchased 3.8 million shares for a total consideration of R205 million as part of the newly-formed Boxer Retail Limited Group LTIP share scheme (Refer to note 5 for further information).

Following the IPO, the Group settled the Pre-IPO Dividend payable of R8 160 million using net proceeds from the IPO.



3

Company annual FINANCIAL STATEMENTS

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Company statement of **COMPREHENSIVE INCOME**

for the period ended 01 March 2026

	Note	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Revenue			
Dividend income	8.3	**207**	7
Other income	8.3	**21**	–
		228	7
Administration expense	2	**(14)**	(7)
Profit before tax		**214**	–
Tax		**–**	–
Profit for the period		**214**	–
Total comprehensive income for the period		**214**	–

Company statement of **FINANCIAL POSITION**

as at 01 March 2026

	Note	As at 01 March 2026 Rm	As at 02 March 2025 Rm
ASSETS			
Non-current assets			
Investment in subsidiary	3	**8 207**	8 207
		8 207	8 207
Current assets			
Prepayments		**1**	–
Amount owing by related party	4.1	**6**	279
		7	279
Total assets		**8 214**	8 486
EQUITY AND LIABILITIES			
Equity			
Share capital	5	**8 203**	8 203
Retained earnings		**7**	–
Total equity		**8 210**	8 203
Current liabilities			
Other payables		**4**	178
Amount owing to related party	4.2	**–**	105
		4	283
Total equity and liabilities		**8 214**	8 486

Company statement of **CHANGES IN EQUITY**

for the period ended 01 March 2026

	Note	Share capital Rm	Retained earnings Rm	Total equity Rm
As at 25 February 2024		**–**	**–**	**–**
Total comprehensive income for the period		**–**	**–**	**–**
Profit for the period		**–**	**–**	**–**
Transactions with owners		**8 203**	**–**	**8 203**
Issue of shares, net of costs	5	**8 203**	**–**	**8 203**
As at 02 March 2025		**8 203**	**–**	**8 203**
Total comprehensive income for the period		–	214	214
Profit for the period		–	214	214
Transactions with owners		–	(207)	(207)
Dividends		–	(207)	(207)
As at 01 March 2026		8 203	7	8 210

Company statement of **CASH FLOWS**

for the period ended 01 March 2026

	Notes	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Cash flows from operating activities			
Profit before tax		**214**	–
Adjusted for dividend income		**(207)**	(7)
Cash generated before movements in working capital		**7**	(7)
Movements in working capital		**(175)**	178
Movement in prepayments		**(1)**	–
Movement in other payables		**(174)**	178
Cash (utilised)/generated from trading activities		**(168)**	171
Dividend received		**207**	7
Dividend paid		**(207)**	–
Cash (utilised)/generated from operating activities		**(168)**	178
Cash flows from investing activities			
Investment in Boxer Superstores Proprietary Limited	3	**–**	(8 160)
Cash utilised in investing activities		**–**	(8 160)
Cash flows from financing activities			
Related party loan advanced to the Company	4.1	**–**	166
Related party loan advanced by the Company		**–**	(340)
Related party loans repaid by the Company		**(105)**	–
Related party loan repaid to the Company		**273**	
Net proceeds on issue of shares*	6	**–**	8 157
Cash generated from financing activities		**168**	7 983
Net increase in cash and cash equivalents		**–**	–
Cash and cash equivalents at end of period		**–**	–

* *This amount is disclosed net of transaction costs of R343 million.*

Accounting **POLICIES**

1. Material accounting policies

Except as presented below, the accounting policies and notes to the Company annual financial statements are identical to those disclosed in Note 1 of the Boxer Retail Limited Group (Referred to as the Group) annual financial statements.

1.1 Statement of compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and its interpretations adopted by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listing Requirements and the requirements of the Companies Act of South Africa.

1.2 Basis of preparation

The Company's financial statements are prepared on the historical basis except where stated otherwise in the accounting policies below.

All financial information has been rounded to the nearest million, unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements are presented in South African Rand.

1.3 Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future years.

Estimates, judgements and assumptions used in the Company's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period include, but are not limited to, the following:

Allowance for impairment loss on amounts owing by related party

The Company has an amount owing by a related party which is measured at amortised cost less accumulated impairment losses. At each reporting period, the historical observed default rates are updated and changes in forward-looking estimates are analysed for amounts owing by related parties. The assessment of historical observed default rates and forward-looking factors require significant judgement and estimates. The Company's historical credit loss experience and forecast economic conditions may therefore not be representative of the actual default in the future. Refer to note 8 .

1.4 Investment in subsidiary

The Company carries its investment in subsidiary at cost less accumulated impairment losses.

The Company measures the cost of an investment in a subsidiary, obtained through the issue of shares, where the investment in subsidiary constitutes a business, at the carrying value of the investment of the transferor.

1.5 Share capital

Ordinary shares are classified as equity. Shares issued in exchange for an investment in subsidiary, associate or joint venture are measured at the carrying value of the asset acquired. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

1.6 Revenue

Dividend income

Revenue for the Company is principally dividend income. Dividend income is recognised when the shareholders right to receive payment is established.

Other income

Other income comprises management fee income earned from Boxer Superstores Proprietary Limited, a 100% subsidiary of the Company. Income is recognised when the Company satisfies its performance obligations in terms of the contractual agreement between the Company and Boxer Superstores Proprietary Limited.

1.7 Prepayments

Prepayments relate to directors' liability insurance, which covers a three year period. The expense is recognised on a straight line basis over the period of cover.

Notes to the COMPANY ANNUAL FINANCIAL STATEMENTS

2. Administration expenses

2.1 Administration expenses are stated after considering the following expenses:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Audit fees*	**1**	1

* *FY25 Audit fees paid relating to IPO transaction costs included within equity were R10 million.*

2.2 Directors' remuneration

Directors' remuneration as paid by the Company, is detailed below:

	Fees for board meetings Rm	Fees for committee and other work Rm	Total remuneration Rm
52 weeks to 01 March 2026			
Non-Executive directors			
Charlotte Maponya	**0.9**	**–**	**0.9**
Cindy Robertson	**0.5**	**0.6**	**1.1**
Dineo Molefe	**0.5**	**0.1**	**0.6**
James Formby	**1.8**	**–**	**1.8**
Jesmane Boggenpoel	**0.5**	**0.5**	**1.0**
Leon Lourens	**0.5**	**0.5**	**1.0**
Sean Summers	**0.5**	**0.1**	**0.6**
	5.2	**1.8**	**7.0**
53 weeks to 02 March 2025			
Non-Executive directors			
Charlotte Maponya	0.4	—	0.4
Cindy Robertson	0.2	0.3	0.5
Dineo Molefe	0.2	—	0.2
James Formby	0.8	—	0.8
Jesmane Boggenpoel	0.2	0.2	0.4
Leon Lourens	0.2	0.2	0.4
Sean Summers	0.2	—	0.2
	2.2	0.7	2.9

Executive directors salaries are paid by a subsidiary company. Refer to note 4 of the Group annual financial statements.

On 28 February 2026, James Formby resigned as Non-executive Chairperson, however he remains a Non-executive director of the Board. On 01 March 2026 Sean Summers was appointed Non-executive Chairperson of the Board.

Leon Lourens resigned as an independent Non-executive director on 28 February 2026.

In the prior year all Non-executive directors were appointed on 15 October 2024 with the exception of James Formby and Sean Summers who were appointed on 9 October 2024 and 20 August 2024 respectively.

In FY25 the directors remuneration paid was from date of appointment 15 October 2024 to 02 March 2025.

Notes to the **COMPANY ANNUAL FINANCIAL STATEMENTS** continued

3. Investment in subsidiary

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Shares at cost	**8 207**	8 207
Boxer Superstores Proprietary Limited is 100% held and incorporated in the Republic of South Africa.		
Reconciliation of carrying value of investment in subsidiary		
Carrying value at beginning of period	**8 207**	–
Acquisition of investment in Boxer Superstores Proprietary Limited [a]	**–**	47
Capitalisation of Boxer Superstores Proprietary Limited [b]	**–**	8 160
Carrying value at end of period	**8 207**	8 207

[a] *During the prior period a restructuring of the Pick n Pay Stores Limited Group took place, resulting in the Company acquiring 100% of the shares of Boxer Superstores Proprietary Limited in exchange for the issue of Company shares.*

[b] *On 28 November 2024 and 13 December 2024 (prior period), the Company subscribed for additional shares in its wholly-owned subsidiary, Boxer Superstores Proprietary Limited, for a total cash consideration of R7.660 billion and R500 million respectively.*

4. Amount owing by/(to) related party

4.1 Amount owing by related party

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Boxer Superstores Proprietary Limited	**6**	279
	6	279

4.2 Amount owing to related party

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Pick n Pay Retailers Proprietary Limited	**–**	(105)
	–	(105)

The above amounts are interest free, unsecured and repayable on demand. Due to the repayment terms, fair value is considered to approximate the carrying value.

Notes to the **COMPANY ANNUAL FINANCIAL STATEMENTS** continued

5. Share capital

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Authorised		
1 000 000 000 (2025 : 1 000 000 000) ordinary no par value shares	–	–
Issued		
457 407 408 (2025: 457 407 408) ordinary no par value shares	**8 203**	8 203

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

The unissued shares remain under the control of the directors until the next annual general meeting.

The Company can issue new shares to settle the Group's obligations under its long term incentive plan (LTIP) scheme (refer to note 5 of Group annual financial statements), but issues in this regard are limited to 5% of issued shares.

6. Income tax

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Reconciliation of effective tax rate		
	%	%
South African statutory tax rate	**27.0**	27.0
Exempt income	**(26.1)**	(27.0)
Net prior period over provision	**(0.9)**	0.0
Effective tax rate	**–**	–

Notes to the **COMPANY ANNUAL FINANCIAL STATEMENTS** continued

7. Financial instruments

Overview

The Company's principal financial instruments comprise of an amount owing by a related party. All financial assets and liabilities are carried at amortised cost. The Company is not exposed to market risk as the financial assets and liabilities do not have exposure to changes in exchange rates, interest rates or price risk.

7.1 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Financial assets, which potentially subject the Company to credit risk, consist of an amount owing by a related party. Management has assessed loan to Boxer Superstores Proprietary Limited as fully recoverable and no impairment loss has been recognised.

7.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The company has unlimited access to the funds and facilities of companies within the Group. The Company's liquidity risk is therefore linked to the liquidity of the Group companies. Refer to Note 26.4 of the Group annual financial statements. Other payables have contractual cash flows equal to their carrying values. Other payables have contractual maturity of less than one year and the payable to related party of the prior period was repaid during FY26.

7.3 Capital management

The Company considers the management of capital with reference to Group policy, refer to note 26.6 of the Group annual financial statements.

8. Related party disclosure

8.1 Identity of related parties

Boxer Retail Limited is a subsidiary of Pick n Pay Retailers Proprietary Limited. The ultimate holding company is Pick n Pay Stores Limited. Both holding companies are incorporated in South Africa.

Boxer Superstores Proprietary Limited is a wholly owned subsidiary of Boxer Retail Limited.

Refer to Note 2.2 for details of the directors during the period.

8.2 Related party balances

Refer to note 4 for details of related party balances.

8.3 Related party transactions

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 **Rm**
Dividend declared and paid		
Pick n Pay Retailers Proprietary Limited	**136**	–
Dividend income		
Boxer Superstores Proprietary Limited	**207**	7
Management fee income		
Boxer Superstores Proprietary Limited	**21**	–

Boxer Superstores Proprietary Limited board has declared and paid out a dividend to Boxer Retail Limited.

The Boxer Retail Limited board has declared and paid out an interim dividend (number 1) on 8 December 2025 to all shareholders.

Management fee income relate to management services provided to Boxer Superstores Proprietary Limited.

8.4 Key management personnel

Key management personnel of the Company are the directors. Refer to note 2 for directors' remuneration. No key management personnel had a material interest in any contract of any significance for the Company during the period under review.

Notes to the **COMPANY ANNUAL FINANCIAL STATEMENTS** continued

9. Significant items

Prior Period Incorporation of Boxer Retail Limited, Listing and Initial Public Offering

(IPO) on the Johannesburg Stock Exchange (JSE)

During the prior period under review, the Company undertook a Listing and IPO on the main board of the JSE and A2X. In preparation for this, the following took place, as detailed in the Company's pre-listing statement published on 11 November 2024:

- The Company was incorporated as a private company on 1 July 2024, with its sole shareholder (Boxer Holdings Proprietary Limited, a wholly-owned subsidiary of the Pick n Pay Stores Limited Group) holding 1,000 shares. The Company was subsequently converted to a public company
- The Company issued a further 299.9 million shares to Boxer Holdings Proprietary Limited in exchange for acquiring all issued shares of Boxer Superstores, resulting in the Company becoming the sole shareholder of Boxer Superstores Proprietary Limited.
- The Company's sole shareholder, Boxer Holdings Proprietary Limited, disposed of its 300 million shares in the Company to Pick n Pay Retailers Proprietary Limited, a wholly-owned subsidiary of the Pick n Pay Stores Limited Group.

Subsequently, the Company undertook a Listing and IPO on the JSE and A2X, through which it issued 157.4 million shares at a price of R54 per share. The share issue resulted in costs of R343 million which were recognised directly in equity.

Following the IPO, R8 160 million was paid by the Company for the subscription of further shares in its wholly-owned subsidiary, Boxer Superstores Proprietary Limited.

Refer to note 36 of the Group Annual financial statements for additional information.



4

Supplementary INFORMATION

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Pro forma FINANCIAL INFORMATION

Certain financial information presented in the audited Group Annual Financial Statements constitutes pro forma financial information in terms of the JSE Listings Requirements. The pro forma financial information has been prepared to illustrate the additional financial measures used by the management of the Group to assess operating performance, and thereby enhances an investor's understanding of the Group's results of operations and financial performance. The pro forma financial information is prepared for illustrative purposes only and because of its nature, may not fairly present the Group's financial position, changes in equity, results of operations or cash flows. The directors of the Company are responsible for the pro forma financial information, which has been presented in accordance with the JSE Listings Requirements. These measures should not be considered as a substitute for, or superior to, measures prepared in accordance with IFRS Accounting Standards. Ernst & Young Inc.'s unqualified Independent Auditor's Assurance Report on the compilation of the pro forma financial Information is included on page 81 to 82.

1. Impact of week 53

The Group manages its retail operations on a 52-week trading calendar basis where the financial reporting period always ends on a Sunday. To ensure calendar realignment, the inclusion of a 53rd week of trading is required approximately every six years. The Group reported on a 53-week basis in FY25, whereas the current period presented is on a 52-week basis.

In order to provide a comparison between the current and previous year, certain financial information relating to week 53 of FY25 is presented below. The impact of week 53, as calculated, is deducted from the reported FY25 results to illustrate a pro forma 52-week FY25. The pro forma 52-week FY25 information is based on the accounting policies of the annual financial statements, which have been prepared in accordance with IFRS Accounting Standards.

The Group calculated the impact of week 53 as follows:

- Adjustment to turnover for week 53 is extracted from the Group's accounting records.
- In calculating the adjustment to trading profit for week 53, management's judgement is used for the calculation of gross profit, other income and trading expenses based on extractions from the Group's accounting records.
- Trading profit margin is calculated as trading profit as a percentage of turnover.

R'm	**As reported[i] audited 52 weeks to 01 March 2026**	As restated[i] audited 53 weeks to 02 March 2025	Adjustment for week 53	Pro forma 52 weeks to 23 February 2025	Pro forma % change
Turnover	**46 682**	42 597	(1 046)	41 551	12.3%
Trading profit	**2 638**	2 308	(60)	2 248	17.3%
Trading profit margin	**5.7%**	5.4%		5.4%	

i. Information has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 52 weeks ended 01 March 2026 on which the Independent Auditor has issued an unqualified assurance report.

2. Net debt (excluding lease liabilities), and net debt (including lease liabilities)[i]

Net debt (excluding lease liabilities), and net debt (including lease liabilities) for the Group on a historical basis for each of the periods indicated is calculated as presented in the following table.

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Cash and cash equivalents	**538**	466
Amount owing by related party	**371**	331
Borrowings	**(200)**	(850)
Amount owing to related party	**–**	(127)
Net cash/(debt) (excluding lease liabilities)	**709**	(180)
Non-current lease liabilities	**(4 633)**	(4 150)
Current lease liabilities	**(638)**	(647)
Net debt (including lease liabilities)	**(4 562)**	(4 977)

i. Information has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 52 weeks ended 01 March 2026 on which the Independent Auditor has issued an unqualified assurance report.

Pro forma
FINANCIAL INFORMATION continued

3. EBITDA and EBITDA (pre-IFRS 16)[i]

The following presents a reconciliation from profit for the period (computed in accordance with IFRS Accounting Standards) to Earnings before interest, tax, depreciation and amortisation (EBITDA) and EBITDA (pre-IFRS 16) for the Group on a historical basis for each of the periods indicated.

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
Profit for the period	**1 556**	1 383
Tax	**556**	525
Loss from impairment on right-of-use-assets	**15**	16
Loss from impairments of property, plant and equipment and intangible assets	**16**	4
Loss on disposal of assets	**13**	13
Finance costs	**549**	458
Finance income	**(67)**	(91)
Trading profit	**2 638**	2 308
Depreciation on property, plant and equipment	**665**	591
Amortisation on intangible assets	**19**	14
Depreciation on right of use assets	**699**	653
Finance income - loans and receivables	**10**	6
EBITDA	**4 031**	3 572
Profit on termination of leases	**(35)**	(42)
Lease incentives received	**76**	74
Principal lease liability payments	**(620)**	(613)
Interest paid on lease liabilities	**(472)**	(345)
EBITDA (pre-IFRS 16)	**2 980**	2 646

i. Information has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 52 weeks ended 01 March 2026 on which the Independent Auditor has issued an unqualified assurance report.

4. Return on average invested capital ("ROIC")

ROIC for the Group on a historical basis for each of the periods indicated is calculated as presented in the following table:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
As reported 52 week FY26 trading profit/Pro forma 52 week FY25 trading profit[i] (A)	**2 638**	2 248
Multiplier (B)[ii]	**0.73**	0.73
After-tax trading profit (A x B = C)	**1 926**	1 641
Average invested capital (D)[iii]	**7 403**	6 441
ROIC (C/D)	**26.0%**	25.5%

i. Information has been extracted, without adjustment, from section 1 'Impact of week 53' above.
ii. The multiplier is one (1) minus the South African statutory company income tax rate for the relevant period, being 27%.
iii. Information has been extracted, without adjustment, from section 6 'Average invested capital' below.

Pro forma
FINANCIAL INFORMATION continued

5. ROIC (excluding IFRS 16)

ROIC (excluding IFRS 16) for the Group on a historical basis for each of the periods indicated is calculated as presented in the following table:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm
As reported 52 week FY26 trading profit/Pro forma 52 week FY25 trading profit[i]	**2 638**	2 248
Interest paid on lease liabilities[ii]	**(472)**	(345)
Trading profit (excluding IFRS 16) (A)	**2 166**	1 903
Multiplier (B)[iii]	**0.73**	0.73
After-tax trading profit (A x B = C)	**1 581**	1 389
Average invested capital (excluding IFRS 16) (D)[iv]	**2 369**	1 888
ROIC (excluding IFRS 16) (C/D)	**66.7%**	73.6%

i. Information has been extracted, without adjustment, from section 1 'Impact of week 53' above.

ii. Information has been extracted, without adjustment, from section 3 'EBITDA and EBITDA (pre-IFRS 16)' above.

iii. The multiplier is one (1) minus the South African statutory company income tax rate for the relevant period, being 27%.

iv. Information has been extracted, without adjustment, from section 7 'Average invested capital' (excluding IFRS 16) below.

6. Average invested capital

Average invested capital for the Group on a historical basis for each of the periods indicated is calculated as presented in the following table:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm	52 weeks to 25 February 2024 Rm
Total equity[i]	**3 325**	1 942	1 841
Cash and cash equivalents[i]	**(538)**	(466)	(349)
Amount owing by related party[i]	**(371)**	(331)	(1 335)
Non-current lease liabilities[i]	**4 633**	4 150	3 700
Borrowings[i]	**200**	850	–
Current lease liabilities[i]	**638**	647	608
Amounts owing to related parties[i]	**–**	127	1 497
Invested capital (A)	**7 887**	6 919	5 962
Invested capital of previous period (B)	**6 919**	5 962	5 594
Average invested capital ((A+B)/2)	**7 403**	6 441	5 778

i. Information for the 52 weeks to 01 March 2026 and 53 weeks to 02 March 2025 has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 52 weeks ended 01 March 2026 on which the Independent Auditor has issued an unqualified assurance report. Information for the 52 weeks to 25 February 2024 has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 53 weeks ended 02 March 2025 on which the Independent Auditor has issued an unqualified assurance report.

Pro forma
FINANCIAL INFORMATION continued

7. Average invested capital (excluding IFRS 16)

Average invested capital (excluding IFRS 16) for the Group on a historical basis for each of the periods indicated is calculated as presented in the following table:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm	52 weeks to 25 February 2024 Rm
Total equity[i]	**3 325**	1 942	1 841
Cash and cash equivalents[i]	**(538)**	(466)	(349)
Amount owing by related party[i]	**(371)**	(331)	(1 335)
Borrowings[i]	**200**	850	–
Amounts owing to related parties[i]	**–**	127	1 497
Invested capital (excluding IFRS 16) (A)	**2 616**	2 122	1 654
Invested capital (excluding IFRS 16) of previous period (B)	**2 122**	1 654	1 656
Average invested capital (excluding IFRS 16) ((A+B)/2)	**2 369**	1 888	1 655

i. Information for the 52 weeks to 01 March 2026 and 53 weeks to 02 March 2025 has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 52 weeks ended 01 March 2026 on which the Independent Auditor has issued an unqualified assurance report. Information for the 52 weeks to 25 February 2024 has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 53 weeks ended 02 March 2025 on which the Independent Auditor has issued an unqualified assurance report.

8. Adjusted trading profit after leases (ATPAL)

Adjusted trading profit after lease interest for each period indicated is calculated as presented in the following table:

	52 weeks to 01 March 2026 Rm	53 weeks to 02 March 2025 Rm	52 weeks to 25 February 2024 Rm
As reported 52 week FY26 trading profit/Pro forma 52 week FY25 trading profit[i] /As reported 52 week FY24 trading profit	**2 638**	2 248	2 101
Lease interest[ii]	**(483)**	(412)	(337)
Trading profit after leases	**2 155**	1 836	1 764
Adjustments:[iii]	**119**	43	(135)
Financial guarantee	**–**	(7)	(135)
IPO Award share-based payment expense	**81**	22	–
Non-executive directors fees	**7**	3	–
Shared service costs	**22**	20	–
Costs from being a listed entity	**9**	5	–
ATPAL	**2 274**	1 879	1 629

i. Information has been extracted, without adjustment, from section 1 'Impact of week 53' above.

ii. Information has been extracted, without adjustment, from the audited Group annual financial statements of Boxer Retail Limited for the 52 weeks ended 01 March 2026 on which the Independent Auditor has issued an unqualified assurance report.

iii. Extracted from the underlying financial information.

Independent auditor's assurance report on the compilation of non-IFRS financial information included in the **BOXER 2026 ANNUAL FINANCIAL STATEMENTS**

for the 52 weeks ended 01 March 2026

To the Shareholders of Boxer Retail Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Boxer Retail Limited and its subsidiaries (collectively the "Group"), by the directors.

The pro forma financial information, as set out on pages 77 to 80 of the Annual Financial Statements consists of the i) Trading Profit Margin, ii) Net Debt (Excluding Lease Liabilities), iii) Net Debt (Including Lease Liabilities), iv) EBITDA, v) EBITDA (pre-IFRS 16), vi) Return on invested capital ("ROIC"), vii) ROIC (excluding IFRS 16), viii) Average Invested Capital and ix) Average Invested Capital (excluding IFRS 16) for the 52 weeks ended 01 March 2026 and Adjusted Trading Profit after leases (ATPAL) for the 52 weeks ended 01 March 2026, the 53 weeks ended 02 March 2025 and the 52 weeks ended 25 February 2024 (collectively the Non-IFRS Financial Information). The applicable criteria on the basis of which the directors have compiled the Non-IFRS Financial Information are specified in the JSE Limited ("JSE") Listings Requirements and described on page 77 of the Boxer 2026 Annual Financial Statements for the 52 weeks ended 01 March 2026.

The Non-IFRS Financial Information has been compiled by the directors to illustrate the additional financial measures regularly used by the management of the Group to assess operating performance and thereby enhance an investor's understanding of the Group's results of operations and financial performance. As part of this process, information about the Group's financial position and financial performance has been extracted by the directors from the Group's annual financial statements for the 52 weeks ended 01 March 2026, on which an auditor's report was issued on 7 May 2026.

Directors' responsibility for the non-IFRS financial information

The directors are responsible for compiling the Non-IFRS Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements, described on pages 77-80 of the Boxer 2026 Annual Financial Statements for the 52 weeks ended 01 March 2026

Our independence and quality management

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Management 1 (ISQM 1) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express an opinion about whether the Non-IFRS Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described on page 77 of the Boxer 2026 Annual Financial Statements for the 52 weeks ended 01 March 2026, based on our procedures performed.

Independent auditor's assurance report on the compilation of non-IFRS financial information included in the **BOXER 2026 ANNUAL FINANCIAL STATEMENTS** continued

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Non-IFRS Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Non-IFRS Financial Information.

The purpose of the Non-IFRS Financial Information included in the Boxer 2026 Annual Financial Statements for the 52 weeks ended Ended 01 March 2026, is to illustrate how the unadjusted financial information of the entity has been impacted by the adjustments made, as described in the basis of preparation. Accordingly, we do not provide any assurance that the actual outcome of the adjustments made would have been as presented.

A reasonable assurance engagement to report on whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Non-IFRS Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the adjustments made, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Non-IFRS Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Group and the adjustments made in respect of which the Non-IFRS Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Non-IFRS Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Non-IFRS Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements, described on page 77 of the Boxer 2026 Annual Financial Statements for the 52 weeks ended 01 March 2026.

Ernst & Young Inc.
Director: Matthew R Brown CA(SA)
Registered Auditor

Durban

7 May 2026

Additional INFORMATION

Additional information may not represent a defined term under IFRS Accounting Standards and, as a result, it may not be comparable with similarly titled measures reported by other companies. Additional information is the responsibility of the Board of directors of the Group, is presented for illustrative purposes only and has not been reviewed nor reported on by the Group's external auditors.

Like-for-like turnover growth comparisons

Like-for-like turnover growth comparisons remove the impact of store openings, closures and conversions in the current and previous reporting periods. Turnover on new or closed adjacent liquor stores inherits the like-for-like indicator of the Superstore that it is attached to, as this is the manner in which the Group manages its store base. This is not the case for new or closed stand-alone Boxer Liquor stores.

Refer to review of operations for like-for-like turnover growth comparisons.

Forward-looking information

These annual financial statements contain certain forward-looking statements related to the Group's possible future actions, long-term strategy, performance, liquidity position and financial position which, although based on assumptions and/or estimates that the Group considers reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. All forward-looking statements are solely based on the views and considerations of the Board, and in particular, as at the date hereof. The Group does not undertake to update or revise any of these forward-looking statements publicly, whether to reflect new information, future events or otherwise. These forward-looking statements have not been reviewed or reported on by the Group's external auditors.

Analysis of **SHAREHOLDERS**

As at 01 March 2026 Shareholder spread	No of shareholdings	%	No of shares	%
1 — 1,000 shares	29 088	87.99	3 505 717	0.77
1,001 — 10,000 shares	3 302	9.99	9 331 233	2.04
10,001 — 100,000 shares	528	1.60	16 002 856	3.50
100,001 — 1,000,000 shares	119	0.36	33 627 742	7.35
1,000,001 shares and over	21	0.06	394 939 860	86.34
Totals	33 058	100.00	457 407 408	100.00

Distribution of shareholders	No of shareholdings	%	No of shares	%
Banks/Brokers	53	0.16	20 258 074	4.43
Close Corporations	69	0.21	201 498	0.04
Endowment Funds	69	0.21	1 027 423	0.22
Individuals	30 243	91.48	10 240 259	2.24
Insurance Companies	48	0.15	4 489 727	0.98
Investment Companies	8	0.02	197 902	0.04
Medical Schemes	20	0.06	813 334	0.18
Mutual Funds	283	0.86	39 738 468	8.69
Other Corporations	124	0.38	134 511	0.03
Private Companies	491	1.49	19 712 979	4.31
Public Companies	2	0.01	20 786	0.00
Retirement Funds	303	0.92	51 592 839	11.28
Sovereign Wealth Funds	2	0.01	1 334	0.00
Pick n Pay Retailers Proprietary Limited	1	0.00	300 000 000	65.59
Treasury Shares	1	0.00	4 723 968	1.03
Trusts	1 341	4.06	4 254 306	0.93
Totals	33 058	100.00	457 407 408	100.00

Public/non-public shareholders	No of shareholdings	%	No of shares	%
Non-public shareholders	4	0.01	304 743 596	66.62
Pick n Pay Retailers Proprietary Limited	1	0.00	300 000 000	65.59
Boxer Superstores Proprietary Limited	1	0.00	4 723 968	1.03
Directors of the Company	2	0.01	19 628	0.00
Public Shareholders	33 054	99.99	152 663 812	33.38
Totals	33 058	100.00	457 407 408	100.00

Beneficial Shareholders holding more than 1%		No of shares	%
Pick n Pay Retailers Proprietary Limited		300 000 000	65.59
Government Employees Pension Fund		38 535 783	8.42
Salestalk Proprietary Limited Selected Shares 2		15 968 433	3.49
Allan Gray		13 117 222	2.87
GIC Private Limited		7 179 801	1.57
Old Mutual		7 079 010	1.55
International Finance Corporation		6 481 481	1.42
Boxer Superstores Proprietary Limited		4 723 968	1.03
Ninety One		4 574 646	1.00
Totals		397 660 344	86.94

Number of **STORES**

	As at 02 March 2025	Opened	Closed	As at 01 March 2026
Boxer South Africa	515	52	(3)	**564**
Superstores	313	19	(2)	**330**
Liquor	172	31	(1)	**202**
Build	30	2	–	**32**
Boxer Eswatini	10	2	–	**12**
Superstores	7	1	–	**8**
Liquor	3	1	–	**4**
Total by format	525	54	(3)	**576**
Superstores	320	20	(2)	**338**
Liquor	175	32	(1)	**206**
Build	30	2	–	**32**

Corporate **INFORMATION**

Boxer Retail Limited

Registration number: 2024/392006/06

JSE and A2X share code: BOX

ISIN: ZAE000339891

Board of directors

Executive

Marek Adam Masojada (CEO)

David Peter Wayne (CFO)

Non-Executive

Sean Summers (Chairperson)

James Formby

Independent Non-Executive

Charlotte Maponya (Lead)

Cindy Robertson

Dineo Molefe

Jesmane Boggenpoel

Registered office

41 The Boulevard

Westend Office Park

Westville, 3630

South Africa

Tel: +27 31 275 7000

Postal address

Westville, 3630

South Africa

Registrar

Computershare Investor Services Proprietary Limited

First Floor Rosebank Towers

15 Biermann Avenue

Rosebank, Johannesburg, 2196

South Africa

JSE Limited sponsor

Rand Merchant Bank

(a division of FirstRand Bank Limited)

1 Merchant Place

Corner Rivonia Road and Fredman Drive

Sandton, 2196

South Africa

Independent Auditors

Ernst & Young Inc.

1 Pencarrow Crescent

P.O.Box 859

Durban 4000

Principal transactional bankers

Absa Limited

Rand Merchant Bank (a division of First Rand Bank Limited)

Company Secretary

Vaughan Pierce

companysecretary@boxer.co.za

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Investor relations

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Connect with us



Never pay more than the BOXER price

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