





BOXER

2026

Annual results PRESENTATION



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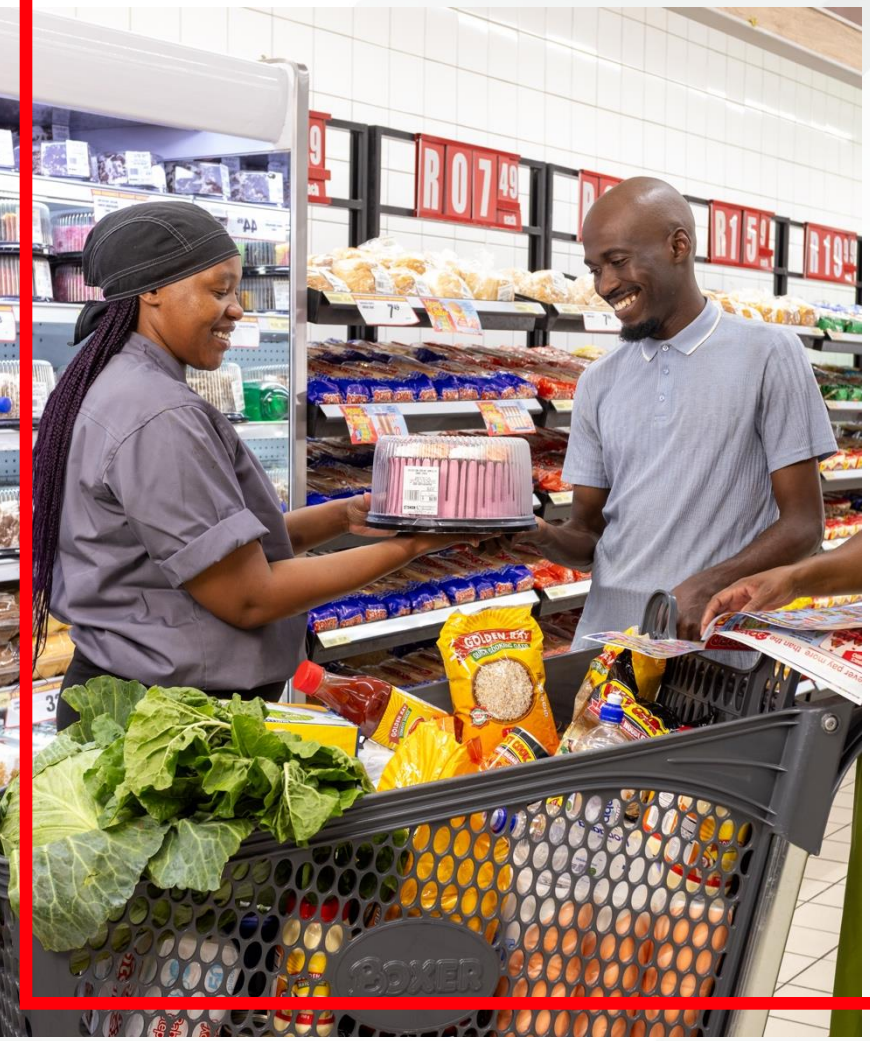
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Marek Masojada & David Wayne

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Overview
Marek Masojada



FY26 **Highlights**



Strong operational momentum

- Accelerated turnover momentum vs. FY25 (52/52w basis)
- Healthy LFL volume growth in the context of internal selling price deflation
- Consistent market share gains
- 54 new stores opened (51 net) to reach 576 stores
- Strong trading profit growth despite incurring listed entity related expenses
- 3 400 jobs created to take total employment to 35 314 employees
- Sector leading Return on Invested Capital

Delivering on pre-IPO guidance in first full year as a listed entity

- Strong FY26 cash generation and now net cash positive
- FY26 dividend declared at 40% of HEPS

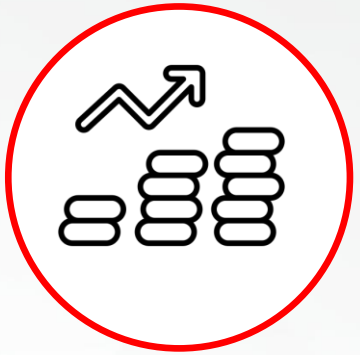
Executed on key strategic initiatives

- Boxer Rewards Club reached 2.7m members
- B-Inside supplier portal launched and monetised
- KZN Tongaat DC facility opened on-time and operating efficiently

FY26 Financial Achievements



Turnover +12.3%
LFL +4.5%
(52/52w basis)



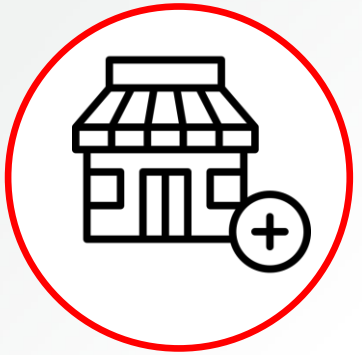
Trading Profit +17.3%
(52/52w basis)



Trading Margin @ 5.7%
+0.3% vs. FY25



R709m net cash
(R180m net debt at March-25)



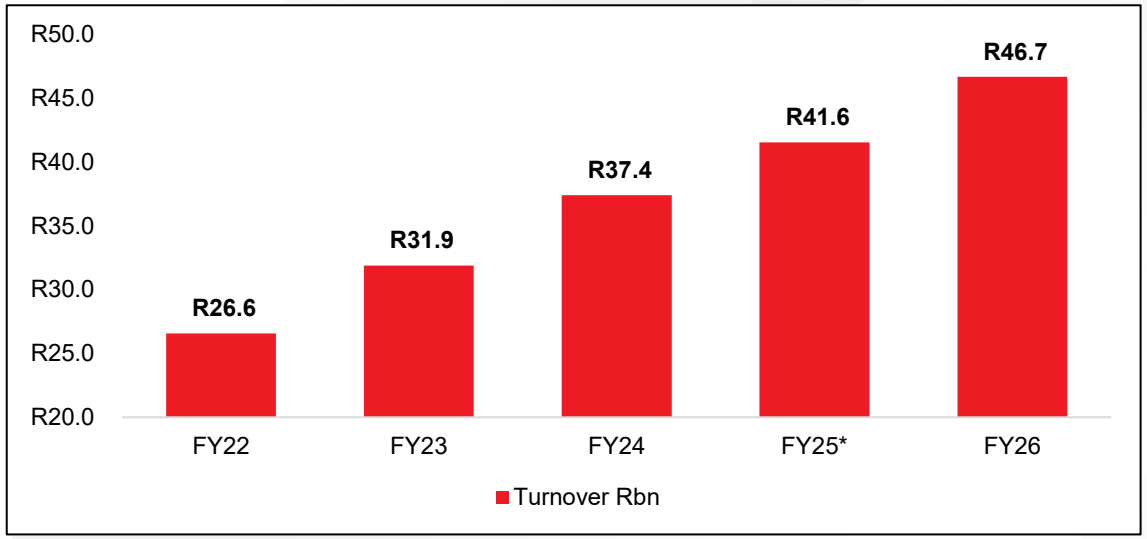
ROIC @ 26.0%
(66.7% excluding IFRS 16)



95.37c final dividend declared
FY26 total of 140.67c
(40% payout ratio)

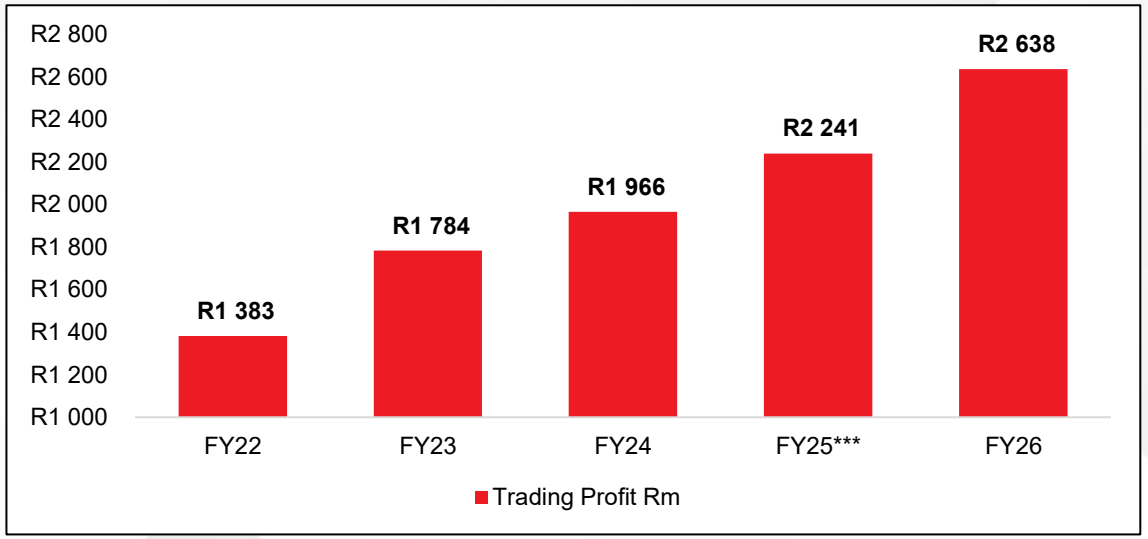
Driving Long-term Sustainable **Turnover and Profit Growth**

Turnover Rbn (4 year CAGR of 15.1%)



**FY25 52 week pro forma, and restated for reclassification of certain articles*

Trading profit Rm (4 year CAGR of 17.5%)**

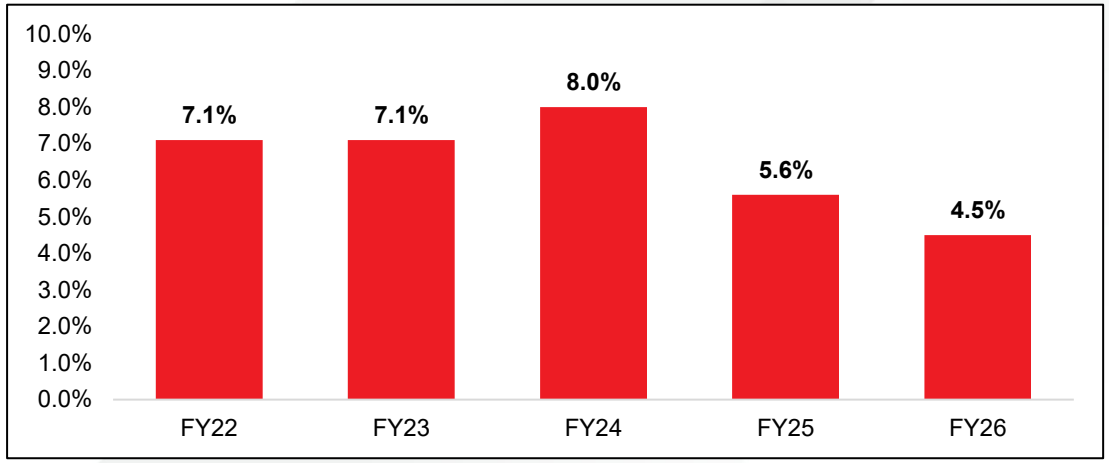


***FY24 and FY25 adjusted for the effects of the PnP debt guarantee*
****FY25 52 week pro forma*

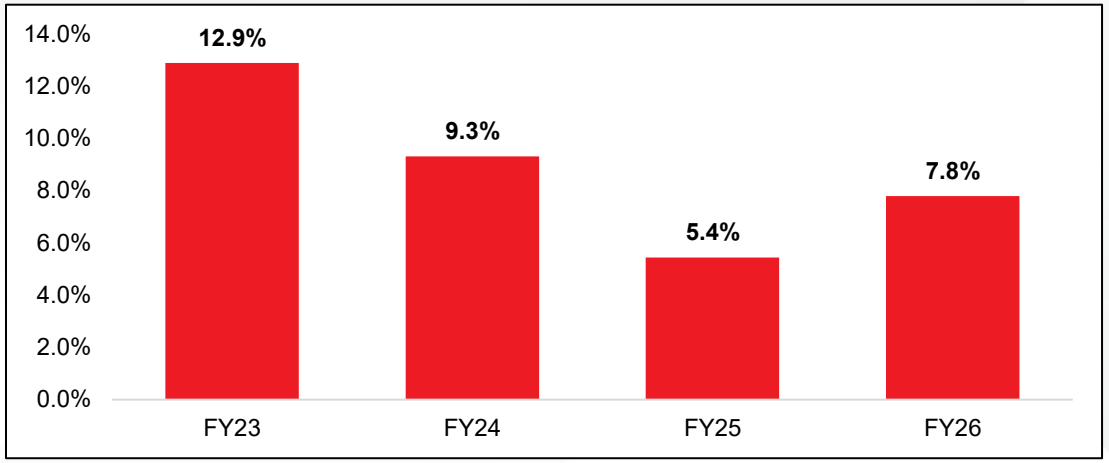
- Turnover up 76% over 4 years, from R26.6bn in FY22 to R46.7bn in FY26
- Trading profit up 91% over 4 years, from R1.4bn in FY22 to R2.6bn in FY26
- Boxer is managed with a deliberate and clear focus on long-term growth outcomes

Turnover Growth Driven by **Like-for-Like and New Stores**

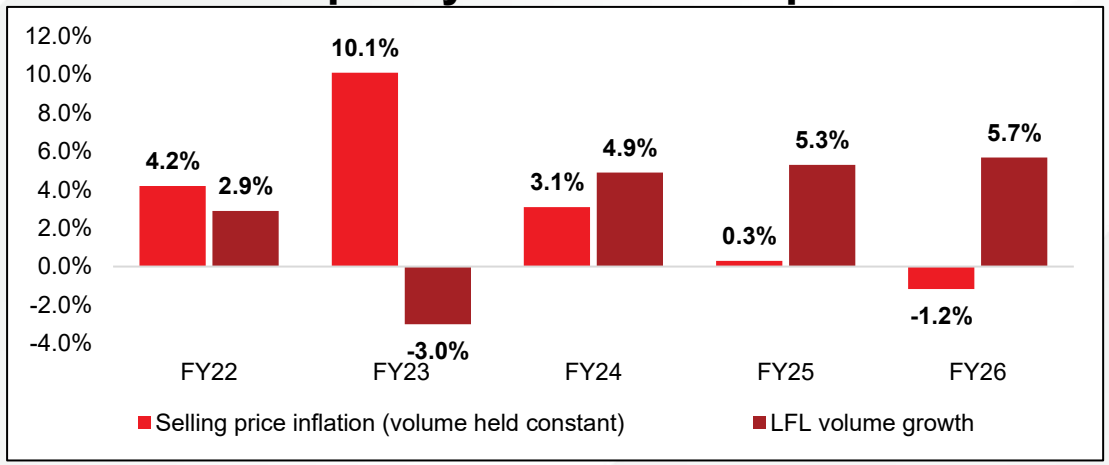
Like-for-like turnover growth



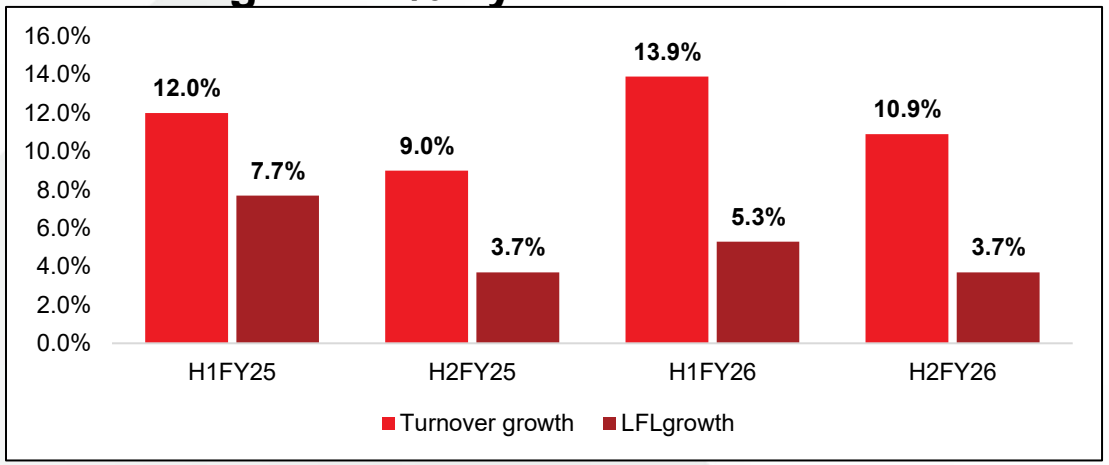
Turnover growth from new stores



Like-for-like split by inflation & implied volume

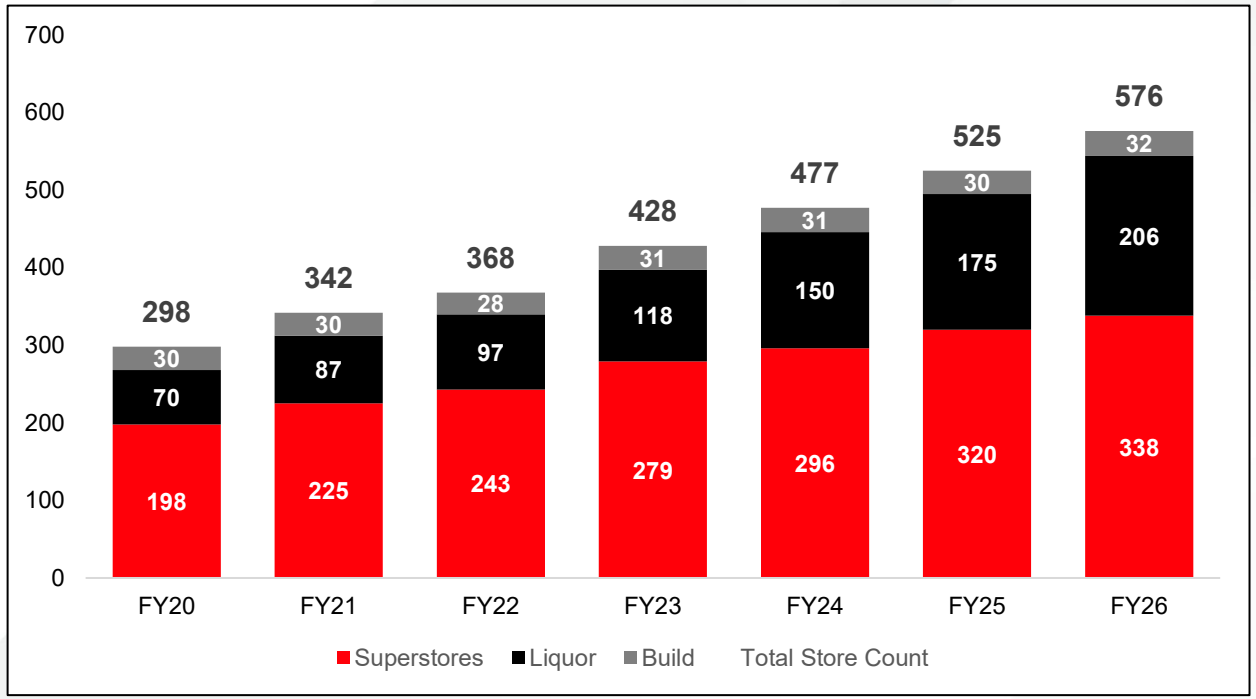


Turnover growth % by half



FY25 and FY26 turnover growths based on a pro forma 52 week FY25

FY26 Store Estate Growth



Net new stores	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Superstores	14	27	18	36	17	24	18
Liquor	15	17	10	21	32	25	31
Build	-1	0	-2	3	0	-1	2
Total	**28**	**44**	**26**	**60**	**49**	**48**	**51**

- **54 stores opened (51 net new) vs. target of 60**
  - 20 Superstores opened (published target of 25)
  - 32 liquor stores opened (published target of 35)
  - 2 Build stores opened (published target of 0)
- **Liquor openings impacted by license approvals**
  - 6 carry over stores opened in March & April 2026
- **Net store rollout slightly H2 weighted**
  - H1: 22
  - H2: 29
- **7.8% turnover growth from new stores**
  - Excellent performance of new stores opened in latter part of FY25 and FY26



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Financial Results
David Wayne

FY26 Financial Highlights

TURNOVER

R46.7bn

Total: 12.3%

LFL: 4.5% (52/52w)

GP MARGIN

21.6% of Turnover

+0.3% vs. FY25

TRADING EXPENSES

16.8% of Turnover

+0.2% vs. FY25

TRADING MARGIN

5.7%

+0.3% vs. FY25

EBITDA

R4 031m

+12.8% vs. FY25 (52/53w)

HEADLINE EARNINGS

R1 593m

+13.2% vs. FY25 (52/53w)

FY26 Income Statement Overview

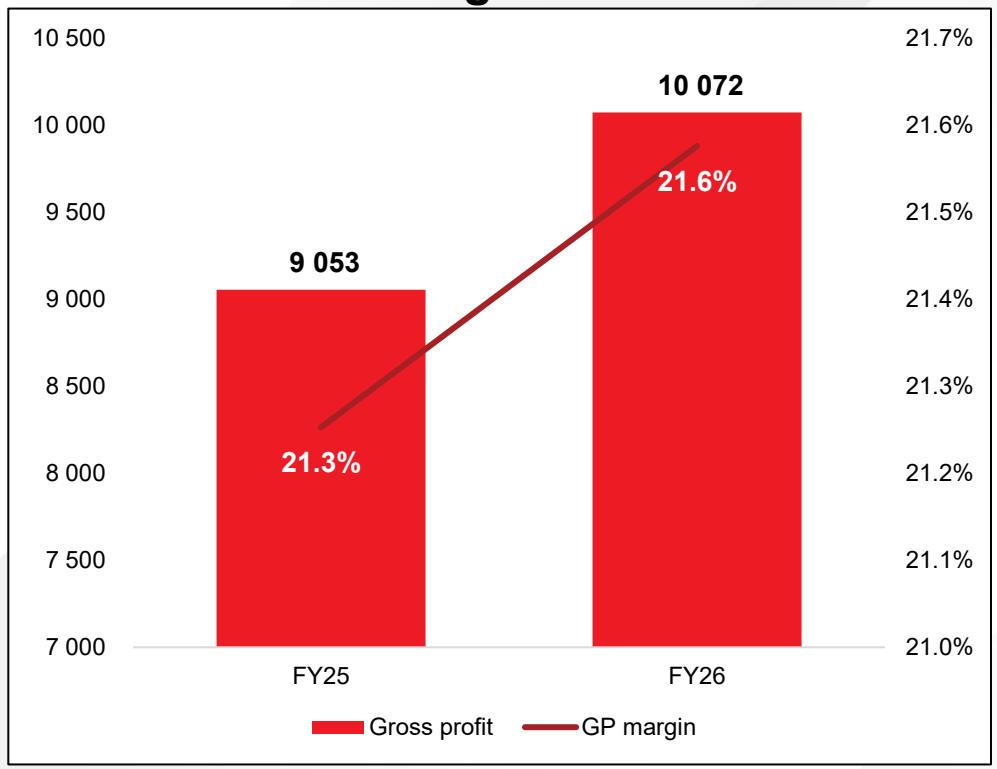
Rm	FY26 (52w)	FY25 (53w)	% growth
Turnover	**46 682**	**42 597**	***9.6%***
Gross profit	**10 072**	**9 053**	***11.3%***
Other trading income	390	312	*25.0%*
Trading expenses	(7 824)	(7 057)	*10.9%*
Trading profit	**2 638**	**2 308**	***14.3%***
Net finance charges	(482)	(367)	*31.3%*
PBT before capital items	**2 156**	**1 941**	***11.1%***
Capital items	(44)	(33)	*33.3%*
Profit before tax	**2 112**	**1 908**	***10.7%***
Tax	(556)	(525)	*5.8%*
Profit after tax	**1 556**	**1 383**	***12.5%***
Headline earnings	1 593	1 407	*13.2%*

Key income statement line items:

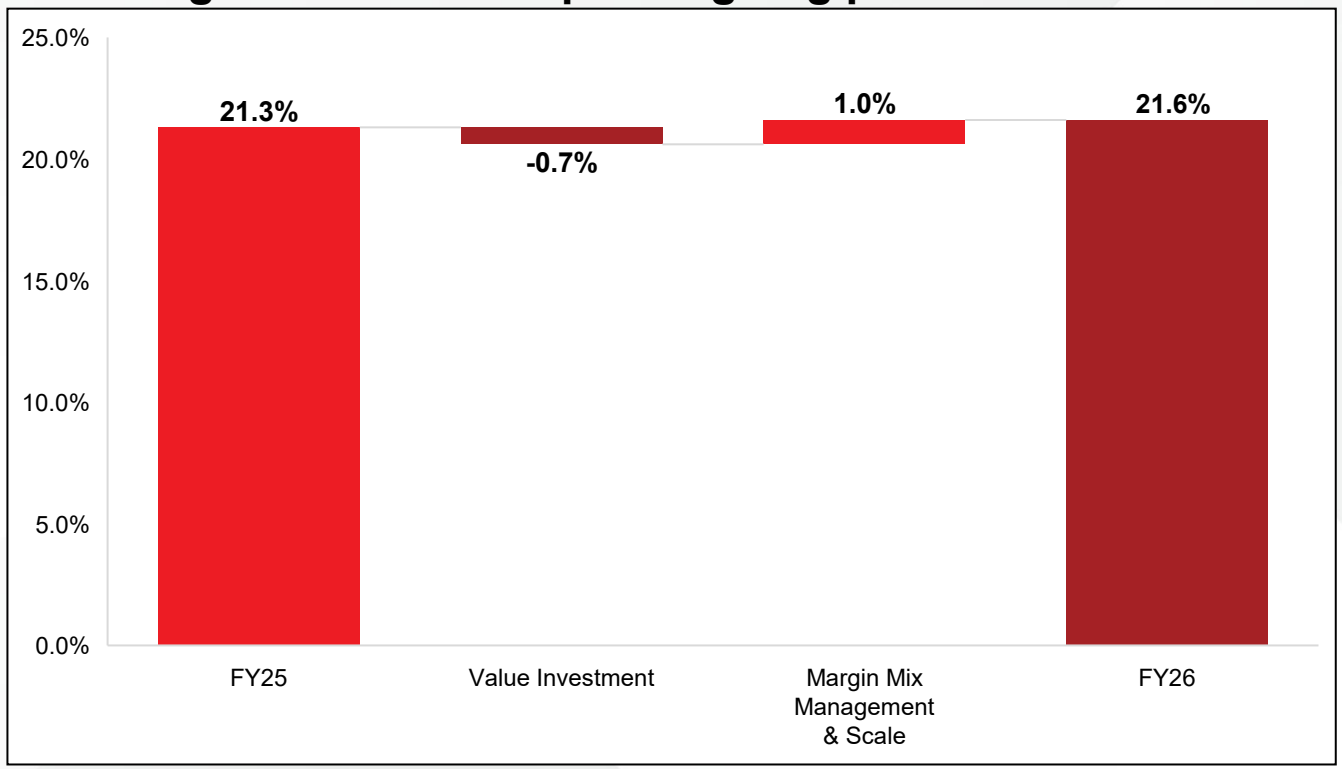
- **+14.3% trading profit growth (+17.3% on a 52/52w basis)**
  - +0.3% Gross Margin expansion
  - +25.0% Other trading income growth
  - +10.9% Trading expense growth
- **+25.0% other trading income growth (52/53w basis)**
  - Driven by income from B-Inside supplier portal
  - Double-digit Value Added Services growth
- **Diesel costs**
  - Primarily captured within COGS, but also trading expenses (Operations costs) in the case of generators within stores
  - FY26 diesel spend of c. R310m (0.7% of turnover)
- **13.2% Headline earnings growth (52/53w basis)**
  - 31.3% net finance charge increase
  - Effective tax rate -1.2% to 26.3%

FY26 Gross Profit

GP Rands and margin %



GP margin accretion despite ongoing price investment



- Despite re-investing in price, gross profit margin up by 0.3%
  - Excellent margin mix management and scale benefits
  - Expected initial drag from the Tongaat DC offset by efficiencies elsewhere in the supply chain

FY26 Trading Expenses

Rm	FY26	% change
Trading Expenses	**7 824**	***10.9%***
Employee Costs	3 400	*10.4%*
Occupancy	1 293	*9.4%*
Operations	2 356	*12.3%*
Merchandising and Admin	775	*11.0%*



Trading expenses increased by 10.9% (52/53w basis)

- Trading expenses as a % of turnover increased to 16.8%, up from 16.6%

- **Employee costs +10.4%**
  - Driven by employee growth, above-inflation wage increases and share-based payment expense, offset by increased employee tax incentives
- **Occupancy +9.4%**
  - Impacted by annual lease escalations and store growth
- **Operations +12.3%**
  - Driven by PPE depreciation, electricity costs and IT expenses
- **Merchandise & Admin +11.0%**
  - Driven by additional promotional marketing expenses and increased card commissions

Ongoing listed entity costs and IPO admission award

- R31m of ongoing incremental listed entity costs and R81m of IPO admission award costs included within trading expenses
- Now fully included in the base going forward

FY26 Gearing and Net Finance Costs

Net interest paid

Rm	FY26	FY25	% growth
Net funding interest	1	45	*-97.8%*
Lease liabilities	(483)	(412)	*17.2%*
Total	**(482)**	**(367)**	***31.3%***

Gearing

Rm	FY26	FY25
Cash and 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 PnP relate to outstanding overnight settlements of operational cashflows which result from the sharing of payment system infrastructure*

Income Statement

- Net finance charge increased 31.3%
- Net funding interest declined from R45m net interest income to R1m net interest income
- Lease liability interest up by 17.2%, driven by store roll-out

Balance Sheet

- R709m net cash on hand vs. R180m net debt at March 2025
- R650m of R850m long-term debt paid down in FY26
- Remaining R200m long-term debt repaid post FY-end
- Net amounts owed by PnP increased due to Boxer settling a R127m intercompany loan from the time of the IPO

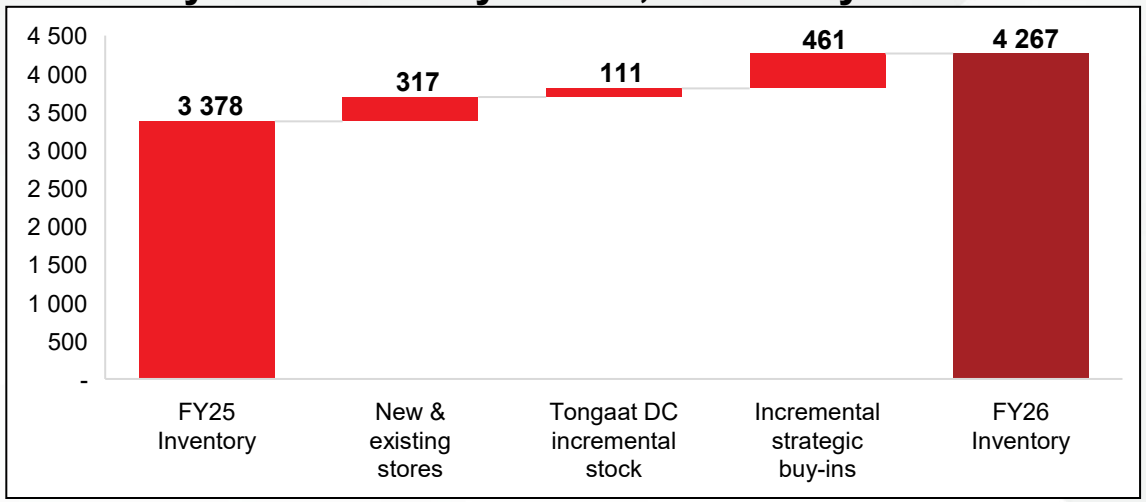
FY26 Working Capital Unpacked

Balance Sheet Working Capital balances

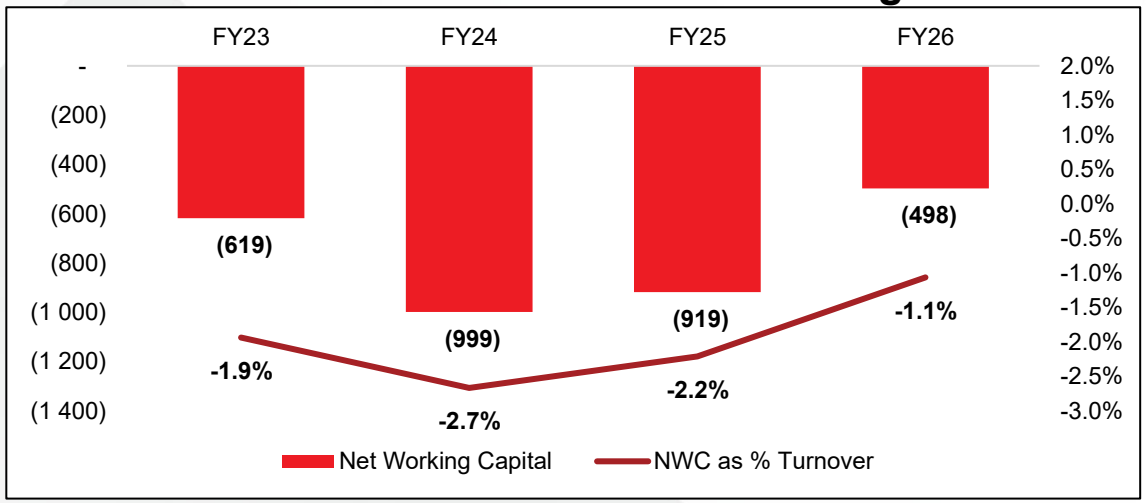
Rm	FY26	FY25	% change
Working Capital	**(498)**	**(919)**	***-45.8%***
Inventory	4 267	3 378	*26.3%*
Trade and other receivables	436	458	*-4.8%*
Trade and other payables	(5 201)	(4 755)	*9.4%*

- **Inventory**
  - R0.9bn increase driven by stores, strategic inventory buy-ins, and Tongaat DC incremental stock
- **Trade payables**
  - 9.4% increase approximately in-line with COGS growth
- **No bona fide Trade receivables**

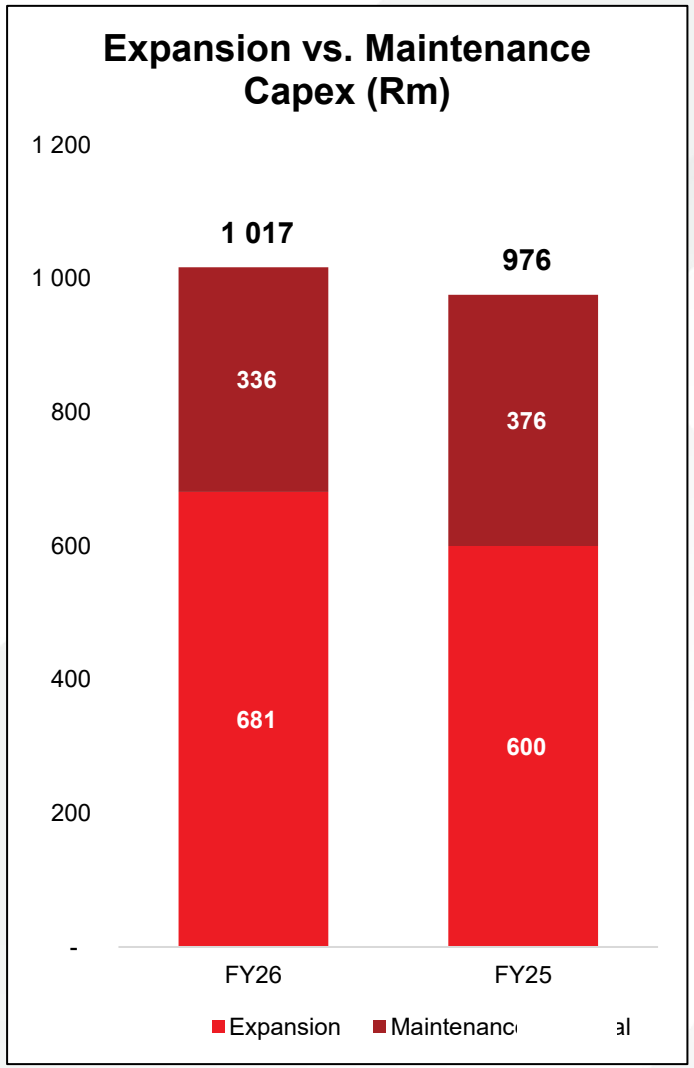
Inventory rise driven by stores, stock buy-ins & new DC

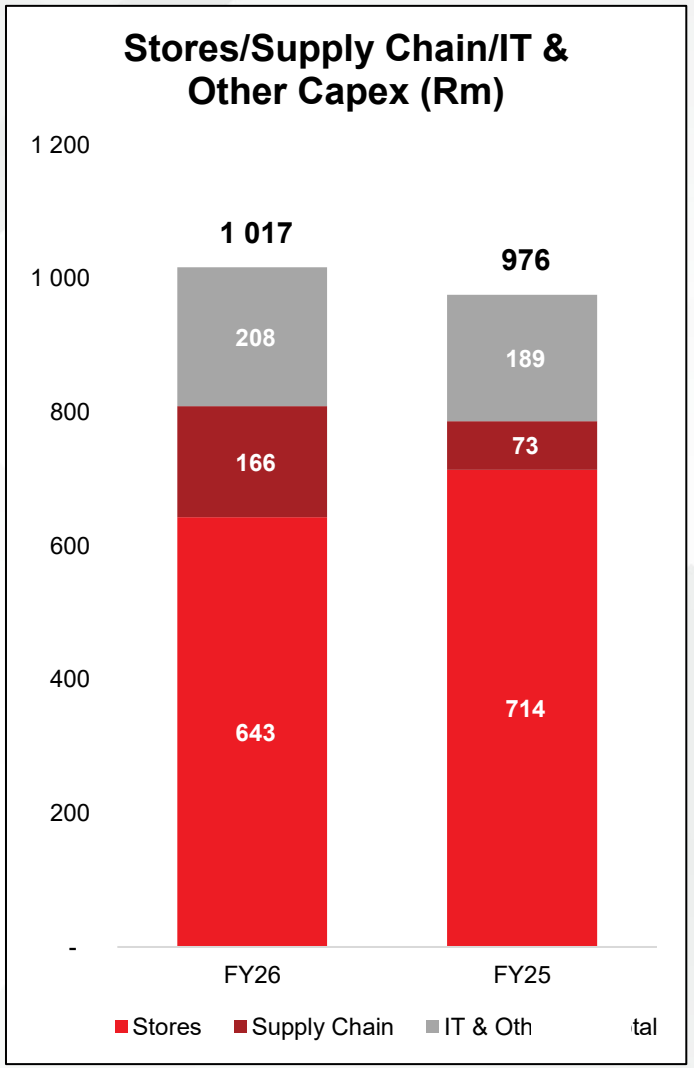


NWC balance as % of turnover remains negative



FY26 Capital Investment

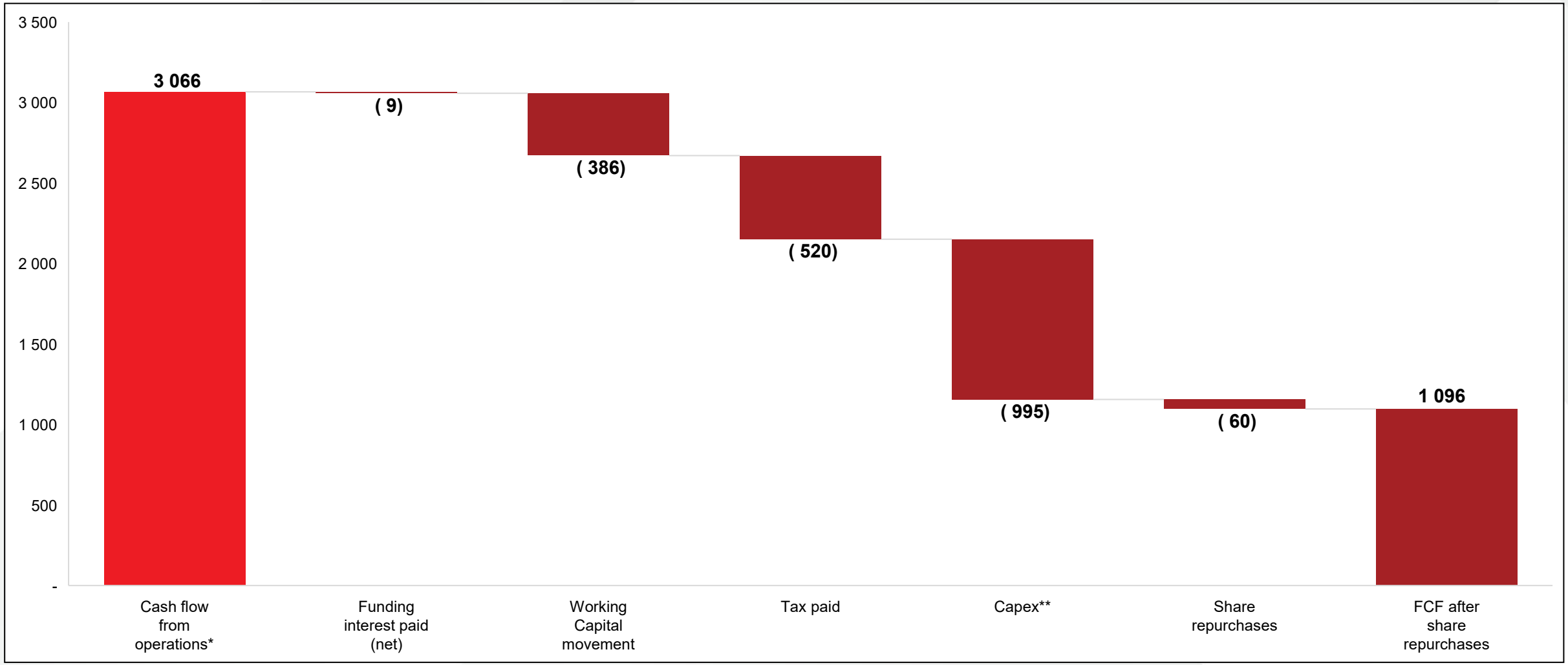




- **Total Capital Investment FY26: R1bn**
  - Expansion: 67%
  - Maintenance: 33%
- **Store Capex: R643m**
  - Greater number of refurbs completed in FY25
- **Supply Chain Capex: R166m**
  - Tongaat DC fit-out
- **IT & Other Capex: R208m**
  - Business Intelligence System investment
  - Point of Sale hardware refresh

FY25 Capex total includes R37m of non-cash expenditure

FY26 Free Cash Flow



**Cash flow from Operations includes lease payments*

***Capex after disposals and net of loans to landlords*

FY26 HEPS Reconciliation

Rm	FY26	FY25	% growth
Profit after tax	**1 556**	**1 383**	***12.5%***
Headline adjustments	37	24	
Headline Earnings	**1 593**	**1 407**	***13.2%***
WANOS (m)	453.0	340.1	*33.2%*
Closing shares (m)	457.4	457.4	*0.0%*
HEPS (cents/share)	**351.67**	**413.76**	***-15.0%***



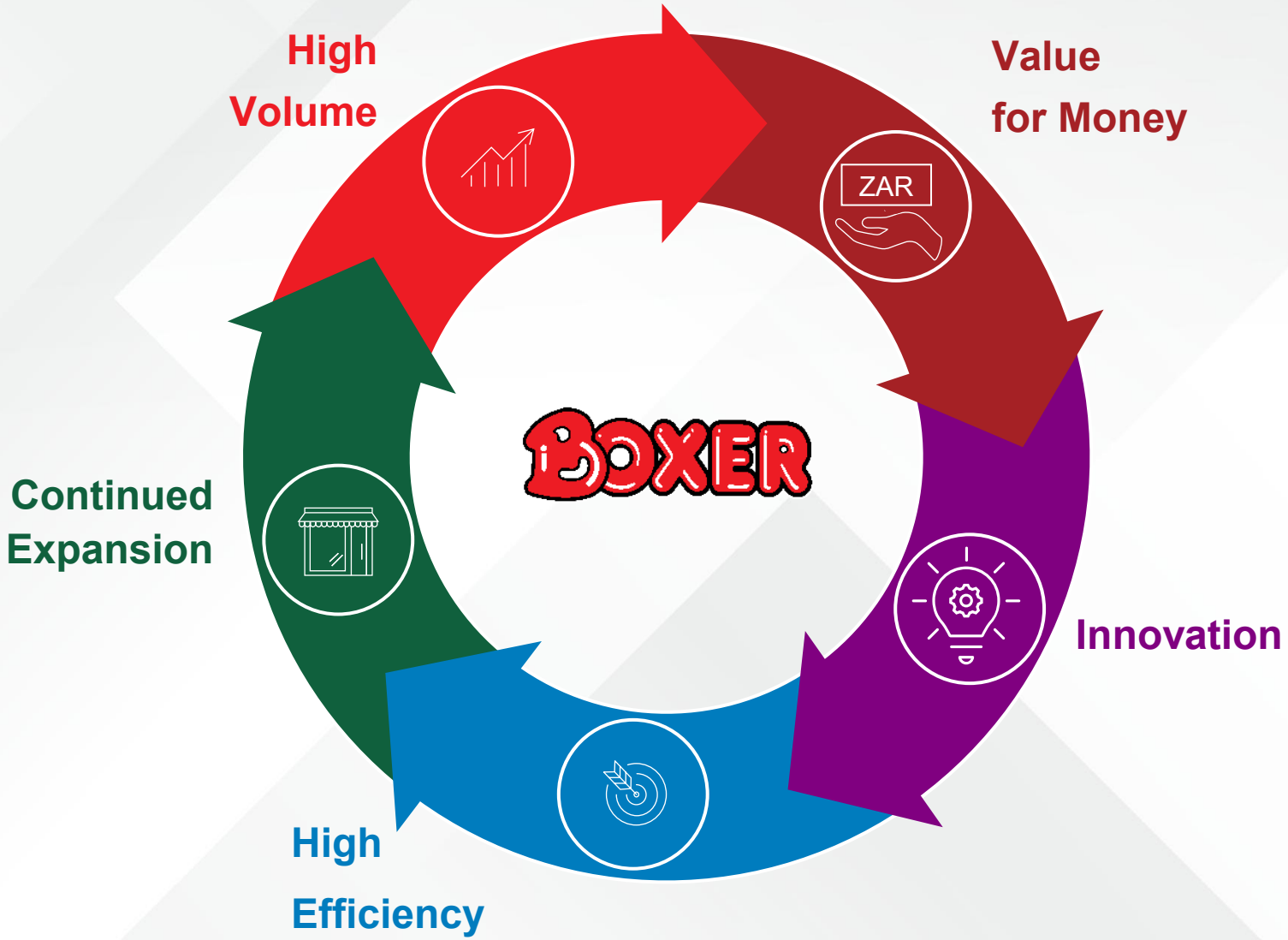
- **13.2% Headline earnings growth exceptional**
  - Extra trading week in FY25 base year
  - Costs of being a listed entity and expensing costs of IPO admission award
  - Interest charges from external debt taken on at time of IPO
- **Share count impact on FY26 HEPS**
  - 157.4m shares issued on IPO to take share count to 457.4m
  - New shares included in FY26 WANOS for 12 months vs. 3 months in FY25
  - 33.2% y-o-y WANOS increase to 453m
- **Focus should be on absolute FY26 earnings growth**
  - Boxer did not retain the R8.5bn of capital raised on IPO – paid to majority shareholder
- **Dilutive impact of IPO share issuance now fully in the base**
  - Per share earnings growth will approximate absolute earnings growth going forward



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Strategic Outlook
Marek Masojada

Boxer **Virtuous Circle**



Innovation In the Boxer Virtuous Circle



Benefits & More Rewards Card

- Launched in 2024
- 2.7 million members to date
- Consistent growth in monthly sign-ups
- Higher basket value continues to be achieved

B-Inside

- Launched in 2025
- Suppliers sign up & on-boarding continues
- Category data insights supporting supplier decisions
- Continuous improvement of reporting and insights

Retail Media

- Launched in 2026
- B-Media enables brands to connect with customers through targeted advertising across Boxer's media channels
- Additional revenue stream strengthens our Virtuous Circle, and promise to *"Never Pay More than the Boxer Price"*
- Our first Retail Media 360 supplier partnership appeared last night on eTV – Nyama Battle

Volume and Value **In the Boxer Virtuous Circle**



High Volume

- Continued growth delivered through:
  - Tight product range
  - Improved in-stock position
  - Increased number of combo offerings
  - Additional supplier promotional campaigns
  - Expanding store footprint

Value for Money

- Sell price deflation
- Consistent multi-buys offering additional savings
- Additional benefits offered through the Boxer Rewards Programme
- Increasing Confined Label product range
- Continuous improvement of our butchery offering through range, pack size, value & expansion



FY27 Outlook

- **Turnover**
  - Turnover growth in the first 9 weeks slightly below H2 FY26
  - March and April 2026 selling prices remained in deflation
  - Selling prices expected to move into positive inflation in the near-term
- **Store targets c. 60 (25 Superstores & 35 Liquor)**
  - FY27 pipeline well developed
- **Capex of c.R1.1bn**
- **Trading Margin**
  - Increased diesel spend has the potential to pressurise gross margin
  - Continue to use all levers available to carefully manage margin
  - Strong track record of managing operations & income statement through disruption
- **Earnings base now fully normalised for IPO impacts**
  - Cost of being a listed entity, IPO admission award, external debt taken on at the time of the IPO, dilutionary impact of IPO share issuance



4

Q & A

Marek Masojada & David Wayne



Thank You



Never pay more than the BOXER price