BOXER

H12027

Interim Results PRESENTATION









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1

Overview
Marek Masojada

H1 FY27 **Highlights**



Operational momentum

- 24 new stores opened with no closures, taking estate to 600 stores
- Healthy LFL implied volume growth in the context of internal selling price deflation
- Sustained monthly market share gains*

Solid financial result despite challenging environment

- Careful management of operational levers to deliver earnings growth
- R2.3bn net cash on hand, with all long-term debt repaid

Strategic Initiative Advancement

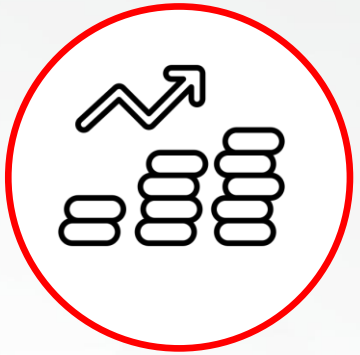
- B-Media launched, with successful flagship Nyama Battle series on eTV
- Further B-inside supplier on-boarding
- Strengthened store opening pipeline
- Focus on business efficiencies within the Boxer virtuous circle
- Improved B-BBEE Scorecard to Level 5

** Boxer's independent calculations are based on data reported by NielsenIQ through its Retail Index Service for FMCG, for the period week ending 08/03/2026 to week ending 30/08/2026, Modern Trade South Africa. (Copyright© 2026 NielsenIQ.)*

H1 FY27 **Achievements**



Turnover +6.3%
LFL +1.4%



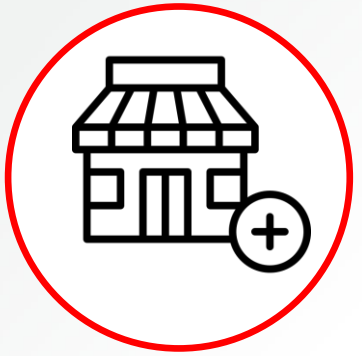
Profit before tax & capital items +10.6%



Trading Profit +8.1%
Margin +0.1% to 4.2%



R2.3bn net cash



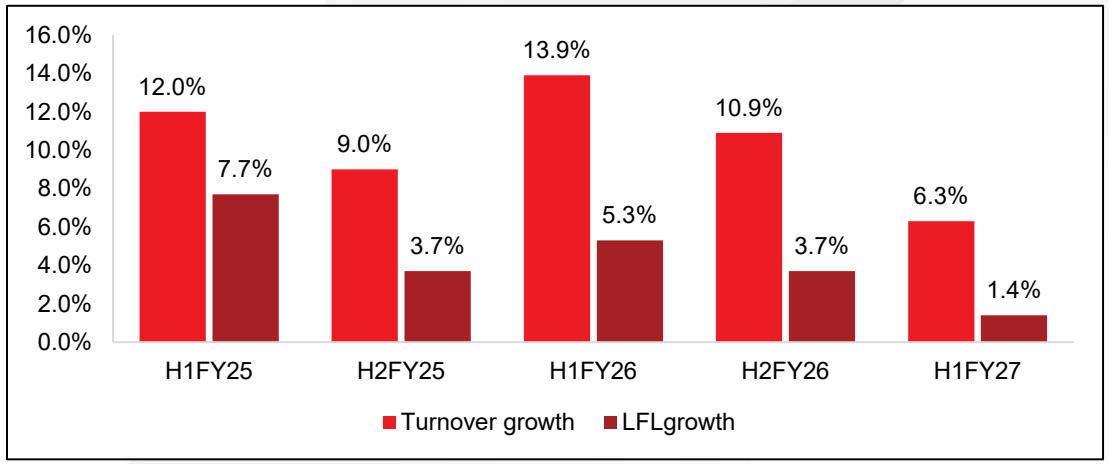
+24 new stores
H1 FY27: 600 stores



49.93c interim dividend declared

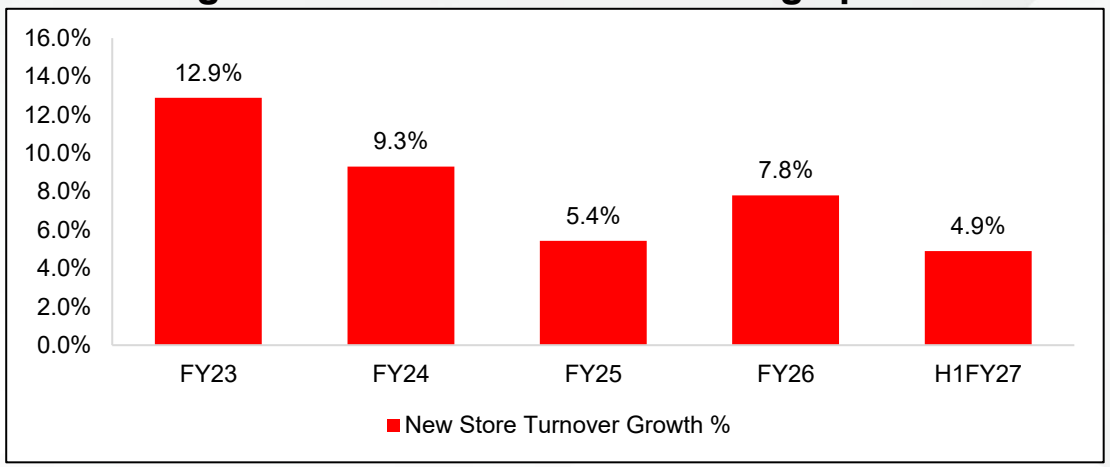
Turnover growth impacted by **unprecedented deflation**

H1 FY27 turnover growth modest by Boxer standards

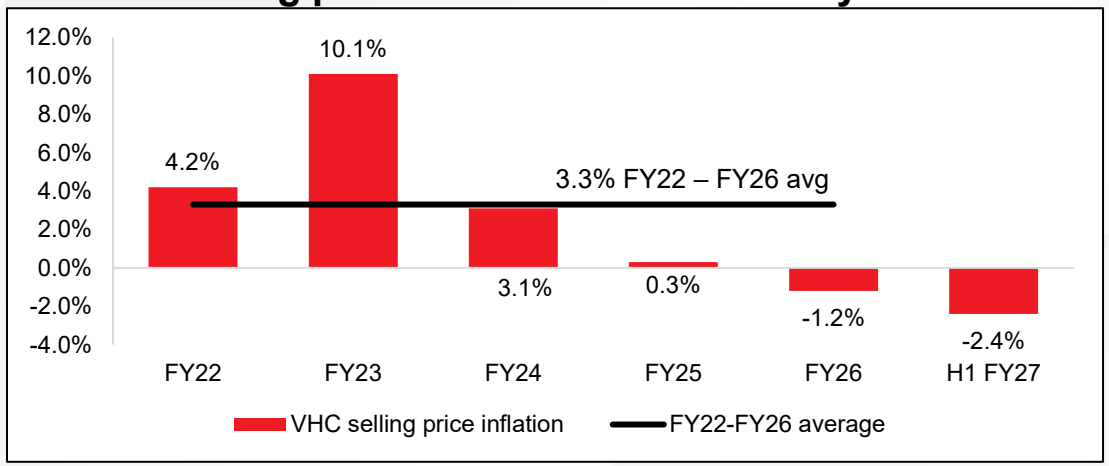


FY25 and FY26 turnover growths based on a pro forma 52 week FY25

Turnover growth from new stores holding up

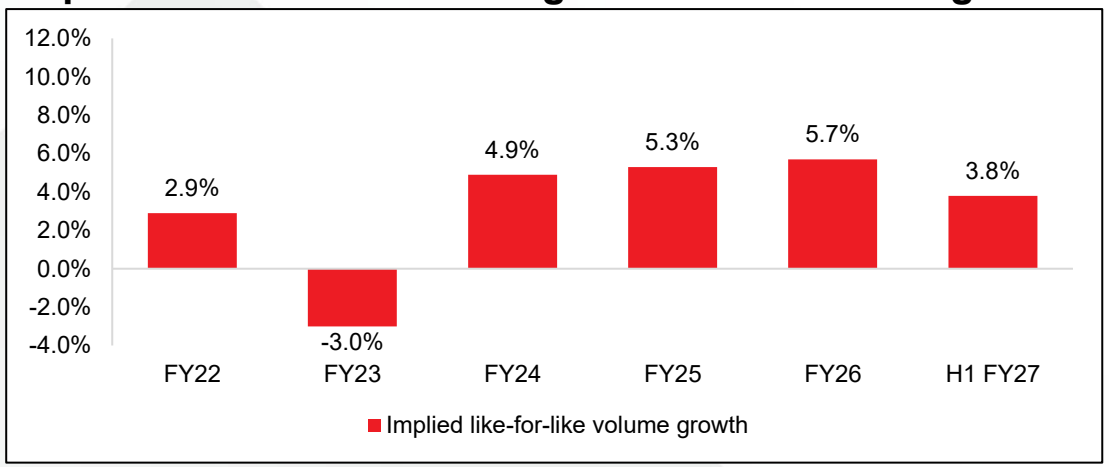


Internal selling price inflation the lowest in years



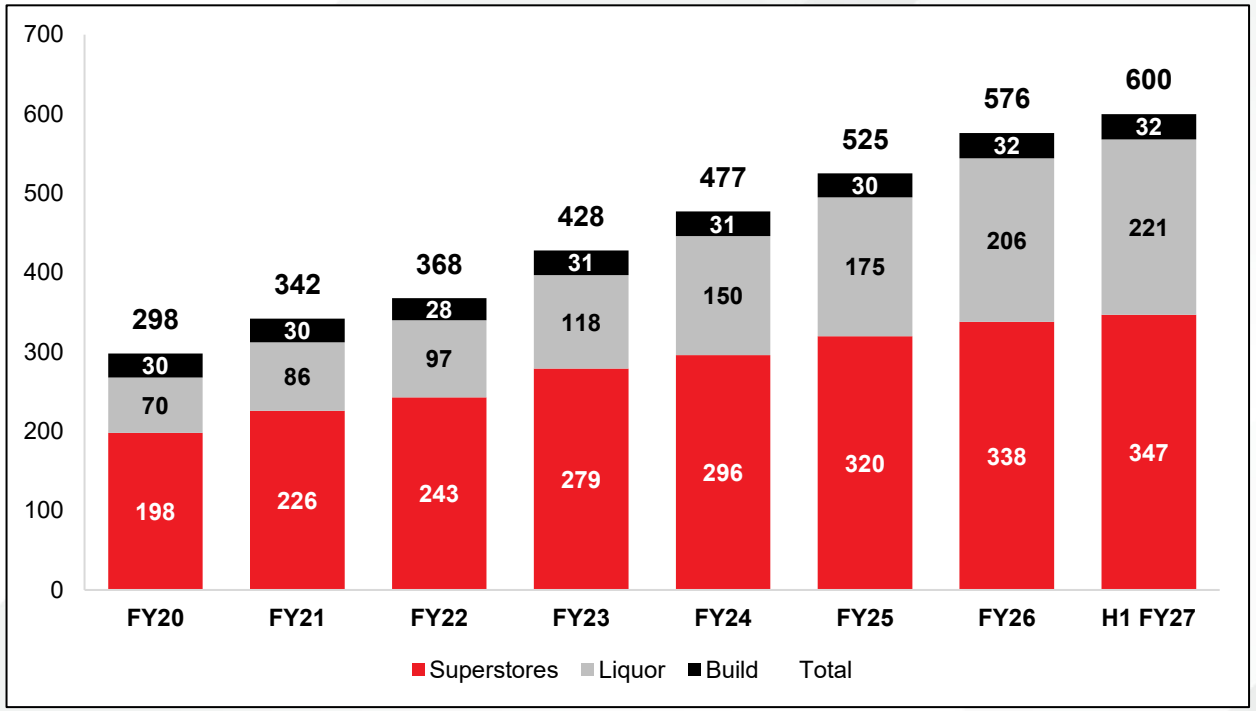
FY25 and FY26 turnover growths based on a pro forma 52 week FY25

Implied like-for-like volume growth remains strong



Implied like-for-like volume growth is like-for-like sales growth less internal selling price inflation

H1 FY27 Store Estate Growth

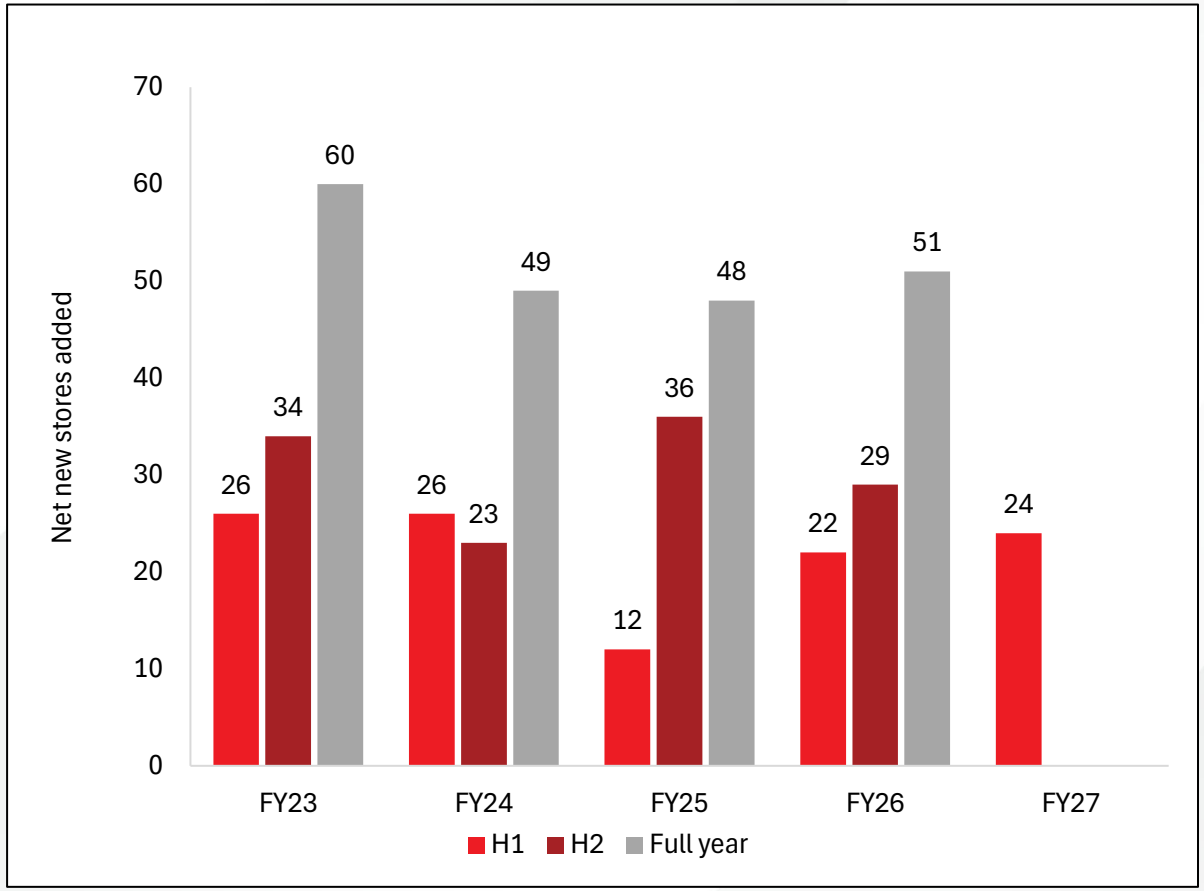


Store estate	H1 FY26	FY26	H1 FY27	6m net additions	12m net additions
Total stores	**547**	**576**	**600**	**24**	**53**
Superstores	327	338	347	9	20
Liquor	189	206	221	15	32
Build	31	32	32	-	1
Liquor as % of Superstores	**58%**	**61%**	**64%**		

- **24 stores opened during H1 FY27**
  - 9 Superstores opened
  - 15 liquor stores opened
- **No store closures**
- **2 conversions from Pick n Pay supermarkets**
- **53 net additions over the past 12 months**
- **Continued Liquor store catch-up**
  - 64% of superstores now with liquor stores
- **Estate doubled over past 6.5 years**

H1 FY27 Store Opening Seasonality

Annual store openings tend to be H2-weighted



- **Net store openings tracking well at interim stage**
  - 24 net openings H1 FY27
  - Compares with 12 in H1 FY25 and 22 in H1 FY26
- **Openings typically H2 weighted**
  - Particularly pronounced for Superstores
- **On track to achieve targeted 60 FY27 openings**



2

Financial Results
David Wayne

H1 FY27 Financial Highlights

TURNOVER

R24.1bn

Total: 6.3%

LFL: 1.4%

GP MARGIN

20.7% of Turnover

+0.5% vs. H1 FY26

TRADING EXPENSES

17.6% of Turnover

+0.6% vs. H1 FY26

TRADING MARGIN

4.2%

+0.1% vs. H1 FY26

EBITDA

R1 749m

+8.4% vs. H1 FY26

HEADLINE EARNINGS

R565m

+9.1% vs. H1 FY26

H1 FY27 Income Statement Overview

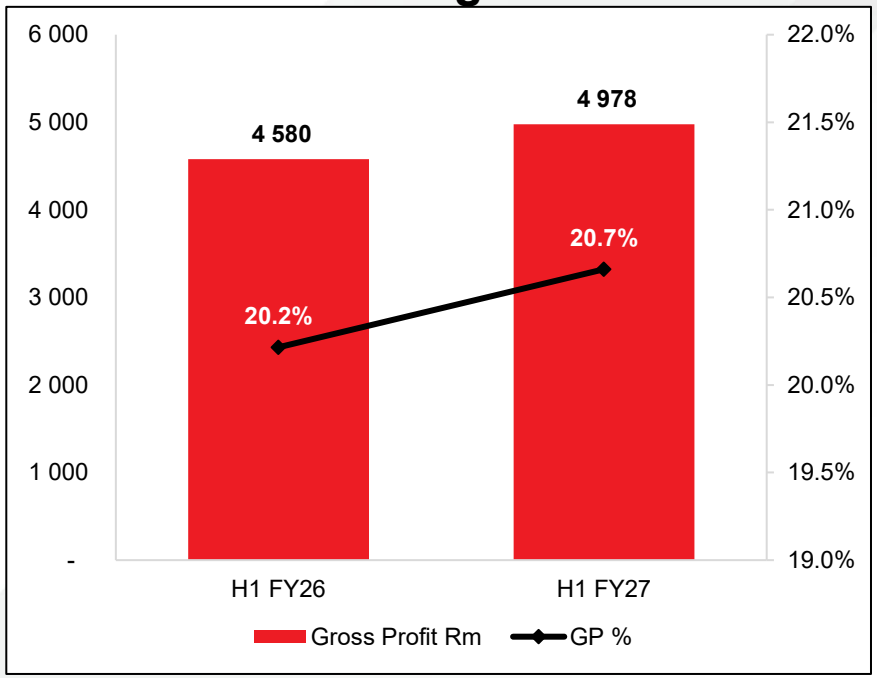
Rm	H1 FY27	H1 FY26	% growth
Turnover	**24 094**	**22 656**	***6.3%***
Gross profit	**4 978**	**4 580**	***8.7%***
Other trading income	260	193	*34.7%*
Trading expenses	(4 232)	(3 842)	*10.2%*
Trading profit	**1 006**	**931**	***8.1%***
Net finance charges	(232)	(231)	*0.4%*
PBT before capital items	**774**	**700**	***10.6%***
Capital items	3	(20)	*-115.0%*
Profit before tax	**777**	**680**	***14.3%***
Tax	(210)	(178)	*18.0%*
Profit after tax	**567**	**502**	***12.9%***
Headline earnings	565	518	*9.1%*

Key income statement line items:

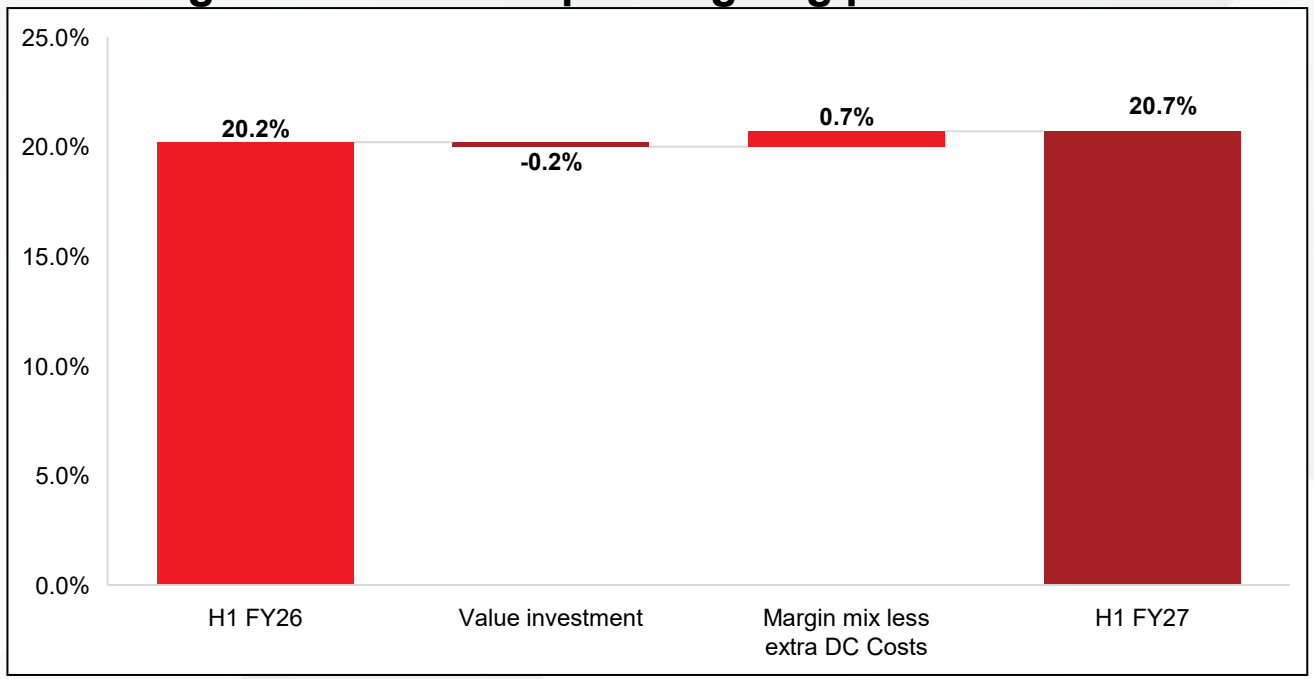
- **+8.1% trading profit growth**
  - +8.7% Gross profit growth
  - +34.7% Other trading income growth
  - +10.2% Trading expense growth
- **+34.7% other trading income growth**
  - Driven by B-Inside data insights and B-media launch
  - Value Added Services growing ahead of turnover
- **+10.6% PBT before capital items growth**
  - Flat net finance charge
- **9.1% Headline earnings growth**

H1 FY27 Gross Profit

GP Rands and margin %



GP margin accretion despite ongoing price investment



- **Gross Profit margin up net 0.5% despite price investment and increased logistics costs**
  - GM negative: Reduced point-of-sale margin and increased transport costs due to fuel price hikes
  - GM positive: Margin mix management, economies of scale and improved wastage and shrinkage
- **Diesel costs**
  - Captured within COGS, but also within trading expenses in the case of bakery ovens, generators and forklifts within stores
  - H1 FY27 diesel spend of R174m, up 32.4% y-on-y

H1 FY27 Trading Expenses

Rm	H1 FY27	% change
Trading expenses	**4 232**	***10.2%***
Employee costs	1 839	*9.1%*
Occupancy	680	*7.3%*
Operations	1 288	*12.0%*
Merchandise & Admin	425	*14.2%*



Trading expenses increased by +10.2%

- Trading expenses as a % of turnover increased to 17.6%, up from 17.0%

- **Employee costs +9.1%**
  - Driven by annual remuneration increases and a larger store base
- **Occupancy +7.3%**
  - Impact of annual rent escalations and security costs offset by lower insurance costs, remaining stable as a % of turnover
- **Operations +12.0%**
  - Pressure from higher energy costs (diesel and electricity)
- **Merchandise & Admin +14.2%**
  - Driven by B-media Nyama Battle campaign costs as well as promotional marketing expenses

H1 FY27 Gearing and Net Finance Costs

Net interest paid

Rm	H1 FY27	H1 FY26	% change
Net funding interest	30	(2)	-
Lease liabilities	(262)	(229)	*14.4%*
Total	**(232)**	**(231)**	*0.4%*

Gearing

Rm	H1 FY27	FY26	H1 FY26
Cash	2 029	538	1 430
Long-term bank debt	0	(200)	(650)
Net amounts owed by Pick n Pay*	282	371	346
Net cash excluding lease liabilities	**2 311**	**709**	**1 126**
Lease liabilities	(5 361)	(5 271)	(4 946)
Net debt including lease liabilities	**(3 050)**	**(4 562)**	**(3 820)**

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

Income Statement

- Net finance charge increased 0.4%
- Net funding interest increased from R2m net interest expense to R30m net interest income, representing a R32m swing
- Lease liability interest up by 14.4%, driven by store roll-out

Balance Sheet

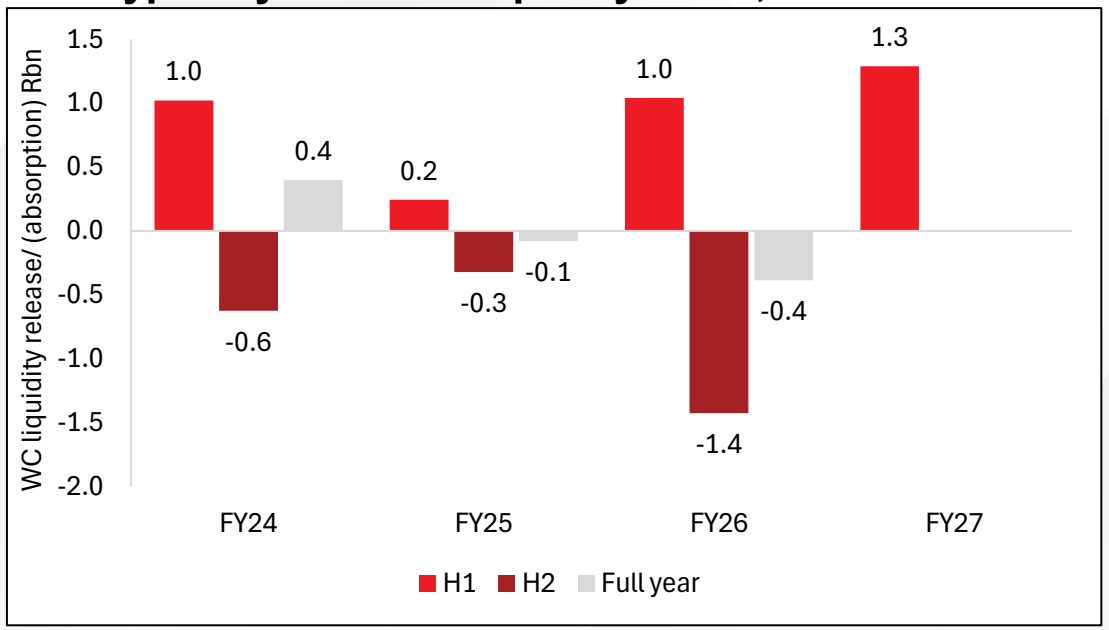
- R2.3bn net cash on hand vs. R709m March 2026
- Remaining R200m long-term debt paid down in April 2026
- R3.1bn net debt including lease liabilities

H1 FY27 Working Capital Unpacked

Balance Sheet Working Capital balances

Rm	H1 FY27	H1 FY26	% change
Net working capital	**(1 666)**	**(1 825)**	***-8.7%***
Inventory	4 380	3 776	*16.0%*
Trade and other receivables	468	454	*3.1%*
Trade and other payables	(6 514)	(6 055)	*7.6%*

WC typically releases liquidity in H1; absorbs in H2



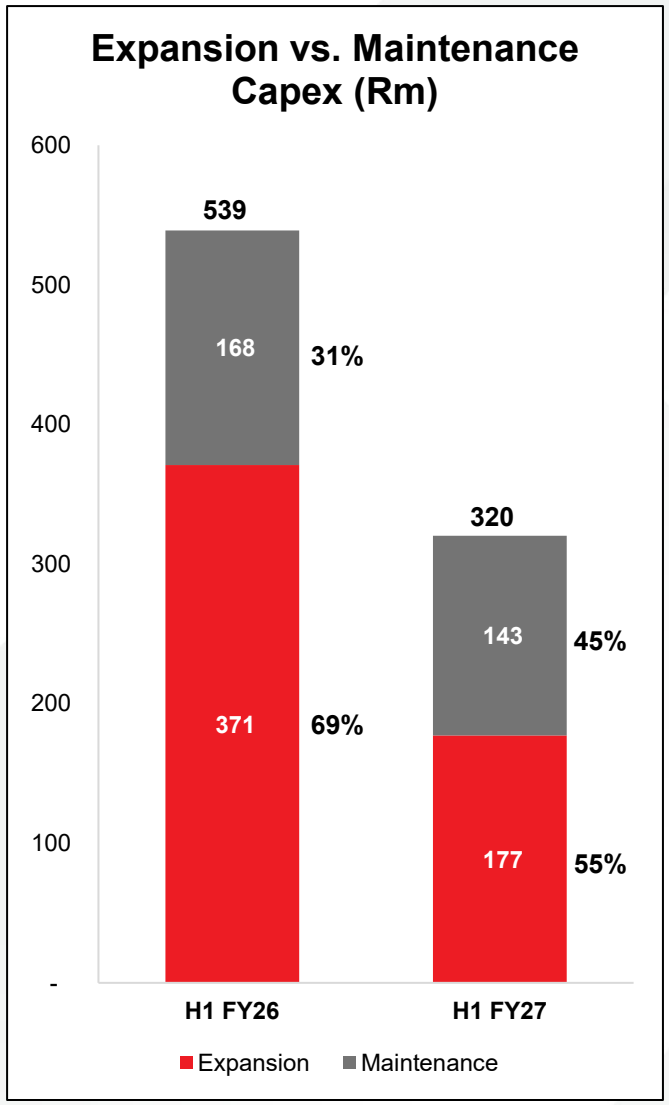
Balance Sheet

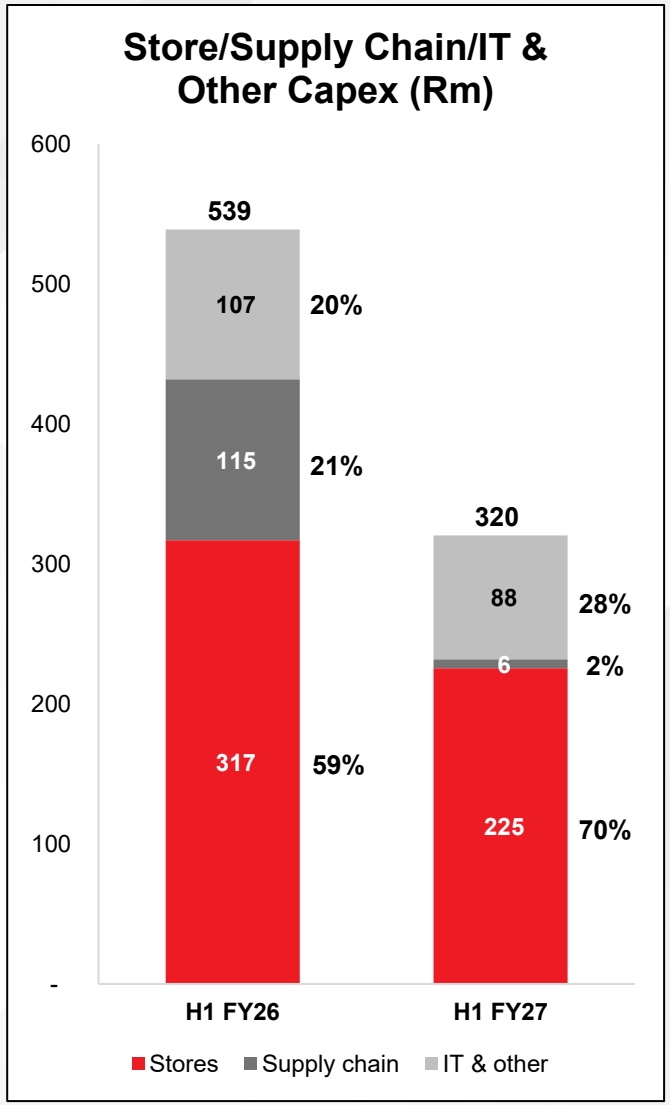
- **Inventory**
  - Up 16.0% y-on-y, but up only 2.6% vs. FY26 year-end
  - Impacted by same factors mentioned at FY26 result
  - Strategic buy-ins, Tongaat DC stock, new & existing stores
- **Trade payables**
  - 7.6% y-on-y increase approximately in line with COGS growth
- **No bona fide trade receivables**

Cashflow Statement

- **Working capital liquidity release**
  - R1.3bn H1 FY27 liquidity release to mostly unwind in H2, as per historical seasonal pattern

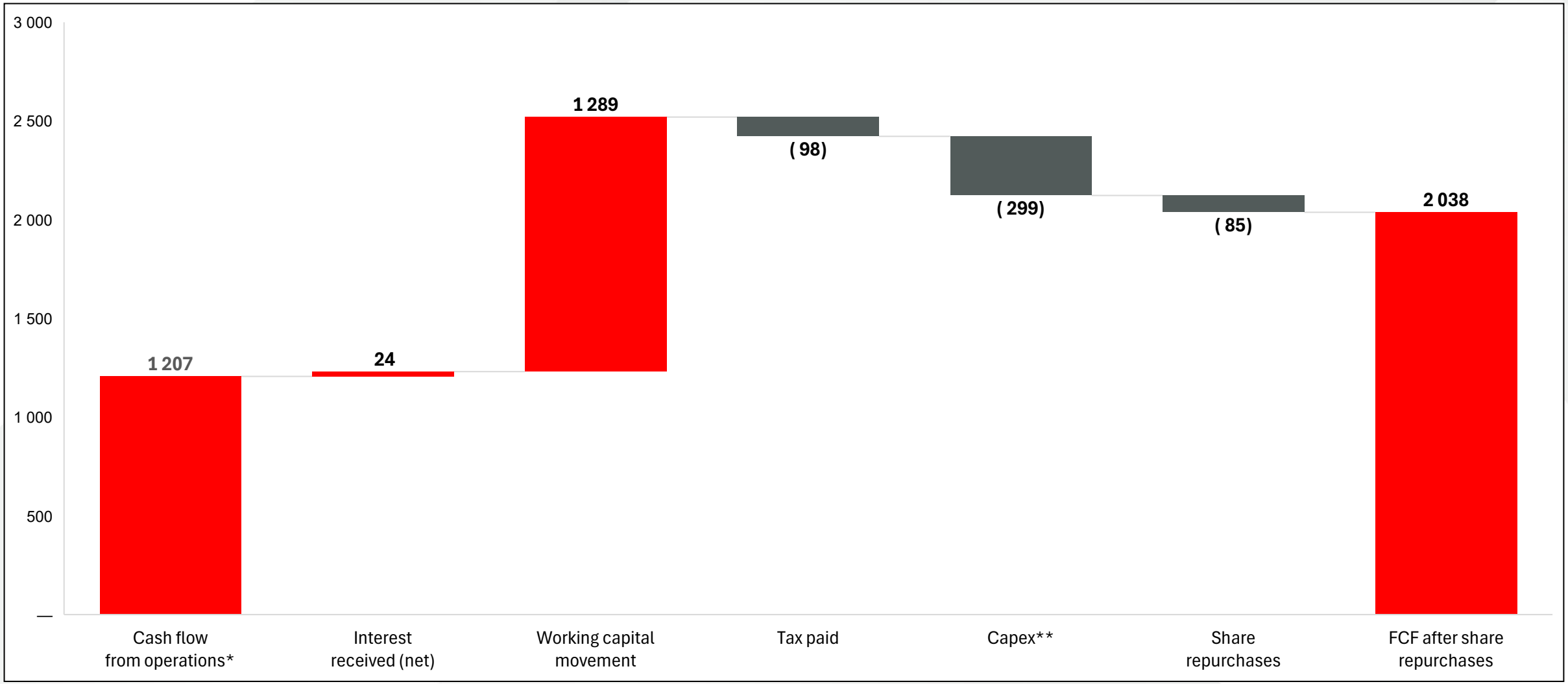
H1 FY27 Capital Investment





- **Total H1 capital investment of R320m**
  - 40% y-on-y reduction vs. H1 FY26
  - Primarily driven by non-repeat of R115m Tongaat DC supply chain investment
- **Store capex of R225m**
  - 29% y-on-y reduction vs. H1 FY26
  - Variance primarily driven by project timing and portfolio mix differences
- **IT & Other Capex: R88m**
  - Supporting the ongoing health and stability of the business

H1 FY27 Free Cash Flow



** Cash flow from operations includes lease payments*
*** Capex after disposals & net of bridging finance loans to landlords*

H1 FY27 HEPS Reconciliation

Rm	H1 FY27	H1 FY26	% change
Profit before tax and capital items	**774**	**700**	***10.6%***
Profit/ (loss) on capital items	3	(20)	
Profit before tax	**777**	**680**	***14.3%***
Tax	(210)	(178)	*18.0%*
Profit after tax	**567**	**502**	***12.9%***
Headline adjustments	(2)	16	
Headline earnings	**565**	**518**	***9.1%***
WANOS (m)	452.6	453.3	*-0.2%*
Closing shares, net of treasury shares (m)	451.6	452.7	*-0.2%*
HEPS (cents/share)	**124.83**	**114.28**	***9.2%***
Effective tax rate	27.0%	26.2%	



- **10.6% profit before tax & capital items growth**
- **12.9% Profit after tax growth**
  - Effective tax rate +0.8% to 27.0%
- **9.1% Headline earnings growth to R565 million**
  - R2 million post-tax capital profits reversed vs. R16 million capital losses in H1 FY26
- **9.2% HEPS growth to 124.83 cents/share**
- **All distorting IPO impacts now behind us**
  - Ongoing costs of being a listed entity and expensing of IPO award now in the base
  - Long-term debt taken on ahead of IPO repaid
  - Weighted average shares in issue stabilised

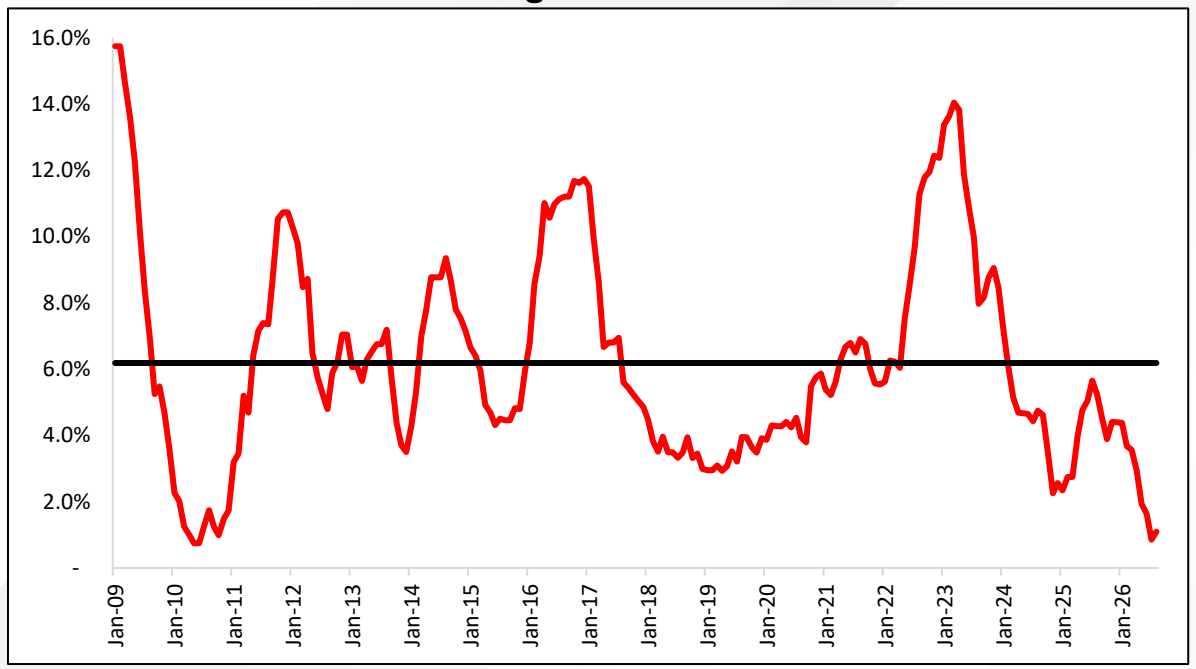


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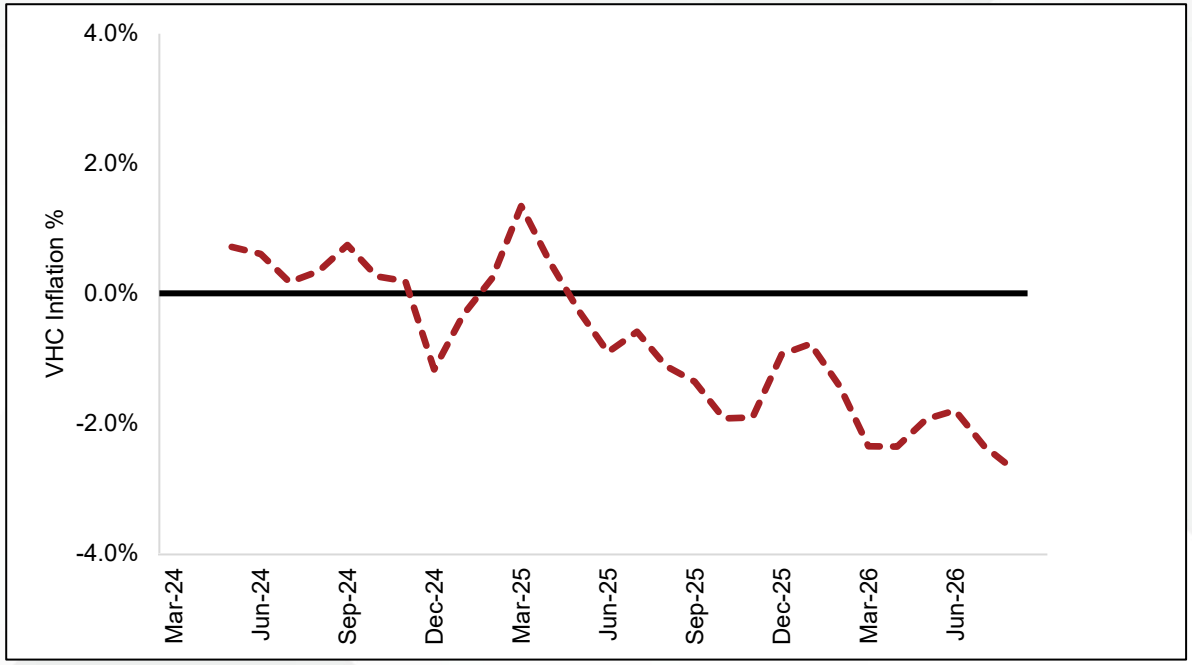
Strategic Outlook
Marek Masojada

Food inflation **within a long-term context**

Food & non-alcoholic beverage inflation lowest since 2010



Boxer 3-month moving average VHC internal selling price inflation

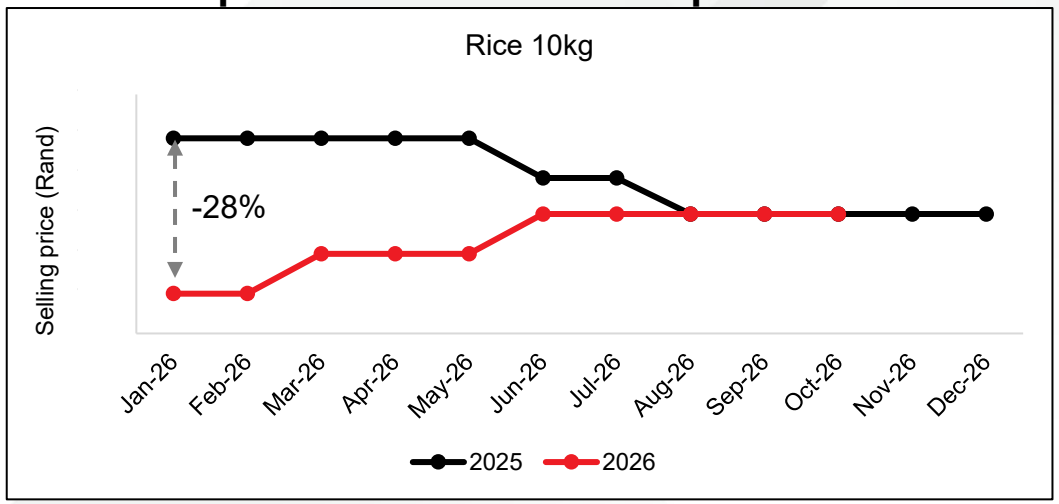


**Source: Statistics South Africa*

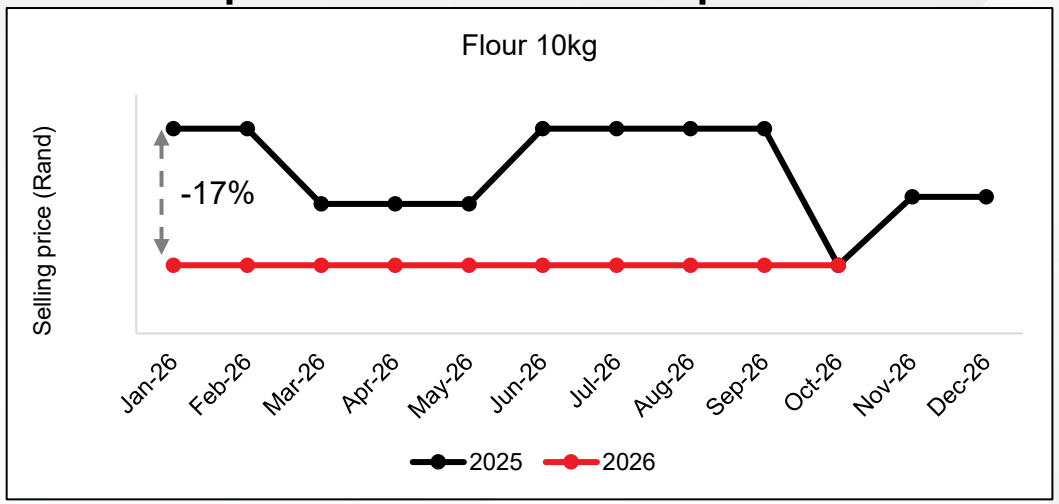
- July and August 2026 Statistics SA Food and Non-alcoholic beverage CPI at 0.9% and 1.1%
- Lowest since June 2010, and well below 16-year average of 6.2%
- For Boxer, increased promotional participation also a factor, as we provide increasingly better value to our customers

Deflationary pressure recently abating across commodity categories

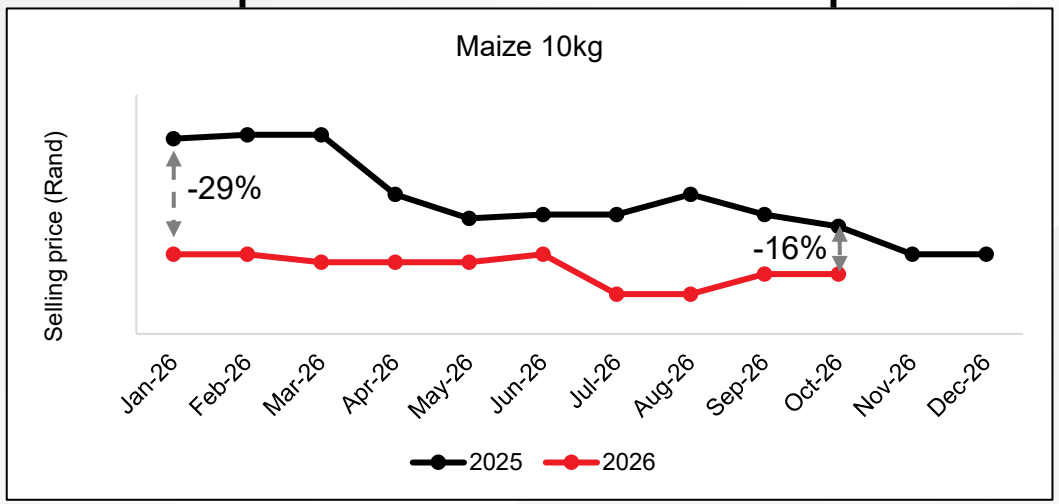
Rice now priced in-line with 12m prior



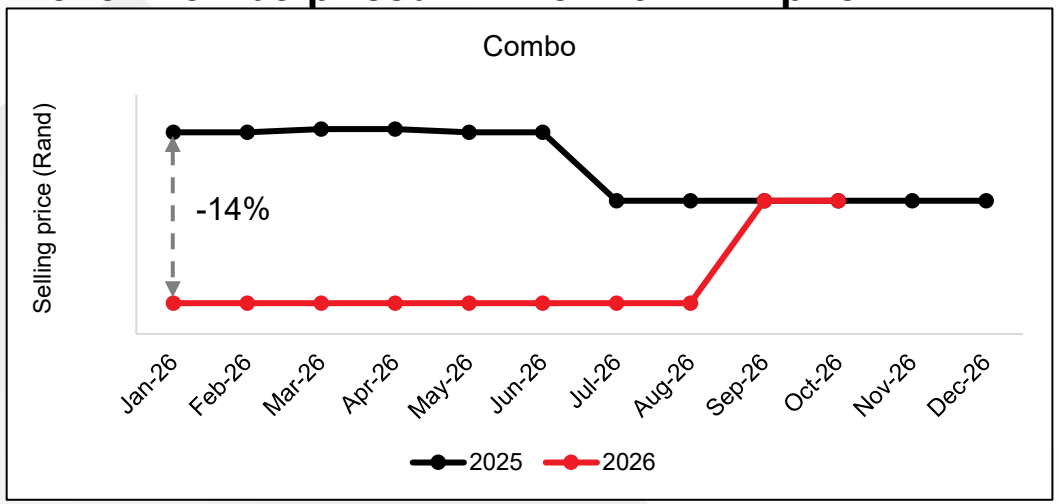
Flour now priced in-line with 12m prior



Maize still priced somewhat below 12m prior

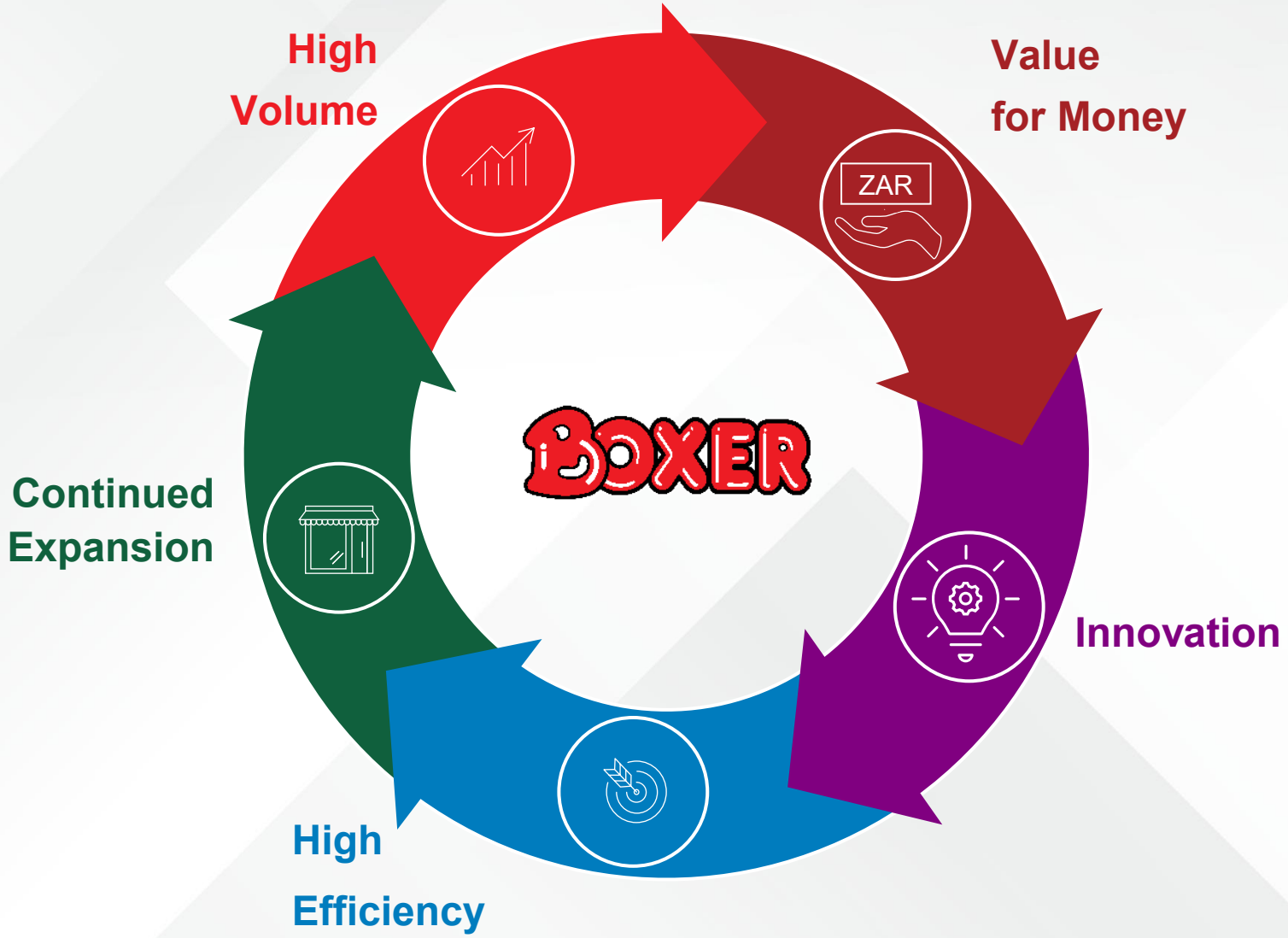


Boxer Combo priced in-line with 12m prior



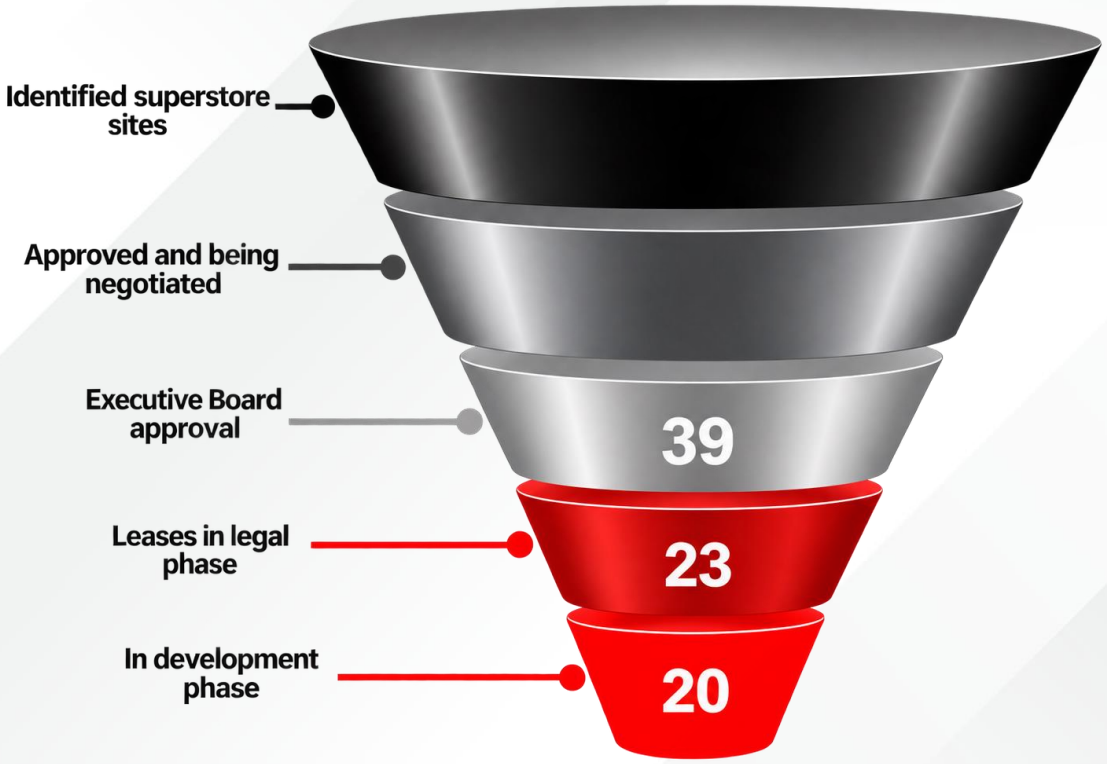
Note: Graphs are reflective of a sample of key selected commodity items sold within a specific region

Boxer **Virtuous Circle**



Continued Expansion: **Solidifying the Property Pipeline**

Substantial superstore pipeline, with FY28 secured



Notes:
Pipeline includes superstores only (Build and Liquor formats excluded)
Pipeline excludes FY27 H2 new store openings

Strengthened pipeline, providing confidence in medium-term store roll-out

- Good visibility of future opportunities
- Strong level of secured pipeline activity
- Ongoing site sourcing supports future growth



Innovation In the Boxer Virtuous Circle

Benefits & More Rewards Card

- c.3 million members to date
- Higher basket value continues
- Baby Club addition to value proposition

B-Inside

- Sign-ups and on-boarding continues
- Continuous enhancements being added to the supplier dashboard

Retail Media

- Nyama Battle, Retail Media's 360 supplier partnership aired on TV from May to August and has successfully delivered 5X Media ROI
- New Customer Data Platform (CDP) build initiated in May 2026 and in final stages of delivering specific audience segments
- In-store media and shoppertainment roll-out



Boxer CEO Succession



- **Marek Masojada retirement announced**
  - Marek Masojada (61) to retire as CEO at the end of February 2027 - after 33 years at Boxer
  - Well managed succession plan
- **Justin Galloway appointment as CEO-designate**
  - Justin Galloway (43) is a Chartered Accountant who has been associated with Boxer for 17 years
  - 3 years as an external auditor and 14 years as a direct part of the Boxer family since joining in 2012
  - Cross-functional Boxer experience
    - Finance manager (3 years)
    - Store operations (GM of Punch division for 2 years)
    - Supply chain (Supply Chain Executive & Supply Chain Group Executive for 9 years)
  - Member of project team that visited Poland in 2016 & subsequently built the Boxer discount model
- **Group Executive team continues to lead the business**
  - 9 deeply skilled, experienced and motivated Group Executive team members
- **The transition plan**
  - Justin steps in as CEO Designate with immediate effect, taking on CEO role in March 2027
  - Marek steps down as CEO at that time, but stays with Boxer until November 2027

FY27 **Outlook**

- **Turnover momentum**
  - Anticipate improved H2 FY27 turnover growth
    - Turnover growth in the first 4 weeks slightly above H1 FY27
    - Nov/Dec 2025 base is relatively soft
    - New store roll-out supports H2 growth from new stores
    - September 2026 selling price deflation of 2.1% (vs. 2.4% for H1FY27)
  - Trading visibility is low: macro risks and short-term inflation outlook uncertain
- **Store targets c.60** (25 superstores & 35 liquor)
  - 32 net new stores as at end of September 2026
- **Capex of R1.1bn** (guidance unchanged)
- **Trading Margin**
  - Diesel price will continue to pressurise gross profit margin & trading expenses
  - As in H1, will continue to use all levers available to carefully manage margin
  - Strong track record of managing operations & income statement through disruption



4

Q & A

Marek Masojada & David Wayne



Thank You



Never pay more than the BOXER price