BOXER

2025 INTEGRATED ANNUAL REPORT

Welcome to our 2025 INTEGRATED ANNUAL REPORT

Boxer is South Africa's leading soft discount retailer, operating over 500 stores across South Africa and Eswatini. Since 1977, we have built a legacy of growth, innovation and operational excellence – always putting our customers and communities first. We are committed to being the People's Champion, driven by a mission to serve with heart, value and integrity.

OUR MISSION

To be South Africa's Number 1 Discount Retailer

WE ACHIEVE THIS BY OFFERING:

1. ***UNBEATABLE VALUE***
   Delivering the lowest basket prices compared to our competitors, without sacrificing quality, ensuring our customers get more for less.
2. ***QUALITY PRODUCTS***
   Providing a curated range of 3 000 essential food and grocery items, including market-leading brands and exclusive Boxer confined labels.
3. ***EXCEPTIONAL SERVICE***
   Offering a shopping experience that is convenient, efficient, and tailored to meet the needs of the communities we serve, with service that reflects care and respect.

CELEBRATING BOXER'S FY25 HIGHLIGHTS

Successful JSE listing (IPO)

- Multiple times oversubscribed at the top end of the pricing range
- Largest South African IPO in the past eight years
- R8.5 billion raised and paid to Pick n Pay Group (PIK)

Strong operational momentum

- Double-digit turnover growth and consistent market share gains
- Trading margin exceeded IPO guidance
- Added a net 48 stores to reach 525 stores and created 2 900 jobs

Executed key strategic initiatives

- Boxer Rewards Club launched
- Inventory management improved
- Broke ground on new KwaZulu-Natal (KZN) distribution centre

Read more in our Chair's reflection (page 9), our CEO's review (page 31) and our CFO's report (page 43).

THIS REPORT'S CONTENTS

OUR FIRST INTEGRATED ANNUAL REPORT

The Integrated Annual Report is our primary report to stakeholders. It is principally aimed at providers of financial capital, but considers the material information needs of all our stakeholders.

We have a legacy of growth, innovation, and operational excellence, always putting our customers and communities first. Our integrated reporting approach aims to reflect this journey and meaningfully report on how we define, create, and maintain value for our stakeholders in the short, medium, and long term.

Integrated thinking

Integrated thinking guides our decision-making and underpins our approach to corporate citizenship and responsible resource allocation. We apply a comprehensive understanding of Boxer's strategy, resources, performance, stakeholders, systems and controls to achieve integrated decision-making that balances short-term performance needs with a longer-term approach to value creation and preservation.

The Board is accountable for Boxer's performance

The Board guides and oversees the business in the context of material and emerging risks and opportunities. The Board aims to ensure our business strategy remains relevant and responsive. Board oversight includes considering sustainability matters to support sustainable stakeholder value creation.

The executive directors implement strategy and manage the Group's day-to-day operations to ensure we preserve and create sustainable value for stakeholders.

Read more from page 47.

Sustainability considerations are embedded in our decision-making

We aspire to conduct ourselves ethically and responsibly. We commit to being a champion for the communities we serve, growing a lifetime of loyalty through sustainable actions.

Read more from page 36.

Our business model is central to our value creation

We use six broad capitals to create sustainable stakeholder value.

Our business model ensures we utilise the capital inputs across our retail operations effectively and efficiently to optimise capital outputs and outcomes for stakeholders. We consider the trade-offs between our capitals in an integrated and stakeholder-inclusive manner.

Read more from page 12.

We monitor our operating context while applying integrated thinking

We monitor factors affecting our external environment, including how these factors impact our business, strategy execution and value creation. These factors include economic, political and market forces, emerging consumer trends and environmental and societal matters.

Read more from page 18.

We ensure meaningful and balanced interactions with stakeholder groups in our various market, regulatory, social and environmental contexts. This enables us to understand stakeholder concerns, needs and expectations and ensures that we are positioned to respond.

Read more from page 26.

We apply materiality to guide decision-making and to focus on the core issues the Group manages and the opportunities that arise from our operating environment.

An enterprise-wide risk management approach ensures that all business areas are aligned with the Group's risk management philosophy and strategy.

Read more from page 20.

Building our reporting suite

We produce a suite of publications tailored to meet our stakeholders' specific information requirements. We follow and align with local and international reporting frameworks as detailed below.

All our reports are available online at www.boxerinvestor.co.za. Printed copies are available on request from our Company Secretary, Vaughan Pierce, at companysecretary@boxer.co.za.

Reporting element	Information provided	Relevant frameworks and standards
Integrated Annual Report A review of Boxer's strategy, material matters, risks and opportunities and our operational and financial performance for the financial year.	The report provides an overview of the Group and its performance for the year and includes relevant extracts from the FY25 Annual Financial Statements. This report is supplemented with: • FY25 Sustainability Databook • FY25 Broad-based Black Economic Empowerment (BBBEE) certification • FY25 King IV Application Report	Integrated Reporting Framework Companies Act, No 71 of 2008, as amended (Companies Act) JSE Listings Requirements King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)[1] IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards)
Financial reporting Audited financial statements and related disclosures for the year ended 2 March 2025.	FY25 Annual Financial Statements FY25 results presentation and webcast Trading updates	Companies Act JSE Listings Requirements King IV IFRS
Shareholder reporting Information shareholders require to make informed decisions relating to the AGM to be held on 29 July 2025.	FY25 Notice of Annual General Meeting (AGM) AGM proxy form	Companies Act The JSE Listings Requirements King IV

We have a clear reporting boundary

This report covers the integrated financial and non-financial performance of Boxer Retail Limited and its subsidiaries (the Group) for the 53 weeks ended 2 March 2025. It contains relevant comparisons to previous periods, and is consistent with information and performance indicators in internal management reporting.

Our financial reporting boundary aligns with the boundary of our Annual Financial Statements and is influenced by:

- Our broader macro-economic environment (page 18)
- The material risks and opportunities that impact our performance and sustainability (page 20)
- The legitimate needs, interests and concerns of our key stakeholders (page 26)
- Sustainability-related risk and opportunities (page 37)
- Our governance practices (page 47)

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Comparable information

Retail financial calendar

The Group manages its retail operations on a 52-week trading calendar basis where the financial reporting period always ends on a Sunday. This results in the loss of one day per calendar year. These lost days are taken into account by reporting a 53-week financial year approximately every six years. In line with this methodology, the Group reports on a 53-week basis in FY25. In order to facilitate comparison with FY24 on a 52-week basis, Boxer has provided pro forma turnover and trading profit information that strips out the impact of the additional week. Please refer to page 80 for further information.

Restatement of number of shares in issue

During FY25, the Group underwent an initial public offering (IPO) and listing on the Johannesburg Stock Exchange (JSE). In preparation for this, the Group was formed through a share exchange using the issue of 299.9 million shares by a newly-incorporated holding company, resulting in the Group Annual Financial Statements being a continuation of the previous Boxer Superstores Proprietary Limited Group. In line with IFRS accounting standards, the prior year number of shares, as well as the weighted and diluted weighted average number of shares, have been adjusted retrospectively as though the share issue of 299.9 million shares took place at the start of the comparative period. Consequently, prior year earnings per share metrics have also been restated.

Forward-looking information

This report contains certain forward-looking statements which relate to the possible future performance and financial position of the Group. All forward-looking statements are solely based on the views and considerations of the directors. These statements involve risk and uncertainty as they relate to events and depend on circumstances that may or may not occur in the future. 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.

We follow a robust reporting process

We consider the various elements of our value creation process to communicate the full range of factors that affect our ability to create value over time. We aim to build on our disclosure over time to ensure we effectively meet our stakeholders' information requirements.

1. Our Integrated Annual Report is based on matters that could have a material impact on the sustainable performance of the Group over the short, medium and long term. Our Integrated Annual Report is drafted to enable shareholders to assess the Group's performance and long-term prospects.
2. It ensures that stakeholders are able to accurately assess the Group's performance and long-term prospects.
3. The CEO, CFO, certain senior executives, and the Board committees review the report.
4. The Board performs a final review of the Integrated Annual Report and approves it for release to stakeholders. The report is not externally assured. Summarised financial information is extracted from the Annual Financial Statements, audited by Ernst & Young Inc. (EY), who expressed an unmodified audit opinion thereon. Accredited service providers and agencies verified our carbon footprint and BBBEE rating.

The Board approved this report

The Board reviewed and approved the FY25 Integrated Annual Report for release to stakeholders on 30 June 2025. The Board believes that this report provides stakeholders with an accurate and balanced view of the Group's performance, strategy and prospects over the short, medium and long term. The report further addresses the Group's material risks and opportunities.

The directors consider the report to be presented in accordance with the Integrated Reporting Framework. The report provides a fair representation of the financial position of the Group as at 2 March 2025 and its performance for the financial year.

Executive directors:
Marek Masojada (Chief Executive Officer)
David Wayne (Chief Finance Officer)

Non-executive directors:
James Formby (Chair)
Sean Summers

Independent non-executive directors:
Charlotte Maponya (Lead Independent)
Jesmane Boggenpoel
Leon Lourens
Dineo Molefe
Cindy Robertson

2 An introduction to BOXER

WHO WE ARE

Boxer is South Africa's fastest-growing discount supermarket chain, serving value-conscious customers across South Africa and Eswatini. Established in 1977 in Empangeni, KwaZulu-Natal, Boxer has grown from a small regional retailer into a leading national brand, with over 500 stores across three formats: Boxer Superstores, Boxer Liquors and Boxer Build.

Boxer is uniquely positioned to serve the large middle- to lower-income consumer market, offering a focused range of essential groceries, household goods and services at consistently low prices. Customers rely on Boxer for quality fresh meat and produce, a strong selection of required commodities and staple products, and a suite of value-added services, reinforcing its reputation as the leading "soft discounter" in the South African retail landscape.

Since its acquisition by Pick n Pay in 2002, Boxer has maintained independent operations, guided by a long-serving and stable management team. The business thrives on operational efficiency, cost discipline and a strong customer focus. Unlike traditional cash & carry or wholesale models, Boxer operates as a fully fledged retailer, providing a seamless shopping experience tailored to the needs of its customers.

Boxer's customer-centric approach, relentless efficiency, and well-executed store expansion programme have fuelled exceptional growth. Now, as an independent listed company, Boxer remains committed to making shopping easy, accessible and affordable for its customers, staying true to its founding principles while continuously innovating to surpass retail industry benchmarks.

Our mission

To be South Africa's Number 1 Discount Retailer

We achieve this by offering:

Unbeatable value
Delivering the lowest basket prices compared to our competitors, without sacrificing quality, ensuring that our customers get more for less.

Quality products
Providing a curated range of 3 000 essential food and grocery items, including market-leading brands and exclusive Boxer confined labels.

Exceptional service
Offering a shopping experience that is convenient, efficient and tailored to meet the needs of the communities we serve, with service that reflects care and respect.

Our vision and values

To be the People's Champion for the communities we serve, growing a lifetime of loyalty

Our commitment is supported by three guiding principles:

Customer-centricity
Understanding and serving the needs of our communities.

Sustainability
Implementing responsible retail practices to benefit society and the environment.

Operational excellence
Continuously optimising processes to drive profitability and value for our stakeholders.

Our strategic ambition

Boxer is focused on expanding our store footprint to leverage the significant white space[1] opportunity in under-served communities across South Africa.

Boxer will drive sustainable growth through efficient operations, disciplined cost management, and focused innovation.

[1] *Untapped or under-served market areas.*

THE HISTORY OF BOXER

A JOURNEY OF GROWTH AND COMMUNITY IMPACT

- **1977** – First store opened in KwaZulu-Natal under the name "KwaZulu Cash & Carry"
- **1995** – Expansion into the Eastern Cape
- **2001** – Full training accreditation received from the W&R Seta
- **2002** – Pick n Pay acquires Boxer
- **2003** – Launch of private label
- **2004** – Launch of Boxer Build
- **2007** – Boxer recognised as anchor tenant for the Giyani shopping mall
- **2009** – **100th store**; Expansion into Eswatini; Launch of Boxer Liquors
- **2011** – Meat factory opens; First distribution centre in KwaZulu-Natal
- **2013** – **150th store**
- **2015** – Launch of tagline "Never Pay More than the Boxer Price"; **200th store**
- **2017** – 40 years of trading
- **2018** – **250th store**
- **2020** – Distribution channel expands into Gauteng and Limpopo
- **2021** – **350th store**
- **2022** – Boxer Youth Leadership Programme celebrates 20 years
- **2023** – **450th store**; Launch of the Boxer Super Run
- **2024** – **500th store**; Launch of Boxer Rewards Club

Listed on the JSE and A2X

Boxer's listing on the Johannesburg Stock Exchange and A2X Markets in November 2024 marked the beginning of a new chapter for the business.

Building the Boxer brand

1977 – 2013

Boxer began as a community-focused retailer, rooted in affordability, service and strong rural connections. Its customer-first approach and operational discipline drove steady national expansion. Acquired by Pick n Pay in 2002, Boxer retained its independent identity while accelerating growth. The business diversified with the launch of Boxer Build in 2004 and Boxer Liquors in 2009.

Reinventing the Boxer Formula

2014 – 2019

Boxer repositioned itself as a limited-range soft discounter, focusing on core grocery essentials at competitive prices. By adapting global best discounter practices to the South African market, it balanced supermarket convenience with discount affordability. Lean operations, disciplined ranging, and efficient execution strengthened margins and customer value, cementing Boxer's position as South Africa's leading soft discounter without compromising quality or service.

Strengthening the Foundations

2020 – 2022

Boxer navigated the Covid-19 pandemic, civil unrest, and economic headwinds with resilience, sustaining strong turnover and profit growth. Committed to affordability and accessibility, Boxer reinforced its core strengths – volume, value, efficiency and expansion. Its customer-centric focus and disciplined execution enabled it to maintain momentum through adversity, laying a strong foundation for its next phase of accelerated growth.

Accelerating Growth

2023 and beyond

Building on strong foundations, Boxer is accelerating store expansion in under-served areas, growing its centralised distribution network and optimising operations. By reinvesting efficiency gains into gross profit margin improvements, Boxer delivers low prices without compromising quality or service. With a well-invested infrastructure and national presence, Boxer remains committed to bringing quality, convenience and unbeatable value to more customers.

A HIGH-QUALITY **GROWTH OPPORTUNITY**

Boxer is a fast-growing, purpose-driven grocery retailer with a proven operating model, strong brand equity, and significant long-term growth potential. As South Africa's pre-eminent soft discounter, Boxer has built a resilient and capital-efficient platform for scale. The Group continues to deliver consistent turnover growth, high returns on invested capital and a compelling customer proposition that aligns with the needs of its value-conscious consumers.

A distinctive market position

Boxer occupies a unique position in South Africa's formal retail landscape as the leading soft discounter. The Boxer model bridges the gap between traditional supermarkets and hard discounters by combining a focused range and consistently low prices with fresh service counters, including a strong butchery and bakery proposition. Boxer holds a 68% share of the formal discount grocery market in South Africa and approximately 4% of the total formal grocery market, with significant room to grow. Turnover has grown at a compound annual rate of 16.8% from FY22 to FY25, high growth within a global context. This growth has been achieved through high sales densities, a light capital base, and a typical new store payback period of under three years.

An efficient and scalable operating model

Boxer's performance is underpinned by a disciplined, volume-led operating model designed for simplicity and efficiency. Our limited and curated product range drives high throughput, while value-led promotions, combo deals and a strong private label offer (circa 20% of our ambient groceries) support strong price perception and customer loyalty. The business maintains a lean cost structure through fit-for-purpose centralised distribution, low central overheads, disciplined labour planning and no-frills support infrastructure. These cost advantages are reinvested in pricing and promotions, driving traffic and reinforcing the Group's value positioning. *Read more from page 12.*

A trusted and recognised brand

Boxer is a well-established brand with high levels of recognition and trust in its core markets. Customers strongly associate Boxer with affordability, convenience and community relevance. Our brand strength has been built through consistent delivery, targeted marketing, and social investment initiatives that resonate with local consumers. High levels of customer loyalty contribute meaningfully to footfall and basket size – key drivers of our strong like-for-like performance. As Boxer expands into new areas, its brand equity provides a head start in building customer relationships and accelerating sales traction.

A strategy built for sustainable growth

Boxer's growth strategy is focused on both like-for-like sales growth and footprint expansion. This dual approach has enabled the Group to deliver double-digit turnover growth in a constrained consumer environment. The Group has identified whitespace potential of approximately R105.5 billion across under-served areas in South Africa. In recent years, Boxer has executed one of the fastest store roll-out programmes in the market. The Group continues to build out its supply chain infrastructure to support this growth, including the development of a second KwaZulu-Natal distribution centre due to go live in FY26. Strong like-for-like sales growth, averaging 7.2% over the past four financial years, is underpinned by value leadership, data-driven promotions and operational excellence.

Experienced leadership and strong talented pipeline

Boxer's results reflect the depth and experience of its leadership team and the energy of its 32 000-strong workforce. The executive team brings more than 170 years of combined experience, with an average tenure of 19 years and a senior management retention rate of over 90%. The Group continues to build its talent pipeline through leadership development, succession planning and investment in operational capabilities. Boxer's high-performance culture and people-first approach ensure consistency of execution as the business scales.

Boxer offers shareholders exposure to a capital-disciplined, fast-growing retailer with a differentiated model, strong brand and long runway for growth. With an industry-leading return on invested capital of 25.5% (post-IFRS 16)* in FY25, and a structurally low cost base, the Group is exceptionally well positioned to continue delivering strong financial performance and long-term value creation. Boxer's focus remains clear: disciplined execution, strategic reinvestment, and an unwavering commitment to serving South African communities with value and dignity as it continues its journey as South Africa's leading grocery discounter.

* *Refer to pro forma information on page 80.*

CHAIR'S REFLECTION

"The listing of Boxer Retail Limited on the JSE and A2X in November 2024 marked a defining milestone in the Boxer Group's journey. It was a moment of pride and purpose and the culmination of decades of determined effort, consistent execution and strong performance in a fiercely competitive market."

From its roots as a challenger brand, Boxer has grown into one of South Africa's most admired discount retailers. This success was not built on scale or financial muscle, but on an unwavering commitment to our customers and communities. Boxer earned its place on the JSE and A2X not only through its impressive track record, but because of the unique role it plays in delivering quality, affordable products to millions of South Africans.

While the primary motivation for the Boxer listing lay in the recapitalisation needs of our largest shareholder, Pick n Pay Stores Limited, the process presented a rare and powerful opportunity for Boxer to step onto the public stage as a stand-alone entity, to raise its profile in the retail industry, to gain independent access to capital markets, and to accelerate its ambitious growth strategy.

The listing process was approached with great care and diligence. Pick n Pay was resolute in ensuring that Boxer not only listed successfully, but was well prepared to thrive in the listed environment, with the structures, independence and maturity required to chart its own course.

Board formation and governance

A cornerstone of our preparation was the establishment of a strong and independent Board of directors. From the outset, we recognised the importance of a Board that could provide robust oversight, sound judgement and practical support to management, particularly in a newly listed context.

We were deliberate in our director appointments. The Board brings together deep retail experience, a strong understanding of the South African regulatory environment and, critically, an appreciation of the Boxer customer and the dynamic, entrepreneurial mindset required to serve the customer well.

Board candidates were subject to a rigorous selection and interview process, followed by a comprehensive induction programme. We are extremely pleased with the calibre of the Board and the constructive engagement that has taken place to date. There is a shared sense of purpose and a genuine commitment to support Boxer's long-term success.

Supporting the Board is a comprehensive governance framework aligned to the Companies Act, JSE Listings Requirements and the principles of King IV. Working closely with legal and governance experts, we put in place a new Memorandum of Incorporation (MOI), Board and committee charters and a suite of policies covering ethics, risk, compliance and disclosure.

Importantly, these frameworks reflect best practice and clearly delineate the independent working relationship between Boxer and Pick n Pay. This separation of governance ensures that the Boxer Board operates with full autonomy, while respecting the rights and interests of its majority shareholder.

Retention of key talent

We were cognisant that the transition to listed status could pose potential retention risks, particularly for long-serving executives nearing retirement and those experiencing heightened interest from competitors. At the same time, we recognised the importance of leadership stability to deliver continuity through this critical phase.

The Board gave significant attention to this issue. We conducted market benchmarking of remuneration, introduced a robust new long-term incentive scheme, and implemented specific retention mechanisms – including admission share awards and cash-based retention arrangements. In parallel, we reviewed succession plans and committed to building strength across key areas of the business.

New capabilities are also being brought into the business in areas previously supported by Pick n Pay, such as risk and compliance. These additions reflect the increased demands of the listed environment and ensure that Boxer is well positioned to manage its regulatory obligations and stakeholder relationships independently.

Financial resilience and funding

Boxer's strong financial discipline has long been a hallmark of the business. Historically debt-free, the Group has funded growth entirely through its own cash generation, supporting a healthy balance sheet. As part of the listing, it was important to balance the liquidity needs of Pick n Pay with the need to preserve Boxer's financial strength. We are satisfied that the resulting capital structure is robust and equitable. The moderate use of debt is prudent, with healthy debt-to-earnings ratios that support Boxer's growth path. The Board, through its Audit, Risk and Compliance Committee, will continue to monitor the Group's liquidity closely.

Market confidence

A central concern during the listing process was ensuring that Boxer was fairly valued. An under-valuation could have undermined Pick n Pay's recapitalisation efforts; and an over-valuation would have led to unrealistic stakeholder expectations for Boxer.

We were uncompromising in our commitment to transparency. The information shared with the market was comprehensive and rigorously reviewed. It set out a clear and accurate picture of Boxer's performance, prospects and risks. The Board worked closely with independent advisors and legal counsel to ensure full regulatory compliance.

The strong market response – a heavily oversubscribed book, at the top end of the pricing range – reflected the credibility of the process, the quality of the Boxer management team and the confidence of investors in the Group's future.

We were particularly encouraged by the International Finance Corporation's cornerstone investment. Their R350 million commitment is a strong endorsement of Boxer's inclusive growth model, ethical standards and long-term potential, and we value the partnership it brings.

Looking forward

Boxer's unique positioning as the People's Champion in under-served communities, together with its disciplined retail model and proven track record, provides a powerful platform for the future. Boxer has a compelling opportunity to expand its footprint significantly, leveraging its entrepreneurial culture and consistent operating excellence.

At the same time, we recognise the responsibility to operate in a way that is inclusive, ethical and sustainable. The Board remains committed to transformation, empowerment and ensuring that the benefits of Boxer's growth are shared across its workforce, customer base and supply chain.

This has been a landmark year. I wish to commend our management team for their exemplary handling of the complex listing process while continuing to deliver strong operational performance. Their energy, focus and dedication are a credit to the business.

I also extend sincere thanks to my fellow Board members. Their thoughtful oversight, commitment to governance excellence and enthusiasm for Boxer's mission have been invaluable in setting the right tone at the top.

We look forward to the next chapter of Boxer's journey – one defined by opportunity, growth and continued support for the communities we are proud to serve.

James Formby
Board Chair

30 June 2025

OUR STORE FORMATS

At the heart of the Boxer business is an unwavering commitment to deliver incredible value, quality products and exceptional customer service across all our complementary store formats. Boxer has a strong presence in KwaZulu-Natal and the Eastern Cape, with a fast-growing presence in the northern provinces of South Africa, and the Western Cape.

Whether shopping at a Boxer Superstore, Boxer Liquors or Boxer Build store, customers can count on a consistent experience rooted in affordability, convenience, and reliability. From essential groceries and trusted services to hardware and building supplies, every Boxer store ensures that shoppers have access to the products they need, supported by knowledgeable staff who are dedicated to service. No matter the format, Boxer remains true to its maxim that customers should "Never Pay More than the Boxer Price".

320 supermarkets

313 in South Africa and 7 in Eswatini
Average store size of 1 800m² – 2 000m²

BOXER SUPERSTORES

Our supermarkets offer exceptional value through a focused selection of 3 000 essential food, grocery and general merchandise items, tailored to our customers' everyday needs. With a lean and efficient operating model, we provide competitively priced products, including trusted brands and a strong private label range. Stores feature full-service butcheries, bakeries, delis and fresh produce departments, and are known for their innovative promotions. A broad range of value-added services, including bill payments, travel ticketing, money transfers, and financial products, enhances the convenience, affordability and financial inclusion of our offer.

175 liquor stores

172 in South Africa and 3 in Eswatini
Average store size of 220m² – 400m²

BOXER LIQUORS

Our Boxer Liquors stores are conveniently located adjacent to or near Boxer Superstores, offering customers the ease of one-stop shopping for both groceries and alcoholic beverages. With separate entrances, Boxer Liquors stores stock a targeted range of products, including beer, wine, spirits, malt, cider, cordials, ice and snacks.

Boxer Liquors is committed to safe and responsible drinking, reinforcing its position as a trusted and convenient retailer.

30 building and hardware stores in South Africa

Average store size of 410m² with a 1 000m² storage yard

BOXER BUILD

Boxer Build offers a focused range of competitively priced hardware and building materials, serving DIY enthusiasts, home builders, and commercial contractors.

Knowledgeable staff provide expert advice and support to help customers complete projects successfully. Boxer Build enhances convenience with delivery services, Boxer Cash Club Savings, and short-term credit options, allowing customers to save for or access credit for their building needs. With these flexible solutions, Boxer Build empowers shoppers to "Do It Right the First Time!"

A BUSINESS MODEL THAT DRIVES VOLUME AND DELIVERS VALUE

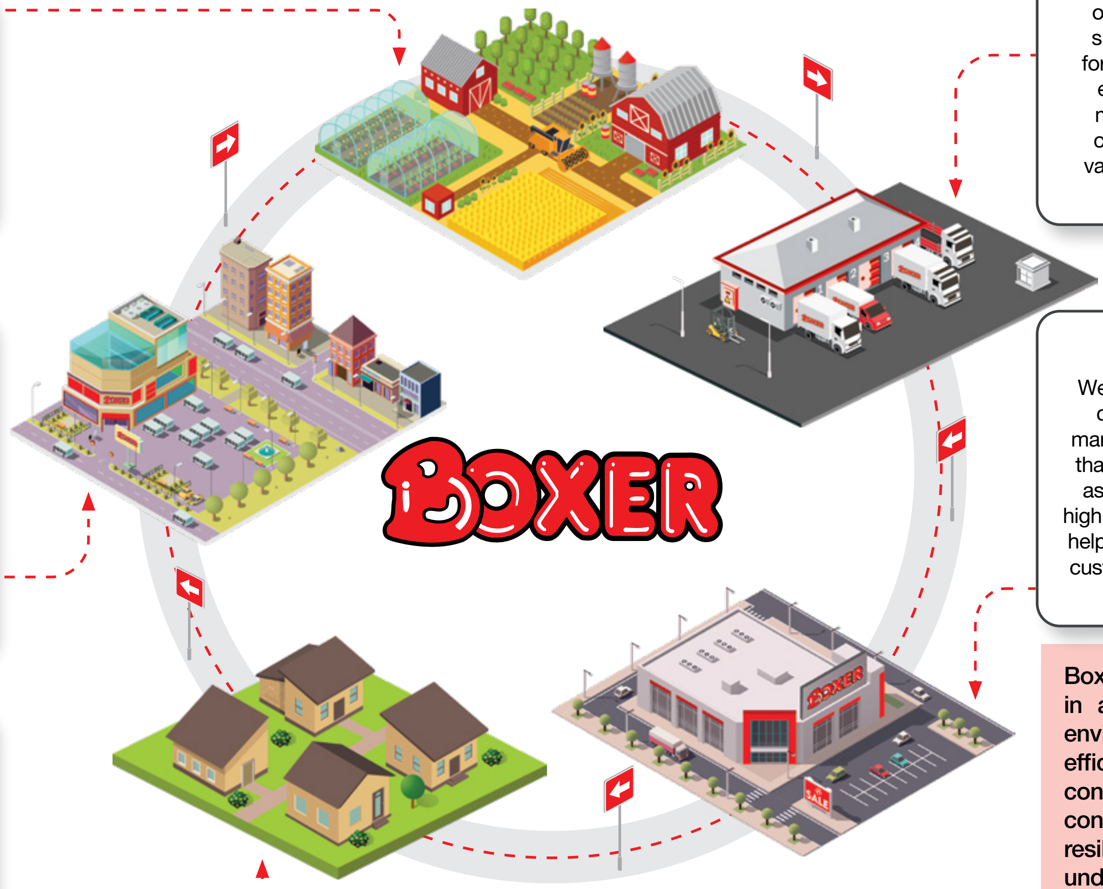
The Boxer business model is designed to advance our position as a high-growth retailer in the fast-moving consumer goods industry of South Africa. Boxer provides its customers with high-quality products at competitive prices, maintaining a virtuous circle of value, volume and growth.

Responsible and effective procurement

We buy better for our customers by prioritising ethical sourcing, food safety, and strong local supplier partnerships. Our focus on farmer and supplier development helps build sustainable local value while reducing costs – enabling us to offer lower prices and greater value across our range.

Efficient and cost-effective operations

We run lean and effective operations across our centralised supply chain, stores and support office, all of which are designed for efficiency and agility. Cost savings and efficiency gains are reinvested where it matters most – into lower prices for our customers. In this way, we deliver more value every day without compromising on quality or service.



Community-centred retailer

Boxer proudly serves the middle- to lower-income communities of South Africa and Eswatini. We recognise the challenges many households face, from pressure on income to unemployment and food insecurity. That is why we stay focused on what matters: delivering affordable food, creating jobs, supporting education, and helping ease hunger. As our communities grow and thrive, so do we.

Growing our store footprint

We are opening more stores to reach more customers, and we are winning greater market share in the essential product ranges that matter most to our customers. Tailored assortment and focused promotions drive high volumes, unlocking scale efficiencies that help us keep prices low and value high. More customers, more often, buying more – that is how we grow.

More value for money and greater convenience

Alongside our low prices and incredible promotions, we also offer added everyday convenience to drive volume, including through services like money transfers, airtime, bill payments and more. Our growing store network brings these essentials closer to home, while digital tools and fresh thinking help us serve customers faster and smarter.

Boxer's operating model is built to thrive in a cost-sensitive, value-driven retail environment. By combining disciplined efficiency, strategic expansion and consistently high sales volumes, Boxer continues to deliver strong growth and resilient profitability. This performance is underpinned by a focused customer offer rooted in everyday value, an expanding store network and ongoing innovation, including digital tools that deepen engagement and reinforce loyalty.

Our capital inputs

Financial Capital

We maintain a balanced mix of equity and debt funding to support our business. These resources enable investment in our operations, estate and customer offer, while funding infrastructure, digital systems and employee development. Prudent financial management and targeted capital investment ensures we deliver on our strategic goals and sustain long-term value creation.

Manufactured Capital

Our manufactured capital includes our store network, distribution centres, meat factory and IT systems. These assets form the backbone of our operations, allowing us to efficiently move products from supplier to shelf, and to serve customers across diverse regions and income groups through formats tailored to their needs.

Intellectual Capital

Our intellectual capital includes the retail expertise, data capabilities, systems and processes that power our business. Advanced systems and data analytics tools improve our forecasting, replenishment and efficiency. Our strong Boxer brand and tailored product ranges – including our trusted private label brands – help us meet the needs of our value-conscious customers.

Human Capital

Our people are our most valuable asset. Skilled and committed teams bring our customer promise to life. We support our employees through fair and competitive remuneration, ongoing skills training, leadership development and a focus on inclusion, ensuring our customers receive excellent service in stores that reflect their communities.

Social and Relationship Capital

Our success depends on trusted relationships with our customers, communities, suppliers and other stakeholders. We are committed to job creation, local supplier development, community support and inclusive growth. Guided by our values, we strive to build loyalty through meaningful engagement and a visible, positive impact.

Natural Capital

We recognise our responsibility to manage environmental resources carefully. From energy and water to packaging and waste, we are focused on reducing our operational footprint. As a retailer with a growing reach, we actively pursue more sustainable practices across our business and in partnership with customers and suppliers.

Boxer applies the six capitals with discipline and intent, using them efficiently to support long-term sustainable growth. We carefully manage trade-offs between the capitals to create and sustain value for all our stakeholders. Our balanced, resilient business model and our positive tangible impact on the communities we serve continue to underpin Boxer's success in a competitive and fast-changing retail environment.

Our capital outputs

Our capital outputs include the wide range of products and services we offer to our customers – including food, groceries, general merchandise, liquor and value-added services. As a result of our operations, we generate by-products and waste, including food waste, packaging materials and carbon emissions. Given our scale and reach, we actively manage these impacts to protect natural resources, uphold our responsibilities to the communities we serve, and maintain our social licence to operate over the long term. *Read more from page 36.*

Our capital outcomes

Our capital outcomes include a range of internal and external consequences for our stakeholders, which are outlined in more detail below.

Financial capital

Boxer has a long-standing track record of financial discipline, historically funding its growth through internally generated cash. Ahead of listing, the balance sheet was restructured to enable a pre-listing dividend to PIK, introducing a moderate level of debt. This gearing supports future growth in a responsible manner, remains within prudent limits, and will be managed down over time. The Group is financially robust and intends to initiate dividend payments in FY26, targeting a 40% payout of headline earnings.

Action and highlights

- Successful IPO with strong shareholder support
- Market-leading sales growth
- Consistent profit margins
- Strong profit growth and cash generation

Constraints and challenges

- Net funding interest received decreased 47.7% to R45 million due to new external debt
- Additional listing-related costs

Outcomes

- Shareholders' equity: R1.9 billion
- Total borrowings: R850 million
- Net debt[1]: R180 million
- Net debt to EBITDA[2]: 0.1 times

1 Net debt excludes leases
2 Pre-IFRS 16
Refer to pro forma information on page 80.

Manufactured capital

Boxer's manufactured capital includes our growing store estate, centralised supply chain and technology infrastructure – the physical foundation of our retail operations. In FY25, we expanded our store footprint, optimised our supply chain and invested in digital innovation and enhancements. Our infrastructure strategy is closely aligned with our growth ambitions, customer proximity and operational efficiency.

Action and highlights

- Market-leading 25.5% return on invested capital (ROIC) including IFRS 16 (73.6% excluding IFRS 16)
- 48 net new stores, store space increased by 9.1%
- Progress on new KwaZulu-Natal distribution centre (DC)
- Transitioned to more efficient East London DC site
- Improved supply chain performance and capacity

Constraints and challenges

- Store roll-out weighted towards the second half (H2), limiting full-year trading benefit
- Liquor store roll-out constrained by licence approvals
- Availability of prime sites for Boxer's growth ambitions

Outcomes

- Total stores: 525
- DCs: 6 existing, 1 under development
- Capex: R976 million (61% expansion, 39% maintenance)

Intellectual capital

Boxer's intellectual capital is rooted in deep retail expertise, a high-performance culture and disciplined execution. Our systems, data and processes are designed to deliver consistent, efficient operations at scale. We continue to invest in capabilities that enhance customer insight, drive automation, improve working capital management and support innovation. These platforms strengthen our ability to respond to customer needs with speed, relevance and value.

Action and highlights

- Successful launch of Boxer Rewards Club
- Automated inventory and demand planning systems
- Automation and digitisation of systems and processes
- Expansion of private label brands

Constraints and challenges

- Internal capacity to scale data science and analytics
- Retention risk of key and scarce talent
- Ongoing investment required to modernise core IT infrastructure
- Heightened focus on cybersecurity systems resilience

Outcomes

- Over 2.0 million loyalty customers enrolled
- Gross margin improved 20 basis percentage points to 21.4%
- Income from financial and other value-added services up 16%
- Lower days of stockholding, with improved availability

Human capital

Our employees form the backbone of our performance and our culture. We foster a values-led, high-performance environment where passion, discipline and care for our communities define how we work. Our growing team reflects our expanding store footprint, and we continue to employ from within the communities we trade. We invest in skills, training and leadership to support career growth, operational excellence and a customer-first mindset.

Action and highlights

- 2 900 new jobs created
- Maintained a strong and motivated workforce
- R3.3 million invested in training and development
- 3 688 internal promotions
- Developed new long-term incentive plan

Constraints and challenges

- The need to scale leadership capacity to meet network expansion
- Additional skills required by the listed environment
- Labour cost pressures driven by wage inflation
- Heightened competition for scarce skills

Outcomes

- Total employees: 32 000
- 98% African, Coloured and Indian (ACI) participation and 57% female participation
- Employee costs: R3.1 billion (19.1% increase)

Social and relationship capital

Boxer's strength lies in the trust and loyalty it has built with customers, suppliers, communities and other key stakeholders over almost five decades. With deep roots in the areas we serve, we are more than a retailer – we are a reliable partner in local development and community upliftment. We support small-scale farmers, uplift schools and invest in initiatives that make a lasting difference. Through transparency, fairness, and inclusion, we build sustainable relationships that grow with our business.

Action and highlights

- Strong investor confidence in IPO
- Expanded our community outreach programmes
- Deepened supplier partnerships, including small-scale farmers and local producers
- Supported job creation through waste recycling and local sourcing projects

Constraints and challenges

- Economic hardship impacts customer affordability
- Scaling supplier development and community programmes in line with growth
- Service delivery constraints in some areas require ongoing operational agility

Outcomes

- 47 schools in the Boxer School Club
- 50 learners annually in the Boxer Youth Leadership Programme
- 584 small-scale farmers in our farmer development programme
- Over 250 jobs created through recycling initiatives

Natural capital

Boxer is committed to reducing its environmental footprint while expanding its operations. With a large national presence, we are mindful of our impact on energy, water and waste. Our approach focuses on responsible refrigeration, renewable energy adoption, recycling and improved energy resilience in the face of load-shedding. Through practical, targeted initiatives, we continue to support environmental sustainability while reinforcing Boxer's role as a responsible and resource-conscious retailer.

Action and highlights

- Installed CO_2 refrigeration in new stores
- Achieved 99% energy efficient LED lighting roll-out in stores
- Rooftop solar installations reached 84 Boxer sites
- Rolled out rainwater harvesting at select DCs to reduce municipal water use
- Continued to manage environmental risks related to load-shedding, diesel reliance and climate impacts

Constraints and challenges

- High reliance on diesel generators during power outages, with significant operating costs
- Load-shedding and erratic water supply increase environmental and operational risks
- Climate change poses ongoing threats to food supply, agricultural inputs, and cost predictability

Outcomes

- 100% of DC plastic waste recycled and repurposed into Boxer shopping bags
- 46 stores converted to CO_2 refrigeration
- 10 Boxer-owned solar installations and 74 landlord-managed solar systems
- 9 339 tonnes of recyclable waste collected in FY25

Balancing capital trade-offs to sustain inclusive growth

As a disciplined, value-driven retailer, Boxer continuously manages the trade-offs between capital inputs to deliver sustainable value for stakeholders. This means carefully balancing affordability for customers with fair returns for shareholders, operational efficiency with employee wellbeing, and rapid expansion with environmental responsibility. In FY26, these trade-offs will be most evident in our accelerated store roll-out, investment in supply chain capacity, and digital innovation. Our focus remains on serving our customers better without compromising the long-term resilience of our business or the communities we serve.

Expansion and operational efficiency

vs +

Boxer's rapid store roll-out and investment in new distribution infrastructure supports long-term growth and access for under-served communities. However, this places pressure on short-term operating costs, workforce capacity and leadership depth. The business must carefully balance growth ambition with the need to maintain high executional standards and lean cost structures.

Customer affordability and financial returns

vs

Boxer's commitment to low prices and value for money remains central to our brand. In a low-growth economy, keeping food affordable for customers can compress margins and constrain pricing levers. There is trade-off between protecting customer purchasing power and delivering shareholder returns, requiring margin discipline, strategic sourcing and operational efficiency.

Digital innovation and cost discipline

vs

Boxer's roll-out of loyalty rewards, improvements in inventory and demand planning systems and data-led decision-making are essential to sharpening our competitive edge and deepening our customer engagement. However, building and scaling digital capabilities requires ongoing investment in systems, analytics and talent. The trade-off lies in funding these innovations while staying true to Boxer's disciplined, low-cost operating model – ensuring that every investment delivers measurable efficiency or value uplift.

Looking ahead: sustaining our capitals in a dynamic environment

Boxer's disciplined operating model, strong stakeholder partnerships and deep community roots provide a resilient foundation for sustainable growth. However, the external environment remains volatile, with macro-economic uncertainty, cost inflation, resource constraints and social instability continuing to test business resilience. We remain mindful of the risks posed by ongoing affordability pressures, skills scarcity, water and energy disruptions, and the growing threat of cyber attacks. Our ability to create long-term value will depend on how effectively we manage these risks, while ensuring that our people, systems, infrastructure, and stakeholder relationships remain fit for the future.

3 The world we **OPERATE IN**

Understanding the Boxer operating environment

Managing our risks and opportunities

Our stakeholder engagement

UNDERSTANDING THE BOXER OPERATING ENVIRONMENT

Boxer operates in a dynamic retail landscape shaped by domestic and global economic pressures, shifting consumer behaviour, heightened market competition and increasing digital engagement. As a discount retailer serving South Africa's middle to low-income communities, these external factors directly influence our business strategy and require agility, entrepreneurship, innovation and a resolute commitment to operational efficiency in order to maintain price leadership and sustain long-term growth.

In this chapter, we explore the five key trends shaping our market – from macro-economic realities and global trade dynamics to the evolving relationship between formal and informal retail. We also examine how Boxer responds to its trading environment through competitive pricing, considered expansion, digital engagement and an unwavering commitment to meet the needs of our customers and communities. By proactively responding to these trends and the opportunities presented, Boxer continues to strengthen its market position.

Trend 1

A challenging economic and trading environment

South Africa faces persistent low economic growth (0.6% achieved in 2024 and 1.4% forecast for 2025), high unemployment (32.9% as of quarter 1 2025) and significant infrastructure constraints, including instability in electricity and water supply. These domestic challenges are compounded by global headwinds, including supply chain disruptions, rising input costs, and geopolitical tensions.

Impact on Boxer's market

- Slower economic growth weakens consumer spending
- Currency depreciation increases the cost of imported goods, including certain food and grocery products, fuel and equipment
- Investor uncertainty affects foreign direct investment into South Africa, including in the retail sector
- Rising energy and logistics costs from load-shedding and fuel price volatility put pressure on operating costs and profit margins

Our response

- Cost discipline – we maintain low operating costs through efficient procurement and centralised distribution
- Supply chain optimisation – we source locally where possible to reduce foreign exchange risk and transport costs
- Price leadership and value strategies – we prioritise a continuous promotionally driven offering, and tailored bulk and combo deals to maintain affordability for our customers
- Store roll-out strategy – we focus our expansion in high-footfall areas, under-served by Boxer, while optimising our capital allocation in a tough economic climate
- Conservative balance sheet – we maintain low levels of debt and prioritise liquidity to support our resilience in uncertain times

Trend 2

A consumer under socio-economic pressure

South African consumers remain under severe financial strain due to high unemployment, low wage growth and a rising cost of living. The steady decline in real household income has deepened consumer reliance on social grants. The recent reduction in US aid to South Africa, particularly in HIV treatment and essential healthcare services, puts further pressure on vulnerable communities.

Impact on Boxer's market

- The proportion of household income spent on food rose from 13.5% in 2013 to 16.7% in 2024[1], making the affordability of essential food and groceries critical
- Social grants support approximately 19 million people, many of whom are Boxer's core customers
- Reduced disposable income shifts spending towards essential goods over discretionary purchases
- Informal sector competition has grown as cash-strapped consumers seek cheaper alternatives

Our response

- We seek to maintain the lowest-cost basket for essential food and household items
- Targeted promotions, including our bulk and combo deals, help customers stretch their budget and incentivise loyalty
- We support food relief and social welfare schemes to support our communities and we partner with local suppliers and service providers to create inclusive economic opportunities
- Many customers collect their social grants at Boxer stores, boosting foot traffic and sales conversion
- We prioritise local hiring when opening a new store, strengthening community trust and participation

[1] *Stats SA (for % income spent on food), Quarterly Bulletin of the South African Reserve Bank March 2024 (for gross disposable income). Household expenditure on food and non-alcoholic beverages divided by gross household disposable income.*

Trend 3

The rise of discount retail

South Africa's discount retail sector remains under-penetrated compared to global markets, despite recent accelerating growth. Discount grocery retail accounts for only 6.2% of South Africa's formal sector – well below markets like Poland (32%) and Turkey (21%)[1] – signalling significant growth potential. Boxer is well positioned to lead this expansion, with an opportunity to double its store footprint over time.

Impact on Boxer's market

- Customers are increasingly shifting their spend to discount retailers due to rising cost pressures, reinforcing the demand for low prices
- Private and confined label products are gaining traction as customers seek quality at lower prices

Our response

- Private and confined label growth – our Boxer-branded products represent circa 20% of our range, supporting affordability and differentiation
- Accelerated store expansion – we aim to open 60 new stores in FY26, in high-density, under-served areas
- Value-driven promotions – our bulk deals, combo discounts and free add-ons help customers save more
- Lean operating model – our no-frills, high-volume approach supports price leadership and operational efficiency

Trend 4

Increased competition, including from a dynamic informal retail market

Retail competition continues to intensify as formal and informal retailers increasingly compete in the same spaces. The informal sector, including spaza shops and independent traders, thrives on low overheads, while formal players leverage scale and infrastructure. The South African government has officially opened applications for the R500 million Spaza Shop Support Fund to increase the participation of South African-owned spaza shops in townships and rural areas.

Impact on Boxer's market

- Spaza shops and independent traders compete on price and convenience, with low-cost structures and flexible models
- Formal players differentiate on product quality, compliance, customer service and trust
- Regulatory shifts, such as the removal of lease exclusivity clauses, present new expansion opportunities for formal players

Our response

- We leverage our scale and procurement power to offer competitive value
- Our growing private and confined label range helps us compete on value
- We are expanding into townships and rural areas and are successfully competing directly with smaller informal players
- We offer multiple payment options and financial services to enhance accessibility
- Bulk online offering being developed to assist in serving the Spaza market

Trend 5

Convenience and digital innovation

Consumers are increasingly demanding greater convenience and digital engagement. Boxer recognises the importance of this area and are fully focused with plans in place to deliver an offering that is deliberate, sustainable, and aligned with our brand. Our vision is not to replicate digital trends blindly, but to set new benchmarks for relevance, accessibility, and customer impact within the communities we serve.

Impact on Boxer's market

- Digital solutions empower customers to better manage their spending while unlocking personalised savings
- The growing use of alternative payment methods such as QR codes, mobile wallets, and digital vouchers is improving ease of use and access across the customer base

Our response

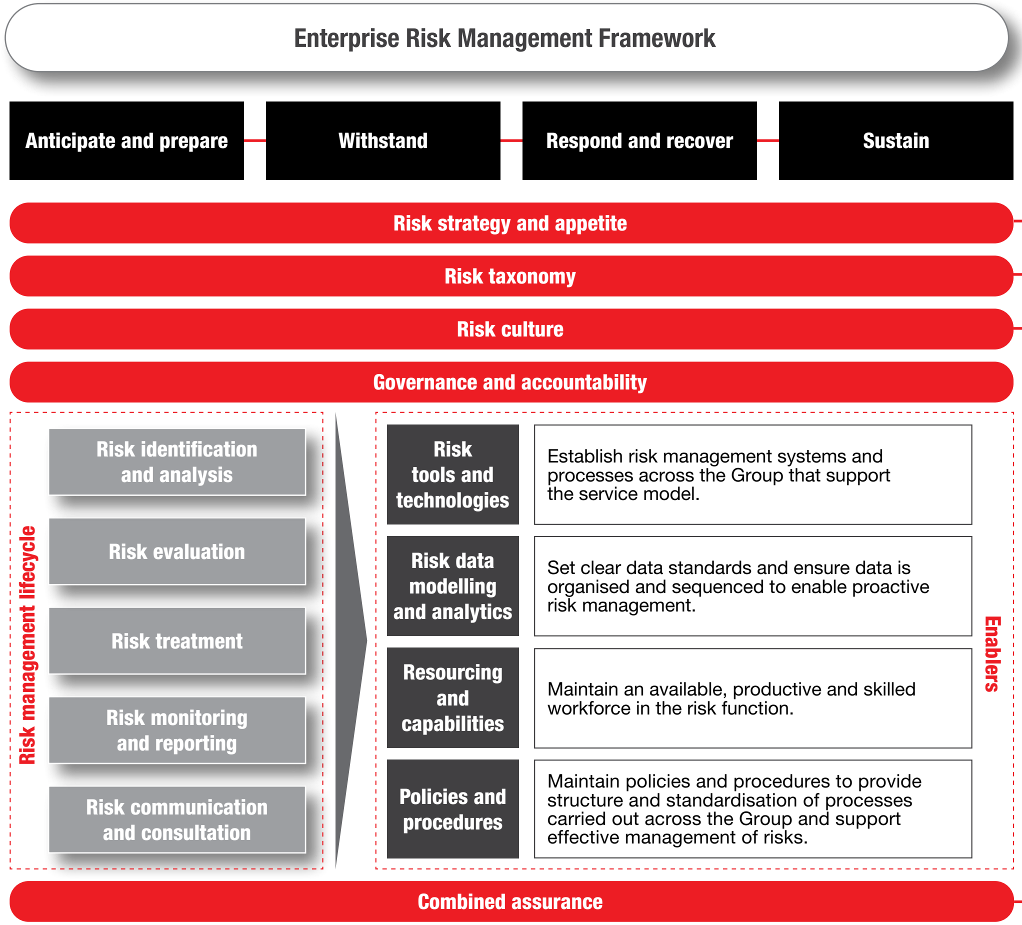
- The Boxer Rewards Club Card, launched in September 2024, has quickly become a cornerstone of our digital engagement strategy — enabling offers, deeper customer insights, and stronger loyalty
- We have implemented targeted promotions, using data to drive affordability and maximise value for customers
- Our mobile-first strategy includes the expansion of digital touchpoints such as WhatsApp, SMS promotions, and digital catalogues, making our offerings more accessible to a broader audience
- To support and accelerate these efforts, we have entered into strategic partnerships with non-retail organisations to bring in leading-edge capabilities and innovation. We are also creating and filling key roles in digital transformation and data analytics — ensuring we have the internal talent and expertise to lead this evolution

[1] *Source: IGD, Stats SA, International Monetary Fund, South African Reserve Bank, Futureworld South African Discount Retail: Customer and Market report.*

MANAGING OUR **RISKS AND OPPORTUNITIES**

Boxer operates in a fast-moving retail environment where risk management is integral to senior management's day-to-day responsibilities. It forms a key part of our commitment to achieving our long-term objectives and, in so doing, protecting and creating sustainable shareholder value.

In this chapter we present an integrated view of the material risks and opportunities that could influence our ability to deliver on our strategic goals. While our Pre-Listing Statement provided a broader overview of the Group's potential risk exposures, this report focuses on the top risks most relevant to our current operating context and value creation priorities. These top risks and opportunities reflect our integrated thinking and the growth opportunities we are pursuing as a newly listed national retailer.



Integrated risk management approach

The Audit, Risk and Compliance Committee (ARCC) is mandated by the Board to oversee and approve the Group's enterprise risk management (ERM) framework and related policies, and to objectively assess the outcomes of the Group's combined assurance process.

The ARCC reviews key risks regularly throughout the year, tests their relevance and provides input to ensure our strategy remains responsive to a changing environment.

The Group's ERM framework provides a structured and consistent approach for identifying, assessing and managing risk across all levels of the business. It is aligned to international best practice[1] and supports proactive decision-making that protects and creates value for the Group and its stakeholders.

Risk strategy sets out the types of risks that the Group is willing to retain in implementing its strategies.

Risk appetite is the nature and amount of risk that the Group is willing to accept to meet our strategic objectives. The risk appetite explicitly defines the boundaries within which management is expected to operate when pursuing business strategy. This might differ between business units.

Risk taxonomy is a set of risk categories that are used throughout the Group to identify, aggregate, analyse and prioritise risks and opportunities.

Risk culture is the encouraged and acceptable behaviours, discussions, decisions and attitudes toward taking and managing risk within the Group.

The Group's combined assurance framework ensures adequate assurance over material risks. The risk and compliance and internal audit functions play a key role in reviewing the effectiveness of risk management systems and internal controls.

[1] *The ERM framework is aligned to the principles of ISO 31000:2018, the international standard for risk management.*

The Group has implemented a three-line defence model as its combined assurance framework:

First line of defence

Risk ownership and control design

- Ensure that day-to-day operations and activities are aligned with overall business objectives and risk appetite
- Actively identify and assess risks associated with processes and activities to determine their potential impact on the risk appetite
- Perform ongoing risk monitoring and root cause analyses to ensure risks remain within the defined risk appetite limits
- Escalate significant risks or issues that may breach the risk appetite
- Collaborate with the second line of defence
- Promote a strong risk culture and the view that it is management's responsibility to manage risk exposures

Operations	Development
Supply chain	Information technology
Compliance	Food safety
Human resources	Commercial
Finance	Security

Second line of defence

Risk oversight and monitoring

- Develop and maintain risk appetite policies, frameworks and clear guidelines that provide direction on acceptable levels of risk
- Monitor first-line activity to ensure alignment with the established risk appetite
- Ensure that the risk management framework and its implementation are consistent with the stated risk appetite
- Provide support through developing and advising on risk mitigation plans
- Monitor risks and challenge the effectiveness of the first line of defence
- Conduct risk assurance activities and deep dives
- Provide regular reports to management and the ARCC on the risk profile and any significant deviations from the risk appetite

Head of Compliance	IT governance
Head of Risk	Food safety and quality
Insurance	Health and safety

Third line of defence

Independent assurance

- Provide independent assurance to the Board, ARCC and senior management on the adequacy of risk management across all activities covered by the Group's risk management framework
- Conduct audits of the first and second line of defence risk management processes to assess the effectiveness of risk identification, assessment, and related mitigation efforts
- Assess the appropriateness and effectiveness of the internal control environment implemented by the first line of defence to ensure they are adequate and within the defined risk appetite
- Review the accuracy and completeness of risk reporting, ensuring it provides a true and fair view of the Group's risk profile

Internal audit	IT audits
External audit	Food safety audits
Occupational health and safety audits	BBBEE assurance

Driving accountability for risk management

Our three-line defence model holds management accountable at levels one and two for risk identification, evaluation and mitigation within their area of accountability. Level three provides the overall independent assurance on the residual risk rating.

Bi-annual workshops are held with all Group executives and Risk Champions to review and assess Group-level risks and consider possible emerging risks that could impact our objectives.

Workshops are held throughout the year with all business units to review and update their respective risk registers and reassess the control environment and overall residual risk ratings.

Determining materiality

Materiality is assessed using a structured process that considers strategic, financial, operational, regulatory, reputational, and environment, social and governance (ESG) impacts. Boxer's risk and compliance function drives this process and works closely with the business to identify and assess risks and opportunities.

Insurance

Insurance is a key risk transfer mechanism within the Group's ERM framework. Given the high financial exposure associated with inadequate coverage, the insurance portfolio is actively managed as part of our overall risk strategy. We maintain robust, cost-effective insurance through "A" rated local and international underwriters[1] to support business continuity in the event of an incident.

A dedicated insurance risk management plan ensures that our cover remains appropriate and effective and continues to deliver strong outcomes.

[1] *"A-rated underwriters" refers to insurance companies that received the highest rating from a credit rating agency, signifying strong financial health and the ability to meet their obligations, especially in handling and settling claims.*

Key focus areas and actions during FY25

The Group focused on strengthening the maturity and reach of its integrated risk and compliance function. We embedded our ERM framework more deeply across the business, aligning our risk processes with Boxer's growth and expansion strategy.

Key actions included:

- Refreshed our risk appetite and combined assurance frameworks and policies
- Conducted risk workshops and interviews with key executives, updated business unit risk registers and carried out targeted reviews of high-priority risk areas
- Delivered employee training on updated risk methodologies
- Analysed emerging industry risks relevant to our operating model

Monitoring the effectiveness of risk management

Our structured risk workshops, control environment assessments and risk register reviews confirmed that the top risks remain appropriate and our mitigation strategies are aligned with the Group's risk appetite. No material deficiencies were identified. The outcomes of these activities will inform the FY26 combined assurance plan and the refinement of business unit controls.

Material risks and Board oversight

Effective governance and risk management are critical to Boxer's ability to create long-term value. This includes the timely identification of material risks and opportunities, our commitment to social and environmental sustainability, strong financial performance, and disciplined execution of our long-term growth strategy.

The Board held regular discussions on the material matters that could impact our ability to protect and grow value for our stakeholders. These discussions informed our view of the Group's most significant risks and opportunities, how we are responding to them, and where we see potential for long-term strategic advantage.

The table below outlines the Board oversight of the Group's top risks.

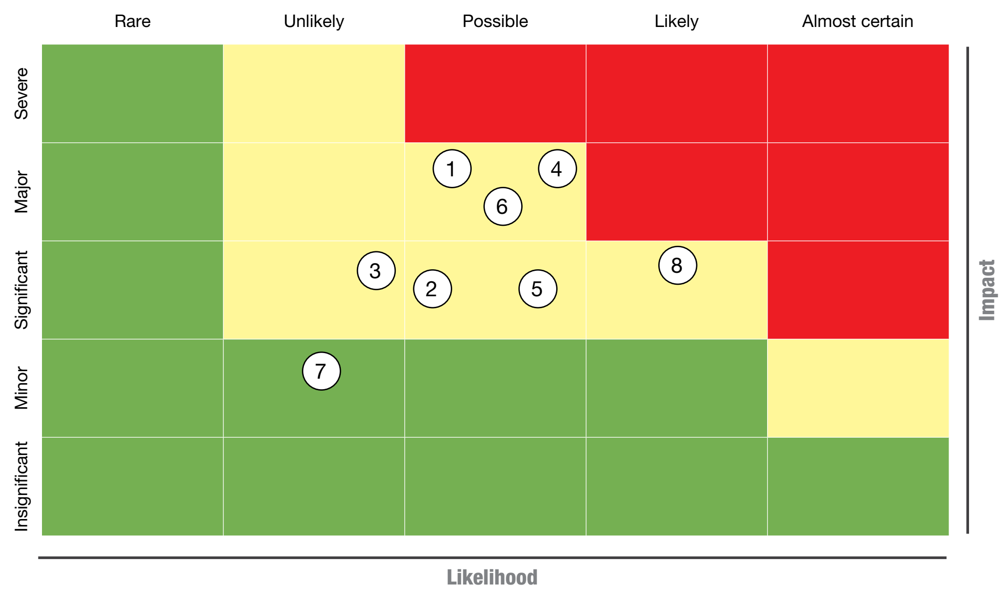
The top risks in FY25		Board committee oversight			
		Audit, Risk and Compliance Committee	Remuneration Committee	Social, Ethics and Transformation Committee	Nominations and Corporate Governance Committee
1	Threats of social unrest	✓		✓	
2	Estate expansion delays	✓			
3	Supply chain and logistics disruptions	✓			
4	Cyber and information security	✓			
5	Legislation and regulatory compliance	✓	✓	✓	✓
6	Product quality assurance	✓		✓	
7	Talent attraction and retention	✓	✓		
8	Consumer disposable income pressure	✓		✓	

Residual risk ratings

The heat map below illustrates the potential likelihood and impact of the Group's top material risks at a residual risk level. The residual risk rating is the exposure that remains after considering the control environment in place to mitigate those risks.

A clear understanding of the probability and impact of material risks guides the Group in prioritising and managing risks to minimise any negative impact on value creation. There were no undue, unexpected, or unusual risks encountered in FY25. All risk decisions and exposures stayed within the Group's risk appetite and tolerance framework.

Our top risks are unpacked in the pages ahead, including setting out the difference between the inherent and residual risks, and how each risk has shifted since the previous year.



Boxer's independent risk management function formally reports to the Boxer ARCC, which in turn reports to the Group Audit, Risk and Compliance Committee of Pick n Pay Stores Limited (PIK).

The PIK Group's risk oversight over Boxer is maintained in the following manner:

- Boxer adopted the PIK Group Risk Policy in full, including all supporting frameworks, i.e. enterprise risk management, combined assurance, and risk appetite and tolerance.
- The outcomes of Boxer's top risk profile and combined assurance process is considered as part of PIK's risk aggregation process. Boxer risks that have a material impact on the PIK Group are included in the PIK risk profile and risk reporting, based on severity of impact and likelihood.
- The Chair of the Boxer ARCC is formally required to attend the PIK ARCC, in order to provide a formal update on material risk matters as they relate to Boxer.

1 Threats of social unrest

Inherent risk: H Residual risk: M

Risk owner: Operations **Risk shift:** Unchanged

Risk factors

Political instability and national and local infrastructure deterioration, combined with government's failure to deliver basic services at an affordable cost, could see an increase in disruptive protests. This could impact the Group's ability to trade effectively.

An increase in protests could result in the hardening of the insurance market and significantly higher insurance premiums and/or insurance cover being reduced.

Risk mitigations

- Highly skilled internal and external security teams monitor for possible threats and incidents
- Physical security mechanisms to protect assets
- Business continuity plans
- Comprehensive insurance covers for property damage and business interruption

Opportunities

- We continue to foster meaningful engagement with community leaders
- We continue to improve early detection measures and prevention of possible unrest
- We invest in social initiatives that promote well-being and stability in the communities we serve

2 Estate expansion delays

Inherent risk: H Residual risk: M

Risk owner: Development **Risk shift:** Increased

Risk factors

The inability to secure suitable sites in a timely manner may hinder the execution of our growth strategy, affect expected investment returns, and lead to a loss of market share.

Risk mitigations

- A forward-looking three-year pipeline is in place
- Committed relationships and regular engagement with landlords and developers
- Performed detailed feasibility studies on sites to ensure an acceptable return on investment

Opportunities

- We continue to actively collaborate and engage with landlords, developers and local municipalities to identify sites

3 Supply chain and logistics disruptions

Inherent risk: H Residual risk: M

Risk owner: Supply Chain **Risk shift:** Unchanged

Risk factors

Fire, labour disputes and social unrest are the key risks to our distribution centres and third-party cold storage partners.

These could negatively impact trading at stores being serviced by an affected distribution centre or cold storage partner.

Risk mitigations

- Approved sprinkler systems installed in all distribution centres
- Comprehensive insurance covers are in place for property damage and business interruption
- Highly skilled internal and external security teams monitor for possible threats and incidents
- A decentralised distribution network, aligned with our business continuity plans, is in place

Opportunities

- Continue to improve measures of early detection and prevention of fire, labour disputes and unrest

4 Cyber and information security

Inherent risk: H Residual risk: M

Risk owner: Information Technology **Risk shift:** Unchanged

Risk factors

Increasing frequency of global and local cyber attacks, social engineering[1] and ransomware resulting in unauthorised access, loss and/or corrupted data, or ransom demands.

Where the attack results in a compromise to personal information, the Group could be subject to legal liability claims and regulatory penalties.

Risk mitigations

- Multi-factor authentication and strict access controls for all critical systems
- Regular cybersecurity audits and vulnerability scans, including patch management
- Partnerships with leading cybersecurity software tool companies
- Incident response and recovery plans are in place
- Cyber insurance covers are in place

Opportunities

- Continued investment in cybersecurity tools

[1] *Social engineering is the tactic of manipulating, influencing, or deceiving a victim in order to gain control over a computer system or to steal personal and financial information.*

5 Legislation and regulatory compliance

Inherent risk: H Residual risk: M

Risk owner: Compliance
Risk shift: Increased

Risk factors

South Africa is a highly regulated country. It requires a robust compliance framework to ensure compliance with, among others, the JSE Listing Requirements and the Companies, Tax, Consumer Protection, Food Safety, Occupational Health and Safety, Basic Conditions of Employment, Employment Equity, and Protection of Personal Information Acts.

Failing to comply with the relevant laws and regulations could result in substantial penalties and reputational damage. Listing has increased compliance requirements.

Risk mitigations

- The Group uses appropriate legal and regulatory specialists to provide regular oversight inspections and report on areas of non-compliance
- The Group uses a third-party compliance specialist to flag appropriate legal and regulatory changes, which are communicated to the Compliance Manager to ensure the Group stays abreast of the changing landscape
- The legal department manages all legal matters

Opportunities

- Ongoing engagement with the relevant legal and regulatory entities on changes and implementation
- Leverage PIK JSE expertise

6 Product quality assurance

Inherent risk: H Residual risk: M

Risk owner: Food Safety
Risk shift: Unchanged

Risk factors

Ensuring food safety and product quality for our consumers requires the ethical sourcing of raw materials, good manufacturing practices, correct distribution and storage before the sale.

Failure in any of these processes could result in the Group being subject to liability claims and reputational risk.

Risk mitigations

- Robust supplier approval process are in place
- Dedicated and skilled team in our meat factory and confined label department to increase in-house oversight of compliance and quality control
- The Group uses a leading industry specialist to provide regular oversight inspections, testing and reporting on areas of non-compliance

Opportunities

- Ongoing stringent governance oversight on all processes to ensure high levels of product quality

7 Talent attraction and retention

Inherent risk: H Residual risk: L

Risk owner: Human Resources
Risk shift: Unchanged

Risk factors

The Group is mindful that we operate in a competitive retail environment where value creation is underpinned by a skilled and stable workforce.

The information technology environment is one of high demand and employee retention is becoming more difficult.

Risk mitigations

- Top and senior management and key personnel succession planning and retention schemes are in place
- Dedicated talent attraction and retention department
- JSE Admission Award
- Formalised STI and LTI introduced

Refer Rem Report page 60

Opportunities

- Continued investment in mechanisms to identify and retain key personnel

8 Consumer disposable income pressure

Inherent risk: H Residual risk: M

Risk owner: Commercial
Risk shift: Increased

Risk factors

Increased cost of living and high levels of unemployment are placing unsustainable pressure on household income.

The consumer is very aware of price. Therefore, it is key for the Group to manage expenses in order to invest in reducing prices.

Risk mitigations

- Our business model focuses on enhancing the customer value proposition and affordable products
- Growth of the confined label product range, which offers alternative value-for-money products

Opportunities

- Increased demand for discount retail options
- Understanding our customer better through ongoing market and consumer research

Looking forward – emerging risks and opportunities

We expect economic conditions to become more difficult in the short to medium term. Global trade tensions – including shifting tariff regimes imposed by the United States – could drive up input costs and create significant uncertainty. This unpredictability makes supply chain planning increasingly difficult and could cause disruption across international logistics channels and at shipping ports.

Locally, increases in water, electricity and fuel costs will further constrain already stretched household budgets, particularly for the vulnerable communities we serve.

While these macro-economic developments are reflected in our top risks, we expect the pressure on consumer spending to intensify, with increasing demand for low prices on staple foods and essential groceries. Simultaneously, we are experiencing competition across the sector with intensified price-based marketing, a trend we expect to continue over the coming months.

In addition to these challenges, we remain alert to the longer-term risks and responsibilities associated with environmental and social sustainability. Issues such as climate volatility, water scarcity, and shifting expectations around ethical sourcing and employment practices are becoming increasingly relevant to our operations and the communities we serve.

We remain focused on our customers and our mission to deliver unbeatable value. Our teams are becoming more agile and resourceful in protecting our price leadership. Through relentless cost discipline and supply chain efficiency, we will maintain our virtuous operating cycle – creating value for our customers, communities and shareholders.

We will continue to strengthen our risk and compliance capabilities through:

- Ongoing policy refinement
- Skills development
- Embedding a deeper culture of risk awareness

"We will remain focused on emerging trends to ensure a timely and proportionate response."

OUR STAKEHOLDER ENGAGEMENT

Why stakeholder engagement matters

Sincere and constructive stakeholder engagement is core to Boxer's success. It strengthens trust, supports resilience and helps us respond to the evolving needs of the people, customers and organisations we serve. As a business rooted in communities across South Africa and Eswatini, we recognise that our ability to grow and create long-term value depends on open, responsive and inclusive engagement with all stakeholders.

How we engage

We engage through a combination of day-to-day operational contact, structured outreach and formal governance processes. Our engagement approach is practical, regular and respectful, focused on building trusted relationships and ensuring our stakeholders remain informed and heard. We are committed to transparent communication and to responding meaningfully to issues raised.

How we identify and prioritise stakeholders

We identify our stakeholders based on the extent to which they impact, or are impacted by, our business. This includes our customers, employees, suppliers, investors and communities. Our engagement priorities are shaped by materiality – we focus on those stakeholders who are most critical to our strategic objectives, social licence to operate and ability to deliver long-term sustainable value.

Balancing stakeholder interests and making trade-offs

Stakeholder interests do not always align. We are sometimes required to make carefully considered trade-offs between competing needs – for example, balancing customer affordability with supplier sustainability, or near-term returns with long-term investment. These decisions are guided by our values, our strategic priorities and a commitment to inclusive growth.

Oversight and accountability

The Boxer Board is responsible for ensuring that stakeholder interests are appropriately considered in all key decisions. Oversight is delegated to the Social, Ethics and Transformation Committee (SETC), which monitors material stakeholder relationships and the associated risks and opportunities. The SETC is in the process of developing a formal Stakeholder Engagement Policy. Stakeholder engagement outcomes are reported to the Board to support alignment with the Group's purpose, values and long-term priorities.

In the pages that follow, we outline the stakeholder groups that are most important to Boxer's long-term success, either because they are directly impacted by our business, or because they influence our ability to grow and create value over time. For each stakeholder group, we describe how we engage, what matters most to them and how we respond to meet their needs. While each stakeholder group will include a range of views and priorities, we believe the themes shared here reflect the key expectations and concerns that guide our decisions and shape our relationships.

Customers

Our customers are at the heart of everything we do. They are the reason we exist and the driving force behind our decisions, from the products we stock to the locations we serve. Focused on South Africa and Eswatini's middle- to lower-income communities, we are deeply aware of the socio-economic challenges many of our customers face. We work hard to keep prices low without compromising on quality, service or dignity. The better we understand our customers, the better we are able to serve them.

How we engage with our customers

We maintain consistent and personal engagement with our customers. Our stores are vibrant spaces where daily interactions provide powerful insights. Outside of our stores, we connect through social media, our Boxer Rewards Club loyalty programme, local community focus groups, promotional campaigns and our responsive customer care teams, who listen, respond and resolve. Our customer website and marketing channels offer further access points, but it is the day-to-day conversations – in our stores and online – that most meaningfully inform our customer understanding.

What is important to the Boxer customer

Boxer customers are looking for more than just low prices. They want nutritious food, trustworthy products, accessible stores and excellent customer service. Affordability is key – but so is food safety, product quality, convenience and a brand that plays an active role in their community. Our customers value a tailored range of essential food and groceries, high levels of product availability and a reliable and safe shopping experience. Increasingly, our customers are also looking for more healthy food choices, personalised promotions and loyalty rewards.

How we respond

We shape our offer around what matters most to our customers. This means consistently low prices and compelling promotions, supported by a strong fresh food offer, reliable stock availability, and helpful and engaged store teams. We tailor our range to local needs, prioritise stores near high-footfall areas and transport hubs, and continually invest in enhancing the Boxer shopping experience. When customers raise concerns, we act quickly, and when they share ideas, we listen and adapt. The energy in our stores reflects the energy of the communities we serve.

Key themes and actions in FY25

We focused on deepening the value we provide to customers:

- Launched Boxer Rewards Club, our first loyalty programme, to reward loyalty and deliver more personalised value
- Improved product availability through an enhanced forecasting and replenishment system
- Strengthened our fresh food offer, delivering strong growth across our produce, butchery and bakery categories
- Invested in modernising and expanding our store estate with 48 store refurbishments and 53 new stores in previously under-served areas

Employees

Our employees are the backbone of our business and the face of Boxer in our stores and communities. Their energy, commitment and care bring our Boxer values to life every day. We know that to serve our customers well, we must support and empower our people – building a workplace where they can grow, thrive and take pride in the work they do.

Boxer employs 32 000 people, with 90% of new store recruits hired from local communities. This connection ensures that our growth drives grassroots employment and contributes to local economic development. We are committed to creating quality jobs, advancing transformation and promoting a workplace that is diverse, inclusive, safe and respectful.

How we engage with our people

We prioritise clear and consistent communication across all levels of the business. From team meetings and performance reviews to staff roadshows, digital platforms, internal media and our Champ newsletter, we foster a well-informed and connected workforce. We maintain constructive relationships with our trade union partners, with regular engagement on labour matters, skills development and dispute resolution.

What matters to our people

Our employees value fair and competitive pay, job security, career growth and a sense of belonging. They want to be recognised for their contribution, supported in their well-being and included in a workplace that is ethical, respectful and empowering.

How we respond to our employees' needs

We offer competitive, market-aligned remuneration and a range of benefits, including performance incentives and share-based rewards for senior leadership. We invest in training, wellness initiatives and clear pathways for advancement. Our streamlined operational structure promotes accountability and empowerment, supported by accessible HR engagement and confidential whistle-blowing facilities.

Key themes and actions in FY25

We reinforced our commitment to building a strong and motivated team:

- Created 2 900 new jobs across our growing store network
- Promoted 3 688 employees internally, supporting personal growth and career progression
- Benchmarked senior executive pay ahead of our JSE listing
- Issued a broad-based admission award aimed at retention
- Trained and upskilled 6 092 employees through formal programmes
- Progressed against our diversity and inclusion goals
- Held regular constructive engagement with our labour union partner and successfully concluded a three-year wage agreement

Suppliers

Our supplier network is central to Boxer's ability to deliver quality, affordability and reliability to our customers. We partner with more than 400 suppliers, balancing large national brands with small and diverse local enterprises, including farmers and private and confined label producers. We value fair, transparent and mutually beneficial relationships, built on trust, quality and the shared goal of delivering great products at great prices. Local procurement is a priority. Over 90% of our fresh produce is sourced within South Africa, helping us optimise stock availability, manage costs and reduce supply chain risk. We mentor small businesses and farmers through our supplier development programmes and collaborate with suppliers to support innovation, food safety and sustainable practices. Our simple, high-volume stock-keeping unit model strengthens our negotiating power, while still providing meaningful opportunity for suppliers to grow with us.

How we engage with our suppliers

We maintain active and collaborative supplier relationships across our value chain, from ordering and replenishment to product development and risk management. Regular engagement and product reviews ensure quality, pricing and service standards are upheld. We engage directly on issues of compliance, health and safety, innovation and sustainability, supported by dedicated buyer relationships and a clear Code of Conduct.

What matters to our suppliers

Suppliers value fairness, efficiency and the opportunity to grow. Key priorities include transparent negotiation, timely payment, consistent communication and a long-term mutually beneficial partnership. Suppliers also expect alignment on ethical conduct, responsible sourcing and opportunities to innovate within a high-performance retail environment.

How we respond

We aim to be a dependable partner who adds value and supports supplier growth. We honour our commitments, communicate clear expectations and work collaboratively to improve product quality and innovation. Our sourcing approach supports both national brands and emerging suppliers, with growing investment in confined label and value-added services. We continue to deepen our ESG focus in partnership with our supplier base – including improvements in packaging, logistics and resource efficiency.

Key themes and actions in FY25

We reinforced our commitment to building a strong, local and diverse supplier base:

- Expanded partnerships with small, medium and micro-enterprises through our supplier development programme, creating new opportunities and supporting long-term growth
- Strengthened our confined and own brand offer to enhance customer value and improve supply chain resilience
- Deepened supplier collaboration on ESG initiatives, including sustainable sourcing and more efficient packaging and logistics
- Leveraged analytics and strategic stockpiling to manage inflationary pressure, protect margins and ensure consistent on-shelf availability
- Conducted regular performance reviews to improve product quality, category growth and innovation

Investment community

Going forward, our investment community will play a vital role in supporting Boxer's long-term strategy. Equity shareholders and debt funders have provided the capital that will underpin our growth and operational resilience. In turn, we are committed to disciplined capital allocation, robust governance and transparent reporting that supports informed decision-making and long-term value creation. We align our financial and governance disclosures with international best practice to provide clear insights into our performance, risk management and future priorities. While market forces remain outside of our control, we focus on strong operational execution and a sound capital structure to build investor confidence over time.

How we engage with our investment community

As a newly listed company, FY25 marked the beginning of Boxer's formal engagement with the equity investment community. Ahead of our listing, we prioritised open and equitable access to information through investor roadshows, one-on-one meetings, presentations and regulatory announcements. Looking ahead, we will continue to engage regularly through trading updates, company-led and broker-hosted events, and direct interaction with our executive team and Board committee Chairs – particularly on matters of strategy, governance and remuneration.

What matters to our investment community

Investors value sustainable performance, transparent reporting and ethical leadership. They seek direct engagement with key decision-makers, clear visibility into strategic and financial drivers, and open communication channels that ensure fair and timely access to material information.

How we respond

We are committed to high standards of governance, accountability and disclosure. Our strategy prioritises long-term growth, efficient capital management and sound risk management. We will remain agile in responding to opportunities as they arise, while maintaining consistent engagement with investors and a strong focus on timely, accurate market communication.

Key themes and actions in FY25

We laid a solid foundation for trusted engagement with local and international investors:

- Participated in a series of investor roadshows and one-on-one meetings ahead of our November 2024 listing, presenting a clear investment case and detailed insight into Boxer's business model, strategy, performance and governance and remuneration frameworks
- Ensured our Pre-Listing Statement complied with all JSE Listings Requirements and relevant legislation, providing comprehensive, transparent and accurate disclosure on the Group's historic performance and reasonable future prospects
- Engaged closely with funders to restructure the balance sheet ahead of listing, securing a short-term working capital facility and long-term funding in a prudent, risk-conscious manner to support our growth ambitions
- Established a robust platform for ongoing market communication, including trading updates, results presentations and regulatory disclosures
- First investor engagement post our FY25 results

Communities

Boxer takes pride in its role as a responsible corporate citizen, committed to uplifting the communities in which we operate. We are keenly aware of the deep inequalities across South Africa and the daily challenges many families face in accessing affordable food and quality education. Our approach to community support is practical and partnership-driven, focused on dignity, resilience, opportunity and empowerment. Our efforts extend beyond job creation and local procurement. Through targeted social investment and outreach programmes, we support education, food security and local enterprise development. From assisting small-scale farmers to mentoring school learners, we are deeply embedded in the lives of the communities we serve.

How we engage with our local communities

We engage at grassroots level through our stores, regional operations and community partnerships. We collaborate with schools, co-operatives, non-profit groups and local forums to identify needs and deliver meaningful support. Our community outreach is driven by in-store teams and supported by structured programmes, such as the Boxer Schools Club and small-scale farmer development.

What matters to our communities

Communities value access to affordable, quality food in clean and safe environments. They seek support for feeding schemes, education initiatives, youth employment and small business development. Local job creation, food security and environmental responsibility are also key priorities.

How we respond

We respond through practical action and lasting partnerships. Our Boxer Schools Club continues to support under-resourced schools with learning materials, feeding schemes, toiletries, gardening equipment, building materials and other essential supplies. Our small-scale farmer initiatives create market access, mentorship and development opportunities. Across the country, store teams lead local clean-up campaigns, food drives and other outreach campaigns. Environmental stewardship is embedded in our operations, including efforts to reduce waste and plastic usage and conserve natural resources.

Key themes and actions in FY25

We continued to strengthen our commitment to community upliftment:

- Expanded the reach of our Boxer Schools Club, supporting 47 schools through learning materials, feeding schemes and infrastructure improvements. Furthermore, 50 learners participated in our Boxer Youth Leadership Programme.
- Supported 584 small-scale farmers through access to markets, mentorship and skills development.
- Rolled out store-led community initiatives, including clean-up campaigns, initiatives against gender-based violence, and other local outreach programmes.
- Supported over 600 registered non-profit organisations through partnerships and collaborations in respect of various community upliftment programmes.
- Continued to integrate environmental and social responsibility into our daily operations, from reducing plastic waste to creating over 250 jobs on our recycling project and rallying communities and families to participate in our 5km Boxer Super Run.

Government and regulators

We recognise the important role of government and regulatory authorities in shaping the environment in which we operate. Constructive engagement ensures compliance with all applicable legislation, supports national priorities such as economic transformation and food security, and strengthens our ability to deliver lasting value for our customers and communities.

How we engage

We engage through formal reporting processes, legislative compliance, participation in regulatory forums and direct interaction with national, provincial and local authorities. We also collaborate with municipalities and public sector entities on service delivery, infrastructure, licensing, security and development initiatives affecting our stores and communities.

What matters to government and regulators

Government and regulatory bodies expect us to uphold the law, act ethically, and support the country's social and economic development goals. Key priorities include tax compliance, fair labour practices, food safety, occupational health and safety, black economic empowerment, environmental responsibility and community impact.

How we respond

We comply fully with all relevant legislation and regulatory requirements. We engage openly and constructively on issues impacting our business and our communities. We support transformation through local procurement, employment and enterprise development. We also participate in national and industry initiatives that aim to address the challenges faced by our customers and the communities we serve.

Key themes and actions in FY25

We proactively engaged on local and national priorities:

- Maintained compliance with applicable laws and regulatory standards, including tax, labour, food safety and occupational health and safety regulations
- Participated in municipal and local government engagements to address infrastructure, licensing, safety and service delivery issues
- Supported national development priorities through ongoing employment, local sourcing and supplier development
- Contributed actively to industry and business forums on food inflation, retail sector resilience and community security
- Ensured compliance with JSE listing requirements

4 Delivering greater value to **CUSTOMERS**

SITTING WITH THE CHIEF EXECUTIVE OFFICER

Marek Masojada
Chief Executive Officer

> Our achievements over FY25 were driven by disciplined execution, an unwavering focus on price competitiveness, and our commitment to staying closely connected to the communities we serve.

FY25 was a milestone year for Boxer – a year that reflects our determination to lead with value and grow our business with intention. We delivered operational excellence and remained committed to our mission of being South Africa's Number 1 Discount Retailer. It was a year of significant achievement, driven by the hard work and shared belief of 32 000 Boxer team members across the country. I am proud to reflect on the progress we have made.

A historic milestone: our JSE and A2X listing

In November 2024, Boxer Retail Limited was listed on the Johannesburg Stock Exchange and A2X with a day 1 closing market cap of close to R30 billion – the largest IPO in South Africa in eight years. The offer was multiple times oversubscribed and priced at the top of the range. The success of our listing was not only key to the Pick n Pay Recapitalisation Plan, but also a strong endorsement of the Boxer model, and a reflection of the confidence investors have in our strategy, our track record, and our people. Boxer is now a proudly independent, listed South African retailer with a clear mandate and mission: to provide incredible value to even more customers across South Africa and to deliver sustainable growth to our shareholders.

Strategic delivery

We entered FY25 with strong momentum and sustained it over the course of an extraordinary 12 months. Despite the demands of preparing for the IPO, our operational teams remained focused on our business priorities. Our maiden set of results reflects a business that is delivering on our strategy, our promises and, most importantly, on what matters most to our customers.

We achieved consistent market share gains throughout the year, which supported strong growth in sales and trading profit. We exceeded the guidance we provided at the time of the IPO and delivered a market-leading return on invested capital.

We expanded our footprint by a net 48 stores this year, including the conversion of 8 Pick n Pay supermarkets and 7 Pick n Pay liquor stores to Boxer, reaching a total of 525 locations across South Africa and Eswatini. Our expansion created 2 900 new jobs, a meaningful contribution to economic inclusion.

Although our store roll-out fell slightly short of our annual target of 60 sites, due to delays in securing liquor licences, our ambition remains resolute. We have the infrastructure, financial capacity and experience to deliver on our expansion plans in FY26 and beyond.

Disciplined execution

Our supply chain continues to develop as a competitive advantage, with our store growth supported by a well-planned and increasingly efficient logistics network. Over the past year, we strengthened this platform significantly. Our Benoni distribution centre is now operating at scale and serving the inland regions effectively. Across the north of the country, three distribution centres are helping reduce transport distances and optimise stockholdings. In the Eastern Cape, we transitioned to a more cost-effective and efficient facility in East London, while in KwaZulu-Natal, we broke ground on our second distribution centre near Tongaat – a major investment that will support over 100 future Superstores across the estate when it goes live in FY26.

Improved inventory management and back-end efficiency, including an enhanced forecast and replenishment system, enabled us to improve our stock days this year, while investing more than ever in lower prices.

Innovation

Innovation is a daily conversation at Boxer and a critical enabler of our growth strategy. Whether in-store, online, or through our digital platforms, we are focused on enhancing the customer experience and remaining relevant in a fast-evolving retail landscape. In October 2024, we launched the Boxer Rewards Club, which has already signed up over 2.0 million customers. The programme is building deeper customer engagement, generating actionable insights and laying the groundwork for more personalised interactions. We are also investing in the tools, talent and partnerships needed to support our broader innovation agenda, from new digital services and promotional platforms to meaningful collaborations with South Africa's leading consumer brands. These capabilities are already delivering results and helping to shape a more connected Boxer ecosystem.

A value-driven virtuous circle

The Boxer business model is elegantly simple: sell what people need the most, at the lowest sustainable price, through efficient, scaled operations. But simplicity demands discipline. Every decision we make is designed to fuel the Boxer Virtuous Circle, where efficiency enables value, value drives volume, and volume strengthens our ability to reinvest in customers. FY25 saw each component of this model reinforced:

- **High efficiency** – through ongoing automation, digitisation, and simplification
- **Value for money** – delivered through our "Never Pay More than the Boxer Price" promise, customer-centric promotions, and impactful bulk and combo deals that truly resonate with our customers
- **High volume** – strong like-for-like sales growth driven by customer insights and a tight and tailored product range
- **Continued expansion** – into previously under-served communities
- **Innovation** – digital tools that enhance our operational execution and customer engagement

Our model is delivering. Our stores are busy, our shelves are focused, and our teams are executing.

Our people – the champions behind the business

The message I want this report to carry above all else is this: our results are a direct reflection of our people. Boxer has a high-energy, high-performance culture. Whether in-store, at our distribution centres, in our meat factory or at our head office, every team member contributes to our success. The pride our teams take in their work, the energy they bring every day, and the connection they have with their customers – this is what sets Boxer apart. I have the real privilege of walking our stores, talking to our teams and listening to our customers. It is clear to me that Boxer is more than a brand – it's a business built on service, trust and heart.

Looking forward

We step into FY26 with clear ambition and plan to open 60 new stores (25 Superstores and 35 liquor stores), invest circa R1.2 billion in capital expenditure and continue to expand and enhance the infrastructure that supports our scale and efficiency. We remain mindful of emerging headwinds, including low selling price inflation, higher cost inflation, the annualisation of listing-related expenses, and heightened competition across our market. We will manage these with care, always prioritising sustainable, long-term growth over short-term gain.

FY25 was a defining year for our company and all our stakeholders. We listed our company, expanded our brand and delivered on our promises. Most importantly, we did so with humility, urgency, and unity.

Boxer is now in its 48th year and our philosophy remains unchanged: to plant the seeds today that will deliver long-term, sustainable growth tomorrow. We operate in a dynamic and competitive environment, but the strength of our model, the depth of our team and the clarity of our strategy give us confidence in the road ahead.

To our Board of directors, our Boxer Group Executive, and to David Wayne and our finance team, and to our partners at Pick n Pay, thank you for the exceptional work over the past year, and for your support in delivering our first set of listed financial results. And to every Boxer colleague – thank you. This year's results belong to you. Your passion, your resilience and your belief in the Boxer mission have made all the difference. We are just getting started.

Marek Masojada
Chief Executive Officer

30 June 2025

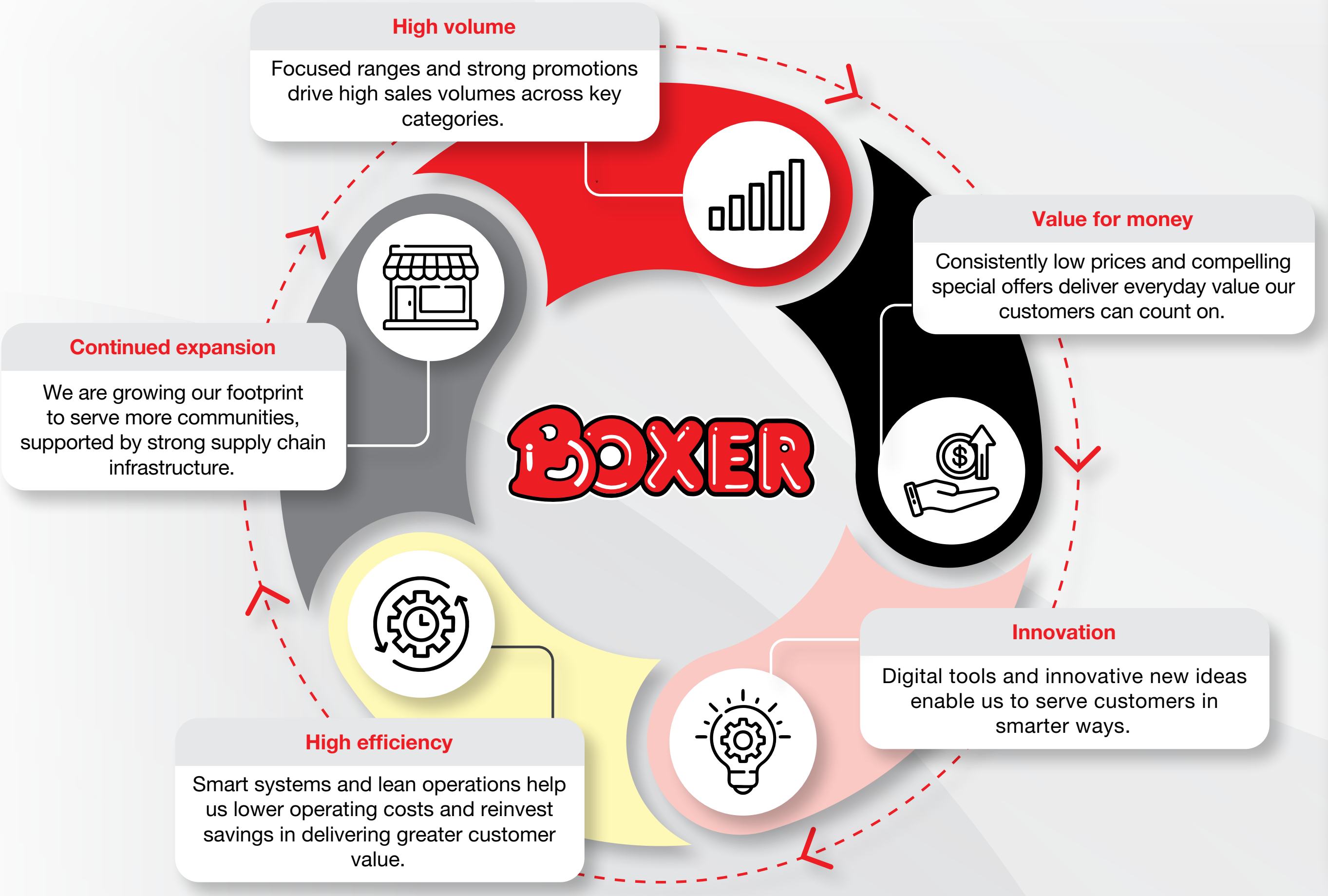
OUR STRATEGY

Boxer's strategy begins with a clear and unwavering focus on delivering unbeatable value for our customers. This customer-first commitment is enabled by a disciplined focus on efficiency and scalable growth, allowing cost savings to be passed directly to customers through lower prices and greater everyday value.

In a highly competitive and price-conscious market, we have built a resilient and proven retail model – one that has consistently driven market-leading sales and profit growth over many years, supported by a consistent trading profit margin.

This consistent performance reflects a deliberate and focused approach: sustained investment into a compelling customer offer, a relentless drive for business efficiency and a clearly defined set of strategic priorities. These priorities are captured in the Boxer Virtuous Circle, a strategic operating model that drives deep alignment across our operational teams, capital investment allocations, and strategic decision-making to reinforce long-term sustainable growth.

The following chapter explores how each element of the Boxer Virtuous Circle is reinforced through our strategic priorities and actions.



High efficiency

At the heart of Boxer's success is a disciplined, low-cost operating model – supported by a culture of doing more with less. Operational efficiency is not simply a financial lever, but a strategic enabler that allows Boxer to scale sustainably, protect its customer value proposition and reinvest savings into price.

Strategic priority – supply chain optimisation

Boxer continues to invest in a centralised, scalable supply chain that delivers reliably, efficiently and cost-effectively. Our strategy is delivered through a fit-for-purpose distribution model, supported by six strategically located distribution centres and a flexible outsourced transport fleet. Advanced forecasting platforms and real-time tracking tools provide visibility, co-ordination and accuracy across the network. Our goal is clear – to build a central, technology-enabled supply chain that improves product availability, lowers working capital investment, reduces waste and supports growth across Boxer's expanding store network.

Strategic priority – automation, digitisation and simplification

Boxer is simplifying how the business operates through smart automation, digitisation of paper-heavy processes and centralised administration. These efforts eliminate duplication, reduce administrative errors, boost staff productivity and enhance data management and data integrity. Our goal is clear – to deliver time and cost savings that are actively redeployed into value-generating areas of the business.

FY25 achievements

- 5.5% trading profit margin – ahead of IPO guidance
- Trading expenses at 16.7% of turnover reflects the most efficient operating model of South African food retailers
- Broke ground on our new KwaZulu-Natal distribution centre
- Our Benoni DC reached scale, now servicing 120 stores and unlocking growth capacity
- Relocated our Eastern Cape distribution centre to a more cost-effective and efficient facility
- Improved inventory management through our automated forecast and replenishment system, enhancing reporting accuracy and product availability and reducing our annual average stockholding by 2.1 days on last year

Continued expansion

Expansion is a core engine in the Boxer Virtuous Circle, driving scale, deepening market penetration, and amplifying the impact of our value proposition. Every new store brings Boxer closer to the communities we serve, reinforcing loyalty and unlocking operating leverage. With well-tested formats, disciplined capital deployment and growing brand equity, Boxer is extending its footprint with confidence and consistency.

Strategic priority – accelerated store roll-out

Boxer continues to invest in a high-impact store roll-out strategy, focused on building national scale while maintaining format consistency and operational excellence. Targeting 60 new stores annually across our superstore and liquor formats, our strategy leverages low upfront investment costs, fast payback periods and a replicable roll-out playbook. New stores are underpinned by Boxer's growing distribution network and a strong talent pipeline. Our goal is clear – to grow Boxer's national footprint responsibly, unlocking scale, reach and relevance in the communities we serve.

FY25 achievements

- Sector-leading ROIC of 25.5% (including IFRS 16)
- Opened 53 new stores (net 48 after closures), bringing Boxer's national footprint to 525
- Eight Pick n Pay supermarkets and seven liquor stores converted to Boxer format – each delivering strong sales and profit growth
- Developed robust FY26 pipeline, with 60 store openings planned (25 Superstores and 35 liquor stores)

High volume

Volume is the lifeblood of Boxer's soft discount model, enabling low prices, scale-based buying power and strong supplier partnerships. At the centre of this strategy is a disciplined focus on high-turn, high-need products that matter most to Boxer customers. With a curated range and deep category focus, Boxer concentrates on customer demand to build market leadership, drive supply chain efficiency and unlock competitive sourcing advantages. This volume-led strategy supports affordability and customer loyalty.

Strategic priority – range discipline and category depth

Boxer remains true to its ethos as a limited-range soft discounter, focusing on the 3 000 products that matter the most to our customers across a tailored range of essential food and groceries. Our supermarkets are in high-footfall areas, with compelling fresh counter propositions, particularly in butchery, bakery and fresh produce. Our goal is clear – to dominate in key categories and leverage our scale to source competitively and drive volume-led growth.

FY25 achievements

- Strong total (10.4%) and like-for-like (5.6%) sales growth on a proforma* 52/52 week basis
- Consistent market share gains, with strong growth in units, basket sizes and customer counts
- Strengthened category leadership in core high-volume categories through supplier collaboration and category concentration

* *Reference pro forma 52/52 week info.*

Value for money

Value for money is the cornerstone of Boxer's customer promise. In a market where price-sensitivity remains high, Boxer delivers a compelling value proposition through market-leading pricing, innovative promotions and a fast-growing private and confined label offer. Boxer's value strategy is now further amplified by the Boxer Rewards Club, which strengthens customer loyalty through precision engagement and targeted promotions and the ability to unlock partnerships and insights.

Strategic priority – price leadership and customer-centric promotions

Boxer invests in price leadership, anchored by operating efficiency and sourcing strength in our key categories. Our promotional architecture is designed to concentrate customer spend and drive volume, through combo deals and bulk and multi-buys that increase basket size and drive perception of tangible savings. Our confined label range further enhances the value proposition, offering quality alternatives at lower prices. Our goal is clear – to make essential food and groceries more affordable and accessible every day, for every customer.

FY25 achievements

- Internal selling price inflation contained at 0.3%, adjusting for mix change
- Gross profit margin expanded 0.2% to 21.4% – with price investment funded by better buying and greater supply chain efficiency
- Expanded our private label range with 117 new products, supporting customer affordability and gross profit margin mix
- Expanded combo and multi-buy strategy, increasing our basket size and reinforcing Boxer's role as a one-stop essential food and grocery destination

Innovation

In a fast-changing retail environment, innovation is essential to staying relevant and responsive. As consumer expectations evolve and technology reshapes how people shop, Boxer is committed to keeping pace with digital change – while building the agility needed to adapt across every level of the business. FY25 marked the formal addition of Innovation as the fifth pillar of the Boxer Virtuous Circle. This reflects its growing role in enhancing customer experience, simplifying operations and unlocking smarter ways of working.

Strategic priority – digital enablement and customer engagement

Boxer is investing in a connected retail ecosystem that integrates physical stores with digital platforms, loyalty tools and a growing range of value-added services. From the Boxer Rewards Club and mobile app to online ordering and everyday services like banking, bill payments, ticketing, cellular and lotto, Boxer is making the shopping experience more rewarding, more seamless and more convenient. Our innovation agenda focuses on automation, digitisation, data-led decision-making and the potential for new income streams. Our goal is clear – to harness digital innovation to enhance customer value, streamline operations, and build a more adaptable, future-ready business.

FY25 achievements

- Launched the Boxer Rewards Club – achieving over 2 million sign-ups to date and a high-redemption rate of "B-rewards"
- The Boxer Rewards Club now serves as a customer insights engine, enabling targeted engagement
- Expanded our digital customer engagement through the Boxer App and website
- Established a dedicated innovation team to explore and implement new platforms, technologies and partnership models
- Piloted brand collaborations, such as our special offer on Goldi IQF chicken with Capitec Bank, delivering layered digital rewards and driving in-store excitement
- Strengthened our cybersecurity and IT infrastructure, supporting system resilience and customer data security

Our people – a strategic advantage

The continued success of Boxer is only made possible by the dedication, skill and passion of our people. Our 32 000-strong team – drawn almost entirely from the communities we serve – is the engine that drives our business forward. We are building a high-performance, high-engagement culture that celebrates contribution, supports career development and reflects the rich diversity of South Africa. Our commitment to fair pay, opportunity and respect is unwavering, and we are strengthening our teams and leadership pipeline to support the demands of a growing, listed retail business. In every role, in every region, the Boxer team remains our most important competitive advantage.

Our strategic responsibility

As a national retailer with a deeply local presence, Boxer recognises its responsibility to deliver not just commercial success, but sustainable impact. ESG considerations are embedded into our operating model, from supporting local farmers and reducing food waste to enabling community employment and ensuring energy-efficient operations. Our decisions consider the positive and negative impacts on our communities and ecosystems. Whether through the Boxer Youth Leadership Programme, our School Club, our local farmer development initiatives, or the roll-out of climate-friendly refrigeration, we act in service of a stronger, more resilient South Africa.

Looking forward

Through the disciplined execution of strategic priorities – all aimed at putting our customers first, excelling in operations, and investing in our future – Boxer is strongly positioned to capture growth in the market and create enduring value for all stakeholders.

Our maiden integrated report sets the baseline for our strategic reporting, and we will report transparently on our progress in the years ahead.

Our FY26 outlook:

- Sales growth in the low-teens
- Store targets – 25 Superstores and 35 Liquor
- Moderate trading margin pressure:
  - Annualisation of costs associated with the listed environment
  - Cost inflation > selling price inflation
  - Excess capacity in our supply chain
  - Potential investment into margin to drive sales
- Capex of c. R1.2 billion

OUR CONTRIBUTION TO **SUSTAINABILITY**

Our sustainability vision is to become one of the most respected and admired retailers in South Africa. We aspire to conduct ourselves ethically and responsibly. We commit ourselves to being a champion for the communities we serve by growing a lifetime of loyalty through sustainable actions. This goes to the heart of our sustainability strategy of "Growing Together, Greener Tomorrow".

In this inaugural Integrated Annual Report, we reaffirm our commitment to sustainability as envisaged in our Growing Together, Greener Tomorrow sustainability strategy – a commitment to growing a lifetime of loyalty through high-impact food security measures and sustainable actions.

It is clear that we are living in an era of great socio-economic uncertainty and unprecedented environmental upheaval. Not only are our consumers financially stretched, but they are having to navigate socio-economic difficulties, coupled with an unfolding climate crisis. It is in this challenging context that Boxer continues to be a resilient force for good by supporting the communities we serve.

Our impact is underpinned by three strategic pillars of enhancing food security, reducing our environmental impact through inspired climate action, and driving responsible consumption practices throughout our business operations. We are doing this in alignment with the United Nations Sustainable Development Goals (SDGs).

Our corporate social responsibility ethos is anchored in Ubuntu, the profound sense that *"we are human only through the humanity of others"*. It is an ethos that leads us to embrace partnerships and social innovation that deliver impact. That is why we are showcasing some of our notable projects, like Abahlengi-Bemvelo, the Hammersdale School Recycling project and our flagship Rural Small-Scale Farmer Development Programme, all delivered in partnership with our local communities.

We are grateful for the strategic leadership and guidance from our Social, Ethics and Transformation Committee, ensuring that Boxer operates in an ethical and socially responsible manner.

The journey ahead is long but it is one we continue and are committed to walk ably in partnership with our communities and stakeholders towards a greener tomorrow.

Ntombi Dludla
Group Executive: Stakeholder Engagement and Sustainability

30 June 2025

Our sustainability strategy and framework

Our sustainability strategy is built around value creation for all stakeholders through sustainable operations. Our three-pillar framework focuses on food security, climate action and responsible consumption with a view towards inclusive economic development. ESG is integrated into our business model, operational planning, and stakeholder engagement, and we have considered the SDGs.

GROWING TOGETHER, GREENER TOMORROW
Growing a lifetime of loyalty through sustainable actions

Strategic pillars

		SDGs
Our focus	**Enhancing food security**	2 Zero hunger
Our goals	Partner to transform food systems Contribute to affordable, healthy, safe and nutritionally balanced quality food	
Our focus	**Climate action**	7 Affordable and clean energy; 13 Climate action
Our goals	Champion South Africa's just green transition Support low-carbon initiatives	
Our focus	**Responsible consumption**	12 Responsible consumption and production
Our goals	Minimise waste through the four Rs (reduce, reuse, recycle and recover) Promote waste hierarchy and circularity Promote healthy eating through surplus donations	

Enablers

		SDGs
Our focus	**Partnership**	1 No poverty; 17 Partnerships for the goals
Our goals	Partner for poverty alleviation and food security as well as inclusive economic development Partner to scale for impact	
Our focus	**Innovation**	9 Industry, innovation and infrastructure
Our goals	Innovate for efficiency and sustainability Digital technologies Inclusive circular business models	

Our sustainability framework supports our strategy (page 33) through the following processes:

- **Minimise costs** through waste initiatives
- **Optimise efficiencies** through energy, water and transport initiatives
- **Drive circularity** for environmental impact and revenue generation

In addition, cross-functional collaboration drives innovation and competitiveness and enhances our risk management, operational efficiencies and brand equity.

Our material ESG risks and opportunities

The sustainability strategy addresses our key ESG risks and opportunities as set out below.

Material topic	Description	Mitigation
Climate risk	Climate change continues to be a cross-cutting priority risk. It poses far-reaching physical and transition risks for our business and society. Some opportunities come with mitigation, adaptation and a just transition.	Boxer is in the process of setting targets aligned with the Science Based Targets initiative (SBTi). In the meantime, ongoing energy initiatives will mitigate physical and transition risks.
Food losses and food waste	Food waste is core to our business and affects social and natural systems. We must manage it in a manner that is beneficial to all stakeholders.	Partnerships with SA Harvest, Feed the Nation, Kolisi Foundation and Icebelethu Group help us divert waste from landfill and improve food security. Boxer is in a process of establishing evidence-based targets.
Ethical sourcing and biodiversity	We promote an ethical and inclusive supply chain that upholds human rights and protects biodiversity.	Alignment of our Supplier Code of Ethics with the Supplier Ethical Data Exchange/Sustainability Initiative of South Africa will help us mitigate possible sourcing risks. Boxer is in a process of establishing evidence-based targets.
Packaging and circularity	We have a responsibility to pursue sustainable packaging practices. This entails shifting from linear production modes to systems that embrace circularity and recyclability.	Our response includes packaging reforms and a micro-enterprise programme for reducing waste. Our partnership with EPR Waste Association of South Africa helps us manage our Extended Producer Regulations obligations. Boxer is in the process of establishing evidence-based targets.

Addressing climate, energy, water, packaging and waste

We are committed to:

- Decarbonisation through renewable energy, natural refrigeration and sustainable logistics
- Implementing water efficiency and conservation measures in our stores, distribution centres and meat factory
- Reducing packaging impact in the business through our waste strategy and circularity models
- Boxer has partnered with IBIS ESG Consulting to advance our commitment to establishing resource efficiency baseline and targets

Progress against pre-listing Group sustainability targets

Solar	Waste	LED lighting	Battery energy storage systems	CO_2 refrigeration	Rain harvesting
Boxer owned – 10 Landlord owned – 74	100% plastic waste recycled	99% completed (conversions) 100% in new stores	2 systems installed and operational	46 CO_2 (Natural) refrigerators installed to date	To be installed in all DCs FY25-FY27

CARBON REDUCTION TARGET
40% BY 2040

Focus area	Description	Progress/impact
Climate action Boxer's business operations and the wider food value chain significantly impact our planet. Similarly, climate change will have a major effect on our stakeholders.	We aim to: • Roll out LED lighting in all our stores, distribution centres and offices • Increase the uptake of CO_2 (trans-critical) refrigeration systems in our new and refurbished stores to reduce GHG emissions • Promote using solar-based or renewable energy in our stores, distribution centres and other facilities • Decarbonise logistics through promoting sustainable logistics practices	**Emissions (tCO_2e) — FY24 / FY25** Scope 1: 182 527 / 167 897 Scope 2: 255 112 / 313 901 The year-on-year reduction in Scope 1 emissions is primarily due to lower fuel consumption by our stationary equipment, as a result of the easing of load-shedding. Similarly, the increased year-on-year Scope 2 emissions are attributable to a greater reliance on, and increased purchasing of, grid-electricity to support our expanding store network.
Water Boxer operates in some areas affected by water quality and availability issues, with many parts of South Africa classified as water-scarce. This imposes a responsibility on us to drive water efficiency and conservation measures throughout our business and the broader value chain.	• We plan to install rooftop rainwater harvesting systems at all distribution centres between FY25 and FY27 • We are undertaking a baselining exercise to establish appropriate water consumption and conservation targets	• East London distribution centre installation completed
Sustainable packaging and waste Packaging is vital in ensuring food safety, quality, and nutritional value. Concurrently, materials used for this purpose should be mostly recyclable and renewable. This helps reduce the environmental harm associated with conventional packaging.	• Boxer's in-store plastic bag is 100% post-consumer recyclate • All plastics and cardboard coming into Boxer stores are recycled • Boxer invested in waste baler machines at stores and distribution centres • Boxer is satisfied that the existing policies and procedures are adequate to ensure full compliance with the National Environmental Management Waste Act, 2008 **Partnering with suppliers** Boxer's partnerships with suppliers are successfully helping to drive circular economy practices in our business. • We facilitate recycling of all inbound plastic and cardboard to significantly reduce waste to landfill, in partnership with our suppliers • The partnership with our packaging supplier (LeaderPak) has helped us enhance the sustainability profile of our grocery plastic bags, which now incorporate a substantial percentage of recycled content **Partnering with micro-enterprises** Our national recycling project called Abahlengi-Bemvelo (a Zulu term that means "the rescuers of the environment") mobilises community "green entrepreneurs" to recycle Boxer's store-level waste while promoting environmental awareness at community level. The project provides over 250 recycling entrepreneurs with access to Boxer's waste baler machines, located at each store.	• E-waste (lighting, electronics, etc.) diverted from landfill: 0.516 tonnes (FY24: 2.24 tonnes). This reduction has helped us reduce the incidence of e-waste generated within the business. • Total waste recycled (excluding plastic): 9 339 tonnes (FY24: 8 283 tonnes). Our increased recycling rate is supported by a sizable investment in waste efficiency machinery. • Total plastic recycled: 878.4 tonnes (FY24: 666.4 tonnes). The increase in the recycled material, while attributed to our store expansion plan, is indicative of an improvement in waste diverted from landfill. • Recycling revenue was over R10 million, with more than 55% going to Abahlengi-Bemvelo.

Mitigating food losses and food waste

We are committed to reducing food losses and waste to improve food security in South Africa while mitigating the harmful effects of biodiversity loss and climate change.

Focus area	Description	Progress/impact
Food waste Food waste has a significant impact on our socio-economic and ecological systems.	• Our Food Losses and Waste Policy is integral to our sustainability strategy • The SA Harvest partnership helped Boxer donate surplus food to vulnerable communities. The partnership is designed to maximise the efficiency and impact of our surplus food donation and improve nutrition among the beneficiaries	• Over R13 million worth of food has been cumulatively donated through SA Harvest since inception of the partnership, benefiting over 17 000 households • Through our Corporate Social Responsibility programmes we have: > Partnered with over 600 registered non-profit organisations > Delivered nutritional meals to over 120 000 beneficiaries

Supporting our people

We are committed to:

- Inclusiveness and diversity as part of the Group's ongoing commitment to societal transformation
- Maintaining a safe and healthy environment at all our sites

Boxer employs 32 000 people of whom 98% are historical disadvantaged South Africans (HDSAs), fostering local employment and economic growth. Boxer created 2 900 new jobs in FY25.

Our occupational health, safety and wellness framework is embedded into our daily operations, with zero fatalities and lost time injury frequency rate of 1.3 in FY25.

Diversity, equity and inclusion

The Group, through its Social, Ethics and Transformation Committee, ensures that an appropriate transformation strategy exists. It ensures it is aligned with BBBEE legislation and delivers shared value through various empowerment initiatives.

Health and well-being

Employee wellness initiatives are embedded within our broader sustainability strategy. We prioritise employee mental health, safety, and dignity across the Group, from head office and distribution centres to stores and meat factory.

Operational health and safety

Boxer's safety management system focuses on prevention, detection, and corrective control, which are linked to identified risks and corrective actions. Online control self-assessments are completed within a set monthly timeframe. Management undertakes unannounced risk surveys, and bi-annual independent risk survey audits are completed at every site.

Promoting sustainable economic development

We are committed to:

- Sourcing our goods responsibly and in a manner that protects natural systems and biodiversity
- Being clear on the human rights practices and social and environmental standards we expect our suppliers to maintain
- Broadening access to economic opportunities, within our value chain, to small businesses owned by HDSAs
- Promote BBBEE in our value chain to make it more diverse, equitable and inclusive

Focus area	Description	Progress/impact
Ethical sourcing and biodiversity Boxer's business operations and value chain have a significant impact and broad dependency on natural ecosystems and climate change. Given the ongoing biodiversity loss crisis, adopting practices that mitigate the effects of nature loss is important.	We work with our partner suppliers to: • Ensure that high standards of human rights are upheld • Provide decent working conditions • Improve sustainability initiatives in their operations to prevent nature and biodiversity loss All Boxer registered suppliers sign-up to the Code of Ethics, which is published on our website, as part of the annual trade terms.	Boxer is aligned to international and national best practice in this area. We also support the Global Biodiversity Framework and global and national efforts to protect our biodiversity.
An inclusive and resilient supply chain Our long-standing Enterprise and Supplier Development (ESD) Programme assists designated groups to secure economic opportunities.	Our assistance is a mixture of financial and non-financial support aimed at building emerging entrepreneurs' financial and operating capability. We empower small-scale, female and youth farmers through training, tools, and market access. One of the key barriers to access in the food sector is the shifting and stringent regulatory environment. Due to its cost implications, the requirement of onerous certification processes and audits presents an immediate challenge for emerging suppliers.	• A targeted Agri-ESD programme supported 584 rural-based small-scale farmers • We procured around R181 million of products from local farmers • We are a Level 7 BBBEE contributor, which dropped from Level 5 last year. We are working hard to improve our rating, which requires greater spend in certain areas as a result of our higher profitability

Our commitment to the agricultural value chain and supplier development

Farmer development

Sustainable agriculture is key to unlocking food security, economic growth and community resilience. That is why Boxer pioneered a unique farmer development programme. It is aimed at empowering emerging farmers by providing them with the skills, tools and market access needed to succeed.

The programme was launched in 2022 through strategic partnerships and expanded to three provinces (Eastern Cape, KwaZulu-Natal and Limpopo) over three years.

Partnerships

The programme was implemented in partnership with:

- Wholesale and Retail Sector Education and Training Authority
- Agricultural Sector Education and Training Authority

Impact

584 farmers trained to-date, of whom 60% were women and youth

554 farmers have completed their accredited skills programme to date

Graduates received farming/ business equipment and other start-up support

Approximately 20% of the farmers have supplied Boxer and other local retailers while others are able to feed their families and communities

Farmer testimonials

"Boxer gave us the skills and the tools, now we are producing."

Mr Mathebula from Giyani

"We are grateful for the experience. Now is the time to put what we learnt into practice."

Mr Siyanda Dube from Eshowe

"We are very proud. This is a step forward to enhance our business and enables us to feed our families."

Induna Bhekinkosi Mthethwa from Empangeni

Uplifting communities

We are committed to:

- Contribute towards the sustainable development of South Africa's youth potential and economic advancement through education and wellness
- Promote and forge community and grassroots-level climate action that is educational and impactful

Focus area	Description	Progress/impact
Championing education Programmes are designed to deliver immediate educational needs while having a long-term societal impact.	The Boxer Youth Leadership Programme identifies and nurtures high-potential learners from under-served communities. Through a leadership camp and mentorship, we equip them with critical life skills to foster lifelong success. We partner with many schools nationwide, supporting them with essential infrastructure and materials to establish conducive learning conditions. We also support other programmes, such as the Back-to-School Campaign, designed to drive education success within our communities.	• Since its inception in 2002, Boxer Youth Leadership Programme has supported 50 HDSA learners annually • 47 schools supported, with over 25 000 learners impacted through our school partnerships
Green entrepreneurial skills and education We pioneered a new school recycling project that we intend to roll out at scale.	The project empowers learners to keep their schools and community clean while exposing them to green skills and the green economy. Boxer funded a school recycling project at Vukuziphathe Primary School in Hammersdale, KwaZulu-Natal, aimed at: • Environmental education and awareness • Environmental clean-ups and recycling • Fundraising for the school through recycling revenue generated through climate-friendly behaviour	• Since project launch, more than 6 000 kg of plastics and 12 000 kg of cardboard have been diverted from landfill • The revenue generated will contribute towards school infrastructure needs
Community health and well-being We support elite and ordinary runners to promote healthier lifestyles and foster national pride and community building.	The Boxer Athletics Club is a developmental platform for runners from previously disadvantaged backgrounds. It provides runners with access to coaching, competition opportunities and financial support. We regularly sponsor several races. These events encourage participation in fitness activities and bring communities together.	• Hosted Durban and Pretoria 5 km races • Boxer Athletics Club supported several high-performing athletes • Completed several beach and street clean-up campaigns in KwaZulu-Natal, Eastern Cape and Gauteng

5 A review of the FY25 PERFORMANCE

DISCIPLINED DELIVERY IN A **DEFINING YEAR**

FY25 was a defining year for Boxer, marked by our successful IPO and our transition to operating as an independent, publicly listed company. The demands of the IPO process were considerable, but our teams across the business remained focused on the job at hand, delivering the FY25 plan with discipline, determination and clarity of purpose.

Audited financial results for the 53 weeks ended 2 March 2025

Rm	53 weeks to 2 March 2025 FY25	52 weeks to 25 February 2024 FY24	% change
Turnover	**42 344**	37 419	13.2
Trading profit	**2 308**	2 101	9.9
Trading profit margin	**5.5%**	5.6%	
Profit before tax before capital items	**1 941**	1 850	4.9
Headline earnings	**1 407**	1 408	(0.1)
Headline earnings per share (HEPS) – cents	**413.76**	469.33	(11.8)
Pro forma FY25 (52 weeks)[1]	**52 weeks**	**52 weeks**	
Turnover	**41 304**	37 419	10.4
Trading profit	**2 248**	2 101	7.0
Trading profit margin	**5.4%**	5.6%	

[1] *Pro forma 52-week information is provided to ensure comparability with FY24, adjusting for the additional trading week in the 53-week FY25 reporting period. Please refer to page 80 for further information.*

In a challenging consumer environment, this is a strong and credible set of results. Turnover grew by 10.4% on a 52-week basis, in line with market guidance, supported by consistent market share gains. Trading profit growth on a 52-week comparable basis of 7.0%, and 14.0% when excluding non-recurring gains, and our trading profit margin of 5.4% exceeded the expectations we set ahead of listing.

> “Our FY25 results demonstrate a business grounded in operational focus and cost discipline, even in the face of significant corporate change. Most importantly, we delivered on our pre-IPO guidance – an outcome that speaks to the quality of our planning, the consistency of our execution and the strength and resilience of the Boxer team.”

Highlights

- Highly successful JSE listing on 28 November 2024
- Like-for-like sales growth of 5.6% (52/52 week basis)
- Trading profit growth of 9.9% – and 17.0% when excluding non-cash gains on derecognition of Pick n Pay financial guarantee
- 5.5% trading margin (5.4% on a 52 week basis) ahead of Pre-Listing Statement 5% guidance
- FY25 net debt (excluding leases)[1] of R180 million, equating to just 0.1x net debt to EBITDA (pre-IFRS 16)[1]
- ROIC[1] a sector-leading 25.5% (73.6% excluding IFRS 16)[1]

[1] *Refer to additional 'Pro forma financial information' on page 80.*

Review of financial performance

Turnover

Turnover increased by 13.2% to R42.3 billion. On a comparable 52-week basis, turnover increased by 10.4%, with like-for-like sales growth of 5.6%. This solid top-line performance reflects consistent market share gains, underpinned by disciplined execution of our customer value strategy. As anticipated, sales growth moderated in the second half of the year – from 12.0% in H1 (7.7% like-for-like) to 9.0% in H2 (3.7% like-for-like) – as the business cycled an exceptionally strong H2 FY24 comparative base (18.6% sales growth, 11.6% like-for-like in H2 FY24).

	FY25	FY24	% change
Turnover – Rm (pro forma 52/52 week)	41 304	37 419	10.4
Store estate (number of stores)	525	477	
Superstores	320	296	
Liquor	175	150	
Build	30	31	
Liquor stores (as % of Superstores)	55%	51%	
Trading space (GLA, sqm)	649.8	595.8	9.1

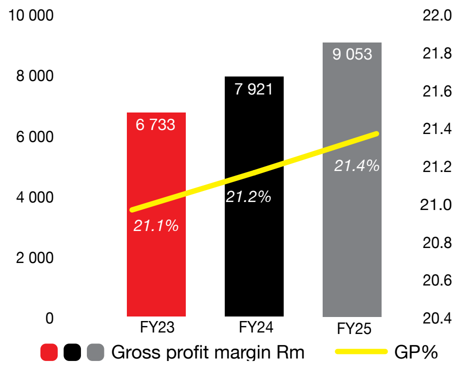
Internal selling price inflation averaged 5.9%, slightly down from 6.3% in FY24. However, this headline figure does not reflect the full impact of Boxer's deep and targeted promotional strategy. On a normalised basis, adjusted for significant changes in pack sizes and basket mix, inflation was just 0.3% over the year, a clear outcome of our strategy to shield customers from rising prices.

Store expansion remains a key driver of growth. We opened a net 48 new stores during the year, taking our total estate to 525. Openings were heavily weighted to the second half of the year, with 36 stores launched in H2. As a result, much of the benefit will be realised in FY26. Included in the roll-out were 15 former Pick n Pay stores – 8 supermarkets and 7 liquor stores – converted to the Boxer brand. These conversions have delivered strong sales and profit uplifts, underscoring the strength of the Boxer brand in its core markets.

While we fell short of our 60-store annual target – primarily due to delays in securing liquor licences – several of these licences have since been approved, and these stores are now trading. We remain confident in our ability to deliver against our store roll-out target of 25 new Superstores and 35 new liquor stores in FY26.

Gross profit

Gross profit increased 14.3% on FY24 to R9.1 billion. The gross profit margin rose by 0.2 percentage points to 21.4%, reflecting careful margin management. This result was driven by improved buying terms, distribution efficiencies and collaborative promotional planning, which enabled further investment in lower shelf prices. Boxer's gross profit margin remains structurally low by industry standards – reflecting our value-led positioning – and has been held consistently tight over a number of years. Our focus is not on expanding margin, but on maximising gross profit rands through higher volumes. Efficiency gains across the value chain, supported by vertical integration, process simplification and automation, are reinvested into pricing – an approach that delivered strong like-for-like unit growth, larger basket sizes and an increase in customer numbers in FY25.



Trading expenses

Trading expenses increased by 15.9% to R7.1 billion, including the additional 53rd week, with trading expenses as a percentage of sales rising from 16.3% to 16.7%. The year-on-year increase was driven by three main factors:

- The FY24 base included a non-recurring IFRS gain of R135 million relating to the derecognition of a Pick n Pay financial guarantee, with a further R7 million gain recognised in FY25. Excluding the impact of these non-cash gains (recognised in merchandise and administration expenses), underlying expense growth was 13.5%, slightly ahead of turnover growth of 13.2%
- FY25 includes R16 million in incremental costs associated with Boxer's listing. These costs are expected to annualise at approximately R45 million, with only a partial impact reflected in this period due to the November listing date
- The expansion of the store estate and the additional operational support required

FY25	Rm	% change
Trading expenses	7 057	15.9
Employee costs	3 079	19.1
Occupancy	1 182	10.1
Operations	2 098	6.6
Merchandise and administration	698	51.4

Employee costs – increased 19.1% year-on-year to R3.1 billion. The increase reflects a 9.9% growth in employee numbers, aligned with the expansion of our store estate, as well as above-inflation wage increases for unionised employees and those affected by the government's minimum wage adjustment. During the year, Boxer created 2 900 new jobs, bringing total employment to almost 32 000.

Occupancy costs – increased 10.1% year-on-year to R1.2 billion. The increase reflects annual escalations in rental and related property costs, as well as the impact of the 9.1% space growth over the year.

Operations costs – increased 6.6% year-on-year. The increase reflects the cost of supporting a growing store and operational network. Importantly, the Group benefitted from a R187 million reduction in diesel expenditure in FY25, with significantly lower levels of load-shedding compared to FY24. These savings supported a more efficient cost base while maintaining strong operational resilience.

Trading expenses (continued)

Merchandise and administration costs – increased by 51.4% year-on-year. Excluding the non-recurring IFRS gain on the derecognition of the Pick n Pay financial guarantee, the underlying increase was 18.5%. The growth reflects the broader and more specialist support services required for a larger and now listed Group, as well as the initial launch costs of the Boxer Rewards Club.

In the context of a rapidly expanding business, we are comfortable that cost growth remains well managed. We are committed to our simple and cost-effective operating model, with efficiency, simplification and automation continuing to be key focus areas. Boxer's ability to scale efficiently remains a key operational advantage as we grow.

Trading profit

Trading profit increased by 9.9% to R2.3 billion for the 53 weeks ended 2 March 2025, with a trading margin of 5.5%. This includes a R60 million contribution from the additional week.

On a comparable 52-week basis, trading profit rose by 7.0%, with a trading margin of 5.4%. Excluding the non-recurring IFRS gains from the derecognition of the Pick n Pay financial guarantee, underlying 52-week trading profit growth was 14.0%. This strong result in a challenging environment exceeded the guidance provided ahead of the IPO – underscoring the strength of the Boxer operating model and disciplined cost control across the business.

Net finance costs

Net finance costs increased 46.2% year-on-year to R367 million, reflecting the impact of the Group's capital restructure ahead of the IPO. As part of the transaction, pre-IPO dividends were paid to Pick n Pay, intercompany loan accounts were settled and Boxer took on R850 million in external debt.

Net interest paid

Rm	FY25	FY24	% growth
Net funding interest	45	86	(47.7)
Interest received	91	91	0.0
Interest paid	(46)	(5)	(820.0)
Lease liabilities	(412)	(337)	22.3
Total	**(367)**	(251)	46.2

Funding interest – historically, Boxer operated with no external debt, funding capital and operational requirements through internally generated cash flow. This position supported R59 million in net interest income in H1 of FY25. Following the introduction of R850 million long-term debt as part of the IPO-related capital restructure, the Group recorded a net interest charge of R14 million in H2 FY25, reflecting a R73 million swing from net interest income to a net interest charge.

IFRS 16 lease interest – increased by 22.3% to R412 million, driven by the ongoing store roll-out, the full annualisation of the Benoni distribution centre (opened in October 2023), and the mechanics of IFRS 16, which results in disproportionately higher lease interest expenses in the early stages of lease terms.

Profit before tax before capital items

Profit before tax (PBT) before capital items increased 4.9% year-on-year to R1.9 billion. Growth was below that of trading profit, primarily due to the 46.2% increase in net finance costs.

Taxation

The effective tax rate of 27.5% (24.0% in FY24) was broadly in line with the statutory tax rate of 27%. The year-on-year increase reflects the non-repeat of the favourable impact of the Pick n Pay financial guarantee on the FY24 result.

Earnings per share

Headline earnings of R1.4 billion – excluding capital losses of R33 million (FY24: R27 million) on the sale and impairment of assets – was flat year-on-year. However, earnings per share declined due to the number of shares in issue post the IPO.

Boxer issued 157.4 million new shares on listing, increasing the total share count from 300.0 million to 457.4 million shares. As a result, the weighted average number of shares (WANOS) rose by 13.4% to 340.1 million in FY25.

	FY25	FY24	% growth
Profit after tax (Rm)	1 383	1 385	(0.1)
Headline adjustments (Rm)	24	23	
Headline earnings (Rm)	1 407	1 408	(0.1)
WANOS (m)	340.05	300.00	13.4
Closing shares (m)	457.40	300.00	52.5
HEPS (cents/share)	413.76	469.33	(11.8)

HEPS – which excludes all capital items – declined 11.8% to 413.76 cents per share.

Earnings per share (EPS) – which includes all capital items – declined 11.9% to 406.70 cents per share.

The dilution effect of the IPO will be more pronounced in FY26, with WANOS expected to increase by approximately 52% in H1 and 34% for the full year in FY26. The decline in headline earnings on a per share basis is driven solely by the impact of the IPO listing on the WANOS. Headline earnings growth is therefore considered a more meaningful measure of underlying performance for the FY25 and FY26 financial year.

Review of financial position

Net gearing

Boxer closed the year with net debt of R180 million (excluding lease liabilities), comprising R850 million in long-term funding raised as part of the pre-IPO balance sheet restructure, and offset by R466 million in cash and a net R204 million owed by Pick n Pay through operational settlement processes. The net debt position also reflects a R205 million spend on share repurchases to meet IPO admission award obligations.

Gearing and net debt/EBITDA

Rm	Net debt	EBITDA*	Net debt/ EBITDA
Cash	466		
Long-term bank debt	(850)		
Net amounts owed by Pick n Pay	204		
Net debt excluding lease liabilities	(180)	2 640	0.1
Lease liabilities	(4 797)		
Net debt including lease liabilities	(4 977)	3 566	1.4

* *EBITDA is matched to net debt including lease liabilities, while EBITDA pre-IFRS 16 is matched to net debt excluding lease liabilities.*

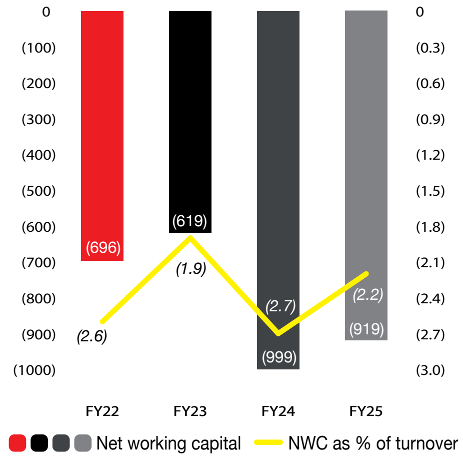
The net debt position equates to a pre-IFRS 16 net debt to EBITDA ratio of 0.1 times – well within the 0.2 times target communicated at listing – and reflects Boxer's disciplined and conservative approach to capital and liquidity management. Boxer does not intend to raise further external debt and intends to reduce its debt further over time.

Lease liabilities increased 11.4% to R4.8 billion, directly linked to the expansion of the Boxer store and distribution centre estate, including the new Benoni distribution centre and new store leases.

Working capital

Rm	FY25	FY24	% change
Net working capital	(919)	(999)	(8.0)
Inventory	3 378	3 231	4.5
Trade and other receivables	458	382	19.9
Trade and other payables	(4 755)	(4 612)	3.1

Net working capital as % of sales remains negative



Boxer maintained a negative working capital position of R919 million at year-end, equivalent to -2.2% of turnover – highlighting our ability to fund operations from within our working capital cycle. Inventory increased by just 4.5% to R3.4 billion, well below sales growth, reflecting improved efficiency across the supply chain, including enhanced forecasting and replenishment. This contributed to a 2.1-day reduction in annual average stock days on hand. Trade and other payables increased by 3.1% to R4.8 billion, reflecting the impact of the 53-week financial year, which captured certain supplier payments that ordinarily would have fallen outside the reporting period.

Capital investment

Capital investment for the year totalled R976 million, weighted 61% to expansion and 39% to maintenance. Investment was directed towards supporting long-term growth and operational efficiency, including R714 million spent on the acquisition and development of stores, R73 million towards the expansion of our supply chain, and R189 million on systems development and optimisation. Boxer's capital-light model delivers rapid returns, with new Superstores typically paying back their investment in under three years. This approach underpins the Group's exceptional capital management, evidenced by a ROIC of 25.5% in FY25, the strongest return profile in South African food retail. The Boxer estate remains in excellent condition, with 97% of stores now updated to the latest-generation specification. Capital investment for FY26 is expected to increase to approximately R1.2 billion, aligned with the Group's expansion programme.

Shareholder distribution

As part of the IPO restructure, Boxer declared dividends of R9.3 billion to Pick n Pay ahead of listing. In line with the guidance provided in the Pre-Listing Statement, no final dividend was declared for FY25. From FY26, Boxer intends to pay out 40% of HEPS, starting with an interim dividend to be declared at the time of the H1 FY26 results.

Looking ahead

As we look to FY26, we have refined our financial forecasts to best reflect current trading conditions. We expect turnover growth to continue in the low teens in FY26 (off the 52-week pro forma base), which factors in the effects of lower food inflation and the ongoing potential for delays in liquor licence approvals, which may affect the timing of some store openings.

We anticipate moderate FY26 trading margin pressure, primarily as a result of annualisation of the guided incremental costs associated with being a listed entity, annualisation of the already-cashflowed Admission award costs, and an initial profit drag as the Tongaat DC is brought onstream. The consumer environment remains constrained and promotional activity across the sector is expected to remain elevated. We will continue to invest in lower prices where necessary to support our customers and strengthen Boxer's position in the market.

Whatever the external context, our priority is unchanged: to execute with focus and discipline in order to fully capture Boxer's long-term structural growth opportunity.

Finally, I would like to thank the many individuals and teams who played a critical role during what was a demanding and high-pressure year. To the Audit Committee and its Chair, thank you for your guidance and oversight. To our risk and compliance teams, who have stepped up to meet the demands and expectations of the listed environment, and to our internal and external audit partners, thank you for your rigour and support. And to the finance and reporting teams at both Boxer and Pick n Pay – your clarity, commitment and professionalism through the IPO process and this first reporting cycle have been exceptional. Together, you have created a strong assurance environment, one that gives me deep confidence in the accuracy and integrity of our financial reporting.

We now look forward to a year with fewer distractions and a renewed focus on unlocking the operational levers that drive this business forward.

David Wayne
Chief Finance Officer

30 June 2025

6 Commitment to CORPORATE GOVERNANCE

GOVERNANCE **SUMMARY**

Charlotte Maponya
Lead Independent Director

"On behalf of the Board, I thank the executive team for their candid and highly professional engagement throughout the listing and in the months that followed. Their leadership was instrumental in delivering Boxer's strong operational and financial results, and their support ensures the Board has access to the right information at the right time."

Reflections from our Lead Independent Director

Boxer's 2024 listing marked a significant transition from a wholly-owned subsidiary to a publicly listed business with a broad shareholder base and heightened responsibilities.

The moment marked the result of decades of operational excellence and the beginning of a new chapter, defined by greater transparency, public accountability and independent leadership.

From the outset, the Board understood that trust in our governance would be the foundation of a successful listing. Our immediate priority was establishing a governance framework that met every regulatory requirement and embraced the principles of King IV – a governance framework built on ethics, transparency and accountability.

This included the adoption of a new Memorandum of Incorporation, a comprehensive Board Charter, clearly defined committee mandates and an integrated set of ethics and governance policies. The rigour applied to the Pre-Listing Statement and all investor-facing communications reflected our absolute commitment to openness, accuracy and stakeholder confidence.

This commitment also shaped the approach to Board readiness. Ahead of listing, all directors participated in a comprehensive induction programme designed to build deep familiarity with the Boxer business, including its operations, market drivers, customer dynamics, risks and strategic intent. This preparation enabled the Board to quickly operate as a cohesive and effective team, with strong engagement, open and constructive debate, and a shared determination to see Boxer succeed.

We are privileged to have assembled a Board of exceptional calibre – diverse in perspective, grounded in business experience and united in purpose. Every director demonstrated deep investment in the success of the IPO and has shown an enduring commitment to supporting Boxer's long-term growth.

Our culture of mutual respect, independence of thought and robust dialogue is something we value and will actively protect.

Looking ahead, succession planning remains a key area of focus. As announced, James Formby will step down as Chair at the end of FY26 following his appointment as Chair of Pick n Pay Stores Limited. James will remain on the Boxer Board as a non-executive director.

Sean Summers will step into the role of Chair from FY27, bringing with him deep knowledge of Boxer and a long-standing relationship with the management team. As the executive who originally brought Boxer into the Pick n Pay Group in 2002, Sean's insight into the business is unparalleled. I will continue to serve as Lead Independent Director, ensuring governance continuity, maintaining independent oversight and supporting the transition in Board leadership.

Boxer's successful IPO and strong FY25 performance are a testament to the quality of its people, the soundness of its strategy and the strength of its governance. I am confident that this Board, together with management, will continue to deliver value for all our stakeholders in the years ahead.

Charlotte Maponya
Lead Independent Director

30 June 2025

The Board confirms that it has fulfilled its responsibilities in accordance with its Board charter, and individual committee Terms of Reference for FY25, and has complied with its Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements.

Our approach to corporate governance

The Group's approach to corporate governance is outcomes-based and principles-driven. Our governance framework is designed to:

- Enable ethical, effective and accountable leadership
- Support long-term stakeholder value creation
- Uphold transparency, fairness and integrity in decision-making
- Align with the Companies Act, JSE Listings Requirements and King IV

Prior to listing, the Group adopted a new Memorandum of Incorporation, Board Charter, committee Terms of Reference and a full suite of governance and ethics policies, including the Group's Code of Ethics, Share-dealing Policy, Conflicts of Interest Policy and Whistle-blowing Policy. These are available at www.boxerinvestor.co.za/esg-governance. They clearly delineate Boxer's governance independence while respecting the interests of the controlling shareholder.

The Group's governance framework is aligned with King IV's governance outcomes

Outcome	Our actions
Ethical culture	A Code of Ethics, supported by ethics policies, training and whistle-blowing channels, are in place. The SETC oversees values-based leadership and ESG integration, and ensures employees receive regular training and communication on Group ethics and other policies.
Effective control	Board authority is defined by charters and a comprehensive delegation framework. Independent committees oversee key areas including risk, audit, compliance and remuneration. The Board Charter and individual committee Terms of Reference ensure a clear balance of power and authority on the Board, preventing any single director from having unfettered decision-making powers. The governance structure will be regularly reviewed to ensure the Board exercises effective and ethical leadership, acts as responsible corporate citizen, and makes decisions that ensure the sustainability of operations.
Good performance	The Board steers strategic direction and monitors performance. A performance-linked long-term incentive scheme supports management delivery and continuity.
Legitimacy	Ongoing stakeholder engagement, transparency, transformation and ESG reporting support trust and legitimacy.

Board leadership and oversight

The Board is the Group's highest governing authority and custodian of corporate governance. It provides ethical leadership, independent oversight and strategic direction to support long-term success. Formed shortly before listing, the Board was constituted to bring together the right mix of governance strength, commercial insight and retail sector experience.

The Board's key responsibilities include:

- Setting and overseeing Group strategy
- Monitoring performance, risk management, capital allocation and compliance
- Upholding ethical conduct and regulatory integrity
- Supporting leadership continuity and accountability

Board composition and key roles

Our directors are strong-minded individuals of integrity who are successful and experienced professionals in their respective fields. The Group appointed business people to its Board. Our Board members play an active role in business, and are able to offer retail, commercial, financial, IT and digital, ESG, legal and regulatory knowledge to the Board, and add value through wisdom and practical business acumen.

Executive directors 2

Marek Masojada (CEO) David Wayne (CFO)	**Chief Executive Officer** Marek Masojada is accountable to the Board for performance and day-to-day management. He leads strategy execution and operational delivery, ensuring the business is agile, well run and values-driven. **Chief Finance Officer** David Wayne is responsible for the Group's financial integrity and performance. He oversees finance, risk and compliance, and ensures that risks are well identified, monitored and reported.

Non-executive directors 2

James Formby and Sean Summers are not considered independent owing to their relationship with the controlling shareholder, Pick n Pay Stores Limited.	James Formby serves as Board Chair. He is responsible for leading the Board, setting the ethical tone and creating a culture of trust and engagement.

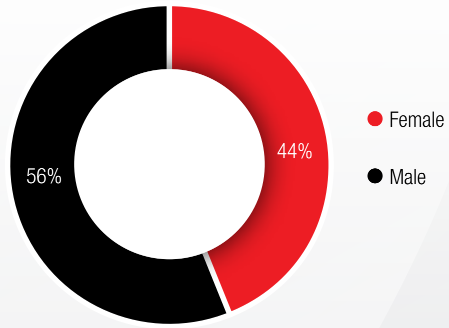
Independent non-executive directors 5

Represent a diversity of backgrounds, academic qualifications, business experience, gender and race.	Charlotte Maponya serves as the Lead Independent Director to reinforce governance integrity and balance. She provides oversight in any instance where the Chair may be conflicted, leads the Chair's performance review, and ensures that the interests of all shareholders are protected. This role is a cornerstone of independence, especially given the Group's controlling shareholder structure.

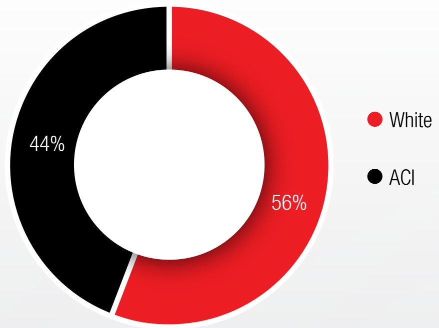
Total directors 9

Board diversity

Gender diversity %



Racial diversity %



Boxer is committed to building a Board that reflects the country's diversity and the communities it serves. Diversity across race, gender, experience and background is recognised as essential to effective governance and decision-making.

The Group adopted a formal Board Diversity Policy that sets short- and long-term voluntary targets:

Short-term targets (three years)	Long-term targets (six years)
• 44% Black South African (ACI)	• 50% Black South African (ACI)
• 44% Women	• 50% Women

The Board meets the Group's short-term targets on race and gender. The Board, guided by the Nominations and Corporate Governance Committee, remains committed to applying and strengthening this standard over time as part of its forward-looking succession and appointment practices.

Progress against these diversity targets will be monitored and will be reported annually in line with the Group's commitment to transformation, inclusion and good governance.

> "The Board is satisfied that its balanced composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence."

OUR BOARD OF DIRECTORS

Directors

Executive directors

Marek Masojada (60)

Chief Executive Officer

Appointed: 15 October 2024

Qualification: CA(SA)

Marek Masojada has been with Boxer for 31 years, having joined the Company in 1993 when it was a modest five-store operation with an annual turnover of R120 million. Over the past three decades, Marek has been instrumental in building Boxer into South Africa's fastest-growing supermarket chain, with leading market share of the discount market, serving middle- to lower-income customers across South Africa and Eswatini. As head of finance for 25 years, and later as Managing Executive from 2019, his experience and expertise spans strategy, finance, property, commercial operations and risk management. Marek's leadership has been pivotal in maintaining Boxer's low-price promise for customers, delivering exceptional value through operational excellence and a strong commitment to meeting the needs of the Boxer Superstores' customer. His leadership and deep understanding of the dynamics of discount retail continues to shape Boxer's success in delivering convenience and affordability to its customers.

David Wayne (46)

Chief Finance Officer

Appointed: 15 October 2024

Qualification: CA(SA)

David Wayne, who joined Boxer from Ernst & Young in 2007, has been a key figure in Boxer for 17 years.

Since his appointment to the Boxer Group executive team in March 2020, he has expertly led the finance division and ensured rigorous financial governance and reporting. With expertise spanning finance, capital investment, risk management, strategy, taxation, and compliance, David has been instrumental in shaping Boxer's financial strategy and driving strong returns on invested capital. His leadership and commitment to financial discipline have kept Boxer financially resilient in an intensely competitive retail landscape, enabling the Group to reinvest cost savings and operational efficiencies into delivering a highly competitive customer proposition.

Non-executive directors

James Formby (55)

Non-executive Chair

Appointed: 9 October 2024

Qualification: CA(SA); Masters in Philosophy in Management Studies

James is the former chief executive officer of Rand Merchant Bank, a position he held for seven years until his retirement in September 2022.

James had a successful 25-year career with RMB, holding a number of senior leadership roles over his tenure, including in corporate finance and investment banking. James' transactional skills and his ability to structure large corporate deals made him a core member in many BBBEE transactions, IPOs, de-listings, mergers, debt restructures and disposals over his tenure with RMB. As CEO, James played a significant role in developing RMB's strategy. James was appointed to the PIK Group board in October 2022, taking on the role of Lead Independent Director in July 2023, and is also a director of Vukile Property Fund and Nimble Group.

Other listed company directorships:

- Pick n Pay Stores Limited
- Vukile Property Fund Limited

Sean Summers (72)

Non-executive director

Appointed: 20 August 2024

Sean Summers has a long-standing and distinguished history with the PIK Group, having first joined in 1974. Rising through the ranks, he was appointed Managing Director in 1996 and became CEO in 1999, leading the PIK Group through a period of significant growth and transformation. Sean identified the potential of the Boxer business and was pivotal in Pick n Pay's acquisition of the business in 2002. After leaving the PIK Group in 2007, Sean gained valuable international retail experience, advising the underlying retail operations internationally for the Steinhoff Group. Reappointed as CEO of the PIK Group in September 2023, Sean brings a deep understanding of both the PIK and Boxer businesses, as well as the intricacies of South African grocery retailing.

Committee membership:

- Remuneration Committee

Other listed company directorships:

- Pick n Pay Stores Limited

Independent non-executive directors

Jesmane Boggenpoel (52)

Independent non-executive director

Appointed: 15 October 2024

Qualification: BCom, BAcc, MPub Admin (Harvard), CA(SA)

Jesmane is a co-founder and the Chief Investment Officer of private equity firm AIH Capital and was head of business engagement for Africa for the World Economic Forum in Switzerland. She currently serves on the boards of Boxer, the agri conglomerate ETG and MTN South Africa. She is also on the board of the South African Venture Capital and Private Equity Association. She is the creator of the online Udemy course: Dealing with the Heart of Race and Gender Inequality in the Workplace.

Committee membership:

- Social, Ethics and Transformation Committee (Chair)
- Audit, Risk and Compliance Committee
- Nominations and Corporate Governance Committee

Other listed company directorships:

- Spur Corporation Limited

Charlotte (Chichi) Maponya (60)

Lead independent non-executive director

Appointed: 15 October 2024

Qualification: Bachelor of Commerce

As Chairperson of the Maponya Group, a diversified family-owned business, Chichi oversees operations spanning mining, motor, agriculture, and food and clothing retail, including in the developing township economy in South Africa. Her leadership extends to board roles at Maponya Motors Soweto (formerly Barloworld Maponya) and Maponya Medical Solutions, while she also serves as a trustee of several influential trusts, with a focus on skills development and entrepreneurship. A former Chair of Brand South Africa and former member of South African Tourism, Chichi remains committed to enhancing South Africa's global business presence.

Committee membership:

- Nominations and Corporate Governance Committee (Chair)
- Social, Ethics and Transformation Committee

Cindy Robertson (49)

Independent non-executive director

Appointed: 15 October 2024

Qualification: CA(SA)

Cindy Robertson began her career as Finance Director at the National Ports Authority in Cape Town and has since held key finance roles in leading South African corporations, including Woolworths, Pioneer Foods and Sea Harvest. She currently serves on several non-profit charitable organisations, is the Vice Chairperson of the Finance Committee and member of the Audit and Risk Committee of the University of Cape Town, is a director of Coronation Life Assurance Company Limited and Coronation Management Company, and serves as Lead Independent Director on the Board of Rainbow Chicken Limited and Chair of their Audit and Risk Committee and member of their Remuneration Committee.

Committee membership:

- Audit, Risk and Compliance Committee (Chair)
- Remuneration Committee
- Nominations and Corporate Governance Committee

Other listed company directorships:

- Rainbow Chicken Limited

Independent non-executive directors

Dineo Molefe (47)

Independent non-executive director

Appointed: 15 October 2024

Qualification: CA(SA), BCompt (Unisa), BCompt Hons/CTA (Unisa), MCom International Accounting (UJ), Advanced Management Programme: Wharton, University of Pennsylvania

Dineo Molefe is currently the CFO of MTN South Africa. Under her leadership, the finance function has evolved into a key strategic partner, aligning closely with broader business objectives. With 28 years of experience, Dineo brings deep expertise across industries such as telecommunications, FMCG, financial services and diversified investments.

Committee membership:

- Social, Ethics and Transformation Committee

Leon Lourens (59)

Independent non-executive director

Appointed: 15 October 2024

Qualification: B.Com (Business and marketing), National Higher Diploma, Human Resources

Leon Lourens is a seasoned retail leader with over three decades of experience, including executive roles across multiple retail sectors. Leon's extensive operational and strategic expertise spans clothing, general merchandise, furniture, and fintech. Leon is recognised for his leadership in crisis management, having navigated Pepkor Holdings through the Covid-19 pandemic and significant operational disruption from the July 2021 civil unrest in South Africa.

Committee membership:

- Remuneration Committee (Chair)
- Audit, Risk and Compliance Committee
- Nominations and Corporate Governance Committee

Company Secretary

Vaughan Pierce (42)

Company Secretary

Appointed: 15 October 2024

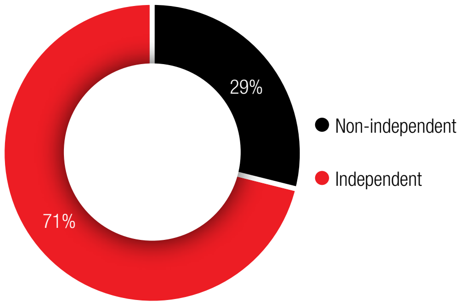
Qualification: BA, LLB, LLM

Vaughan Pierce also serves as Company Secretary for Pick n Pay Stores Limited, having been appointed to the role in March 2024. Previously, Vaughan served as Senior Legal Advisor for Pick n Pay for 13 years. During his tenure, he performed a number of other key roles, including as Vice Chairperson of the Pick n Pay Medical Aid Scheme and as Trustee on the Ackerman Pick n Pay Foundation and Feed the Nation Foundation. Vaughan assumed the role of Executive for ESG for Pick n Pay in 2022 and continues to oversee the integration of ESG considerations.

Board independence

The Board believes a strong majority of independent non-executive directors is essential for effective governance and objective oversight. Five of the seven non-executive directors are classified as independent. Board independence is assessed rigorously and holistically, considering each director's relationship with the Group, their tenure, and any circumstances that may affect their ability to act without undue influence. This includes evaluating links to the major shareholder, prior executive roles and other relevant interests. Independence assessments are conducted on appointment and reviewed on an annual basis thereafter. Following its annual review, the Board confirms that the majority of its non-executive directors are free from any interests or relationships that could compromise their independence of judgement.

Independence of non-executive directors %



Board appointment and rotation

Appointments are guided by governance and diversity policies, with an emphasis on skills, experience and community representation.

As FY25 marks the Board's first year, all directors will be presented for election at the AGM. Thereafter, one-third of non-executive directors will retire by rotation each year. This process enables shareholder accountability and ensures fresh perspectives over time.

Board evaluation and performance

A structured annual evaluation process is in place to assess the performance of the Board, committees, Chair and individual directors. Evaluations cover strategic oversight, governance quality and Board dynamics. As this was the Board's first year post-listing, its inaugural evaluation will be conducted in FY26. The outcomes will inform succession planning, development priorities and improvements to Board effectiveness.

Risk, compliance and IT governance

Risk management, compliance and IT governance are key areas of oversight for the Audit, Risk and Compliance Committee (page 56). These functions are supported by internal structures and aligned with King IV. Risk management is also discussed in more detail starting on page 20.

Company Secretary

Vaughan Pierce was appointed as Company Secretary in October 2024. He plays a central role in ensuring Board processes are well managed and legally sound. Vaughan also serves as Company Secretary of Pick n Pay Stores Limited and brings extensive governance experience.

The Company Secretary helps the Board to operate effectively by:

- Supporting the Chair and directors in fulfilling their duties
- Coordinating Board operations and information flow
- Guiding compliance with legal and regulatory frameworks
- Providing secretarial support to the Board and its committees

Directors have unrestricted access to his guidance. The Board has formally assessed and confirms his qualifications, experience and independence, and has further concluded that the arrangements in place for company secretarial services are comprehensive and effective.

Board attendance

The Board meets at least four times a year, with additional meetings convened as required. Directors are expected to attend all meetings unless a valid reason is provided. Meeting agendas and supporting materials are circulated in advance to enable informed participation and constructive engagement.

In addition, directors receive regular financial and operational updates and engage frequently with the senior management team through committee meetings and other forums.

Director	Meeting attendance
Charlotte Maponya	4/4
Cindy Robertson	4/4
David Wayne	4/4
Dineo Molefe	4/4
James Formby	4/4
Jesmane Boggenpoel	4/4
Leon Lourens	4/4
Marek Masojada	4/4
Sean Summers	4/4

Board committees

The Board has established four committees to help carry out its responsibilities effectively. These committees focus on key areas where deeper oversight is needed, such as combined assurance, risk management, remuneration, social and ethics matters and Board composition and succession.

Delegation of authority and executive governance

Roles are formally defined in the Corporate Governance Charter. A Delegation of Authority framework outlines executive powers and Board approval thresholds. Within this framework, governance structures ensure oversight of strategic and operational matters, supported by regular assurance reviews.

The Board is satisfied that the Delegation of Authority framework contributes to role clarity and the effective exercise of authority and responsibility.

Each committee operates under a formal Terms of Reference with clear authority and reporting lines to the Board. This structure helps maintain strong governance, encourages independent thinking and robust debate, and supports disciplined execution across the business.

The roles and responsibilities of each committee are detailed in the Board's Corporate Governance Charter, available at www.boxerinvestor.co.za/esg-governance. Board and committee charters will be reviewed annually to ensure the committee mandates remain current and effective and that King IV requirements are met. Each committee assesses its effectiveness by reviewing its activities against the approved Terms of Reference, aligned with their delegated powers and authority.

Board committee overview

Committee	Members	Purpose
Audit, Risk and Compliance Committee (ARCC)	Cindy Robertson (Chair) Jesmane Boggenpoel Leon Lourens	Independent oversight of Boxer's financial reporting, risk management, compliance and audit processes. As a statutory Board committee, the ARCC supports ethical leadership and sound governance, and ensures robust internal controls. It also acts as a key liaison between the Board and internal and external auditors to safeguard the Group's integrity and accountability. *Refer to page 56 for the committee report.*
Remuneration Committee (RemCom)	Leon Lourens (Chair) Cindy Robertson Sean Summers	To ensure Boxer's remuneration policies remain fair, transparent and aligned with its strategic goals and ethical values. The Committee oversees performance-linked rewards, talent management, and equitable pay practices that support sustainable success. It also engages with stakeholders to ensure accountability and alignment, helping to attract and retain high-performing talent across the Group. *Refer to page 60 for the committee report.*
Social, Ethics and Transformation Committee (SETC)	Jesmane Boggenpoel (Chair) Charlotte Maponya Dineo Molefe	The SETC oversees Boxer's ethical conduct, sustainability efforts, and transformation initiatives, ensuring responsible corporate citizenship and alignment with the Group's values. It monitors social and environmental impact, promotes diversity and inclusion, and fosters stakeholder trust. As a statutory Board committee, it supports ethical governance, sustainable growth, and long-term value creation in line with regulatory standards and best practices. *Refer to page 73 for the committee report.*
Nominations and Corporate Governance Committee (NomGov)	Charlotte Maponya (Chair) Jesmane Boggenpoel Cindy Robertson Leon Lourens	NomGov supports effective leadership and long-term success by overseeing Board composition, succession planning, and governance practices. The Committee promotes diversity, inclusion, and strong performance through transparent director appointments and regular Board evaluations. It ensures governance structures remain robust, forward-looking, and aligned with regulatory standards and stakeholder expectations. *Refer to page 74 for the committee report.*

REPORT OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE

The Audit, Risk and Compliance Committee (the Committee) presents its report for the financial period ended 2 March 2025 (FY25). 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 and King Code of Governance Principles (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 statement

It was a landmark year for Boxer, marked by its successful listing on the main Board of the JSE (Boxer IPO) in November 2024. While the Boxer IPO was a critical step in the recapitalisation of the Pick n Pay Stores Limited Group (Pick n Pay), it has also elevated Boxer's position in the South African retail industry, unlocking opportunities for accelerated growth. In structuring the new Boxer Retail Limited Board, the Boxer team prioritised financial and governance oversight, appointing an Audit, Risk and Compliance Committee with expertise in retail operations, financial reporting, corporate governance and regulatory compliance. Much of the Committee's early focus was on the successful execution of the IPO, a complex and highly technical process requiring oversight and rigour to ensure that the executive team was fully prepared to execute a listing that was effective, efficient and compliant with all local and international regulatory requirements.

The IPO groundwork, under the stewardship of Board Chair James Formby, was extensive and through the process the Committee gained confidence in Boxer's ability to operate effectively in a listed environment.

I extend thanks to my fellow Committee and Board members for their diligent contribution and dedication throughout the IPO process.

Beyond the IPO, the Committee remained focused on ensuring that Boxer upholds standards of financial integrity, risk management and corporate governance. Our oversight during FY25 was guided by a shared commitment to transparency, independence and robust financial controls, ensuring that Boxer enters its next phase as a listed entity with a strong governance foundation.

The Committee confirms that it has fulfilled its mandate effectively, with appropriate internal controls, compliance measures, and risk governance structures in place to safeguard stakeholders' interests and uphold Boxer's commitment to transparency and accountability.

Committee mandate

The Board has delegated the statutory and regulatory duties arising from the Companies Act, Listings Requirements, and all other legislative compliance and risk governance to the Committee.

The Committee provides independent oversight of the Group's financial reporting, risk management and assurance processes, ensuring robust controls, regulatory compliance and transparency. The Committee plays a key role in fostering ethical leadership, sound governance, and effective decision-making, supporting the Board in safeguarding assets, maintaining internal controls, and ensuring accurate financial and integrated reporting.

The key responsibilities of the Committee are:

- **Financial integrity** – ensuring the accuracy and reliability of the Group's financial statements and external reports
- **Financial sustainability** – assessing the liquidity and solvency of the Group and confirming the appropriateness of the going concern assumption used in the Annual Financial Statements
- **Risk management** – overseeing the Group's risk strategy and ensuring that risks are identified, monitored and mitigated effectively
- **Assurance oversight** – coordinating internal and external audits to uphold accountability and transparency
- **Compliance** – monitoring adherence to regulatory requirements, including the JSE Listings Requirements and Companies Act obligations.

The Committee's mandate and responsibilities are set out in its Terms of Reference, which is reviewed and approved annually by the Board. The Terms of Reference are available on the Company's Investor Relations website, at www.boxerinvestor.co.za/esg-governance.

Committee governance

The Committee proactively evaluates risks, assurance outcomes, and compliance measures to safeguard Boxer's long-term sustainability and value creation.

The Committee comprises independent non-executive directors, nominated annually and elected by shareholders at the AGM. Fees paid to members are approved by shareholders each year and disclosed in the Remuneration Report.

The Committee Chair reports to the Board quarterly, providing insight into the Committee's activities. Additionally, the Chair meets with the Audit Committee Chair of Pick n Pay Stores Limited (the majority shareholder) quarterly to discuss material issues or concerns.

Committee composition and meeting attendance

All Committee members satisfy the requirements to serve as a member of an audit committee, as provided in section 94 of the Companies Act. They have the necessary financial literacy skills and experience to execute their duties effectively. The detailed curriculum vitae of each Committee member is available on the Boxer Investor Relations website at www.boxerinvestor.co.za/leadership and will be included in the 2025 Notice of AGM.

			Meeting attendance		
Member	**Qualification**	**Appointed**	**October**	**February**	**May**
Cindy Robertson (Chair)	BCom, PGDA, CA(SA)	15 October 2024	✓	✓	✓
Jesmane Boggenpoel	BCom, PGDA, CA(SA), MPA	15 October 2024	✓	✓	✓
Leon Lourens	BCom, NHD in HR	15 October 2024	✓	a	✓

a – apology received and feedback provided.

The Committee was formally constituted in October 2024, ahead of the Company's JSE listing. The Committee met three times in respect of the FY25 year, with initial focus on the Group's JSE listing and particularly the accuracy and transparency of the Group's Pre-Listing Statement (PLS) and its compliance with JSE regulations and all other applicable legislation. Thereafter the Committee finalised and followed a formal workplan in delivering on its mandate to the Board. Going forward, guided by the principles of King IV, the Committee will meet at least four times over a twelve-month period, with additional ad hoc meetings as required.

Committee meetings include the following standing invitees: the Board Chair; Chief Executive Officer (CEO); Chief Finance Officer (CFO); Head of Internal Audit & Risk; Chief Information Officer (CIO); and external auditor. In addition, representatives of Pick n Pay may join Committee meetings by invitation, as required, including the Chair of that Audit Committee.

Key Committee activities performed in FY25

1. Boxer listing on the JSE and A2X

The Committee played a key role in ensuring Boxer's listing on the JSE and A2X was executed in line with all legislative requirements. Key activities included:

- Approval of the Group's founding constitutional documents, including Board and Committee charters and work plans, and key ethics and other policies
- Oversight of the reorganisation of the Group companies, and review of related assurance reports, and the resultant inter-company transactions and pre-IPO dividend flows
- Appointment of the Company's JSE Sponsor
- Engagement with the external auditor to understand the Group's historic financial performance and approval of all IPO-related financial disclosures
- Engagement with local and international legal counsel to ensure legislative compliance
- Review of governance and combined assurance frameworks
- Oversight of capital adequacy and working capital requirements
- Comprehensive review and approval of the Pre-Listing Statement to ensure all information provided was transparent, accurate, fair and balanced to enable informed investment decisions

The Committee is satisfied that the listing process was managed with transparency, accuracy and regulatory compliance, ensuring the Company entered the listed environment with a strong governance foundation.

2. Finance function and integrated reporting

The Committee provided independent oversight of the effectiveness of the finance function, ensuring accuracy, integrity and compliance in financial and other reporting. Key activities included:

- Review of financial results, budgets, cash flow forecasts and capital expenditure
- Evaluation of the appropriateness of key accounting policies and financial reporting controls
- Review of key disclosures to ensure year-on-year comparability of financial performance, including the required restatement of the Group's share capital post the IPO, and the application of the 53-week financial calendar in FY25 and all related pro forma disclosures
- Assessment of liquidity, debt covenants and treasury management
- Review of tax status and compliance
- Ensured JSE proactive monitoring feedback was incorporated into financial disclosures as relevant
- Monitored compliance with IFRS, the Companies Act, JSE Listings Requirements and King IV
- Validation of CEO and CFO attestations on financial controls

The Committee is satisfied that Boxer's finance function is well resourced and effective, ensuring financial reporting reliability and compliance with all regulatory standards.

Expertise and experience of the CFO and the finance function

The Committee considered the composition, experience, resources and skills of the Group finance function. The Committee is satisfied that David Wayne has the appropriate expertise and experience for his continued appointment as CFO. In addition, the Committee is satisfied that the composition, experience and skills of the finance function meet the Group's requirements.

Going concern

The Committee reviewed and considered representations by management on the going concern statement for the Group and recommended the adoption of the going concern principle to the Board.

Annual Financial Statements

The Annual Financial Statements for the financial period ended 2 March 2025 were compiled under the supervision of the CFO, David Wayne CA(SA). The Committee reviewed the Consolidated Group and separate Company Annual Financial Statements for the 53 weeks ended 2 March 2025. The Committee is of the opinion that, in all material respects, the financial statements comply with IFRS and the Companies Act and that they fairly present the financial position of the Group and Company for the 2025 financial period and the results of the operations and cash flows for the period then ended. The Committee recommended them for approval to the Board on 8 May 2025.

3. Internal audit assurance

The Committee oversaw the effectiveness of the internal audit function, which is currently performed by Pick n Pay under an arm's length professional shared-services agreement. A formal transition plan to an in-house internal audit function is underway, expected to be fully operational during the second half of FY26. Key activities included:

- Approval of the internal audit charter, plan and budget
- Assessment of the expertise and independence of the internal audit team
- Review of internal audit reports on governance, risk management, financial, operating and IT controls, control breakdowns and the overall control environment. Assessed significant internal audit findings and evaluated management's corrective actions
- Independent engagement with the Head of Internal Audit to confirm full co-operation from management
- Oversight of cybersecurity controls
- Ensuring compliance with professional internal auditing standards

The Committee confirms that internal audit processes are independent and effective and the Committee supports the transition to an in-house function to further strengthen assurance capabilities.

Internal financial controls

Through the work of the internal audit function, the Committee assessed the effectiveness of internal financial controls to determine whether there were significant weaknesses in their design, implementation or execution that could lead to material financial loss, fraud or error. No material issues have come to the attention of the Committee or the Board that would indicate the Group's system of internal controls and risk management is not effective, and the Committee concluded that internal financial controls provide a sound basis for the preparation of reliable financial statements.

4. External audit assurance

The Committee oversees the appointment, remuneration and effectiveness of the Group's external auditor. Ernst & Young Inc. (EY) previously served as Boxer Superstores Proprietary Limited's external auditor from July 2015, following a formal tender process undertaken by Pick n Pay. The Committee formally appointed EY as the independent auditor to Boxer Retail Limited on 25 October 2024.

Matthew Brown, the current designated audit partner, was appointed on 25 October 2024. To comply with section 92 of the Companies Act, the designated audit partner must rotate after five consecutive financial periods.

EY has unrestricted access to the Group's records and management team and presents significant external audit findings to the Committee. The designated audit partner has direct access to the Committee Chair to raise any concerns. Key Committee activities included:

- Approval of EY's audit plan and scope to ensure adequate coverage of critical risk areas, significant balances and transactions, and other material matters
- Approval of the external audit fees
- Assessment of EY's independence, effectiveness and suitability in line with the JSE Listings Requirements
- Confirmation of compliance with IFRS, the Companies Act and JSE Listings Requirements
- Evaluation of audit findings, confirming no material unresolved matters or reportable irregularities

The Committee is satisfied that EY remained independent, competent and effective in performing its duties during FY25. It also confirms that Matthew Brown meets the required competence and independence standards as designated audit partner. The Company will table a resolution at the 2025 AGM to reappoint EY as the external auditor for FY26 and will annually assess whether an external audit tender process is required.

Significant matters

The Committee considered the key audit matters reported in the external audit report. After discussions with management and the external auditor, it is satisfied that the Annual Financial Statements appropriately address the critical judgements and key estimates related to these matters.

5. Risk and compliance

The Committee provided oversight on the Group's risk management framework, ensuring material risks were identified, assessed, and mitigated. Key areas of Committee focus included:

- Review of material and emerging risks, including operational and financial risks, and mitigation plans
- Review of all internal and external assurance reports from a risk perspective
- Monitored supply chain security and civil unrest contingency plans
- Assessed the adequacy of insurance coverage and business continuity measures
- Ensured adherence to food safety, occupational health and safety and other risk-related policies
- Confirmed the expertise and experience of the Group head of risk and compliance, and evaluated the composition, skill and independence of the risk and compliance function

The Committee is satisfied that the Group's risk and compliance framework is effective, ensuring robust mitigation strategies against operational and external risks.

The Committee closely monitored the relationship between external and internal assurance providers and the Group. It ensured that the Group's combined assurance model adequately addressed the Group's significant risks. The Committee was satisfied that the Group's combined assurance model had been effective in achieving transparent and accurate financial reporting, sound risk management and mitigation, and an effective level of residual risk.

6. Other key activities and outcomes

6.1 IT governance

The Committee reviewed and approved all material IT strategies, initiatives, policies and frameworks. It also approved IT investment principles to guide material IT investment decisions, ensuring system optimisation and continuous innovation. In addition, the Committee evaluated reports on Boxer's IT risk profile, critical IT and cyber risks, and risk management processes, and is satisfied with the security and resilience of its systems, platforms, and data.

6.2 Policy on non-audit services

All non-audit services provided by the Group's external auditor are required to be approved by the Committee prior to the work being undertaken. The nature and extent of non-audit services provided by the external auditor are reviewed to ensure that the fees for such services do not become so significant as to call into question their independence. In FY25, in addition to receiving fees for the audit of financial statements, EY received R9.9 million relating to agreed-upon assurance-related services provided under auditing standards in connection with the IPO, which were approved in accordance with this policy. EY did not receive fees for tax or consultancy work during FY25.

6.3 King IV

The Group applied the King IV principles over the FY25 year. The details will be reported in the Group's 2025 Integrated Annual Report and updated King IV application register, expected to be published during July 2025. The Group's King IV application register is available on the Group's Investor Relations website at www.boxerinvestor.co.za/esg-governance.

Committee evaluation and re-election

The Board is satisfied that the Committee has performed its duties effectively to date and that Committee members have the necessary skills and experience to discharge their duties effectively. Committee members will be put to shareholders for formal election at the 2025 AGM to be held in July 2025. Going forward, the performance and effectiveness of the Committee will be formally assessed by the Board on an annual basis, assisted by the Nominations and Corporate Governance Committee.

The Committee is satisfied that it complied with, and discharged, all statutory duties in terms of section 94(7) of the Companies Act and the Listings Requirements, as well as with the functions and responsibilities assigned to it by the Board under its Terms of Reference for FY25. The Committee complied with all applicable legal, regulatory and other responsibilities for FY25.

Key focus areas for FY26

The Committee's focus areas for the 2026 financial year will include:

- Enhancing risk oversight and ongoing awareness on emerging global geopolitical risks, international tariffs, macro-economic volatility and cybersecurity risks
- Strengthening internal audit and risk management, ensuring a seamless transition to an in-house function

Cindy Robertson
Chair: Audit, Risk and Compliance Committee

8 May 2025

REPORT OF THE REMUNERATION COMMITTEE

STRUCTURE OF OUR REMUNERATION REPORT

This report is presented in three parts to ensure transparency, fairness and accountability:

Part 1: Background statement

Provides an overview of the mandate and governance of the Remuneration Committee (RemCom), the context for the remuneration decisions taken in FY25 and our priorities for the year ahead.

Part 2: Remuneration policy

Outlines the Group's remuneration framework, including pay structures, performance measures, eligibility and fair pay principles.

This section is subject to a non-binding advisory vote by shareholders at the AGM.

Part 3: Implementation report

Details how the remuneration policy was applied in FY25, including actual pay outcomes for executives, incentive awards, performance results and fees paid to non-executive directors.

This section is subject to a non-binding advisory vote by shareholders at the AGM.

Background statement to the report

The RemCom is pleased to present its report for FY25. This report was prepared in line with the Companies Act, King IV, JSE Listings Requirements, IFRS, and other applicable regulations.

Committee mandate

The RemCom oversees all aspects of Boxer's remuneration strategy to ensure fairness, competitiveness and alignment with business ethics and long-term value creation.

The RemCom's key responsibilities include:

- Setting and reviewing pay policies and incentive structures
- Ensuring compliance with governance standards and regulatory requirements
- Supporting fair and responsible pay practices, transformation and talent development
- Engaging with shareholders on key remuneration matters

Committee governance

The Board delegated to the RemCom its statutory and regulatory duties relating to remuneration governance. The Committee operates under a formal Terms of Reference, which defines its authority, responsibilities and reporting obligations. The Terms of Reference is reviewed and approved annually by the Board and is available at www.boxerinvestor.co.za/esg-governance.

The RemCom comprises a majority of independent non-executive directors, nominated by NomGov and appointed by the Board. The RemCom was formally constituted in October 2024, ahead of Boxer's JSE listing. Its members have the skills and experience necessary to discharge their responsibilities effectively. Their CVs are available on page 51.

Member	Meetings
Leon Lourens (Chair)	2/2
Cindy Robertson	2/2
Sean Summers	2/2

RemCom met twice during FY25 with 100% attendance. Its initial focus included:

- The development of a remuneration framework aligned with best practice
- The accuracy of remuneration disclosures in the Pre-Listing Statement
- Compliance with regulatory requirements

The Committee also developed and adopted a formal workplan to guide its activities and ensure effective delivery on its mandate to the Board. Going forward, the Committee will meet at least three times annually, with additional meetings convened as required.

Invitations to Committee meetings may be extended to senior management and external advisors, as appropriate. Any member of the Board is entitled to attend as an observer. Representatives of Pick n Pay Stores Limited, the Group's majority shareholder, may also attend by invitation, including the Chair of the Pick n Pay Remuneration Committee.

The RemCom Chair reports to the Board after each scheduled meeting and will hold regular formal engagements with the Chair of the Pick n Pay Remuneration Committee to discuss any material matters of mutual interest.

The role of independent external advisors

The RemCom will ensure that the Group stays informed about changes in legislation and remuneration trends in the retail sector through ongoing training, research and monitoring. When needed, the Committee obtains independent, expert advice. This is particularly in respect of remuneration benchmarking and the design of fair, transparent short- and long-term incentive structures aimed at driving performance and supporting employee retention.

In FY25, the Group engaged REMchannel and 21st Century for various remuneration benchmarking services and Bowmans for the formal drafting of its remuneration policies and STI and LTI scheme rules. RemCom is satisfied that the experts delivered objective and independent advice and services.

Stakeholder engagement and 2025 AGM

The RemCom values transparent and constructive shareholder engagement. Shareholders are encouraged to raise any material concerns regarding remuneration in advance of the AGM to support informed voting and meaningful dialogue. Comments and queries may be directed to the Company Secretary at companysecretary@boxer.co.za.

The Remuneration Policy and the Implementation Report will be presented separately to shareholders for non-binding votes at the AGM on 29 July 2025.

Should 25% or more of our shareholders vote against either resolution, Boxer will take the following steps:

1. Publish the AGM voting results via SENS
2. Invite dissenting shareholders to engage with the RemCom
3. Schedule individual or group meetings, as appropriate, to understand concerns
4. Respond formally to shareholders and disclose planned actions
5. Summarise shareholder feedback and our response in the next Remuneration Report

The Committee is preparing for anticipated changes under the Companies Amendment Act, which will make shareholder votes on remuneration binding. We are committed to proactive engagement as the legislative landscape evolves.

Message from our Remuneration Committee Chair

Boxer's listing brought not only new growth opportunities and greater visibility, but also heightened responsibility across all aspects of corporate governance, including how we reward and retain talent. For the RemCom, this required building a remuneration framework that balances fairness, performance and long-term alignment in a listed context.

As we prepared for listing, our goal was to put in place a structure that matched the professionalism expected of a listed company, while staying true to Boxer's inclusive, people-first culture. It had to be robust, market-aligned and transparent – but also reflective of the values that have shaped Boxer's success over decades.

This report reflects on the Committee's work during FY25 and outlines the priorities that will guide us in the year ahead.

Laying strong foundations

With the support of Pick n Pay, Boxer undertook a full review of its remuneration framework. Rather than replicating legacy models, we built a stand-alone structure aligned with best practice and market expectations. Independent benchmarking against a peer group of JSE-listed companies informed the design of our framework, including short- and long-term incentives, minimum shareholding requirements, and formal malus and claw-back provisions.

Governance-led and inclusive design

This was a rigorous and inclusive process, grounded in governance. It involved close collaboration with the Pick n Pay Remuneration Committee, engagement with the newly constituted Boxer Board, independent advisor support, and formal approval of the LTIP by the JSE under Schedule 14. All policies were aligned with the new Companies Amendment Act.

Bridging two governance periods

FY25 was unique in that it spanned two governance frameworks. Early decisions, including FY24 outcomes and FY25 STI targets, were made under the oversight of the Pick n Pay Remuneration Committee. From October 2024, full responsibility transitioned to the newly established, independent Boxer RemCom. This report provides a clear account of all material remuneration decisions made under both committees.

Supporting stability and talent

Transitioning to a listed environment required Boxer to build new capabilities in governance, investor relations, compliance and risk. Retaining our leadership team while attracting key talent for these new roles was a strategic imperative. To support this, the Committee approved once-off admission awards for senior leaders and key individuals, structured to support post-listing continuity and drive long-term value creation.

> "The framework was built to reflect Boxer's values – fairness, equity, transformation and a deep commitment to people development."

Key FY25 decisions

In this foundational year, RemCom focused on building a transparent, performance-driven framework that supports long-term value and fair pay. Key actions included:

- Established the Boxer RemCom and approved its Terms of Reference
- Adopted a new remuneration policy and framework, introduced stronger safeguards (malus, claw-back and fair exit provisions), and implemented minimum shareholding requirements for executives
- Approved all IPO-related remuneration disclosures
- Approved fair, market-aligned salary increases with a focus on lower earners
- Granted once-off broad based admission awards to support post-listing retention and worked closely with the senior management team to ensure a smooth transition to the listed environment
- Cancelled legacy Pick n Pay share awards and agreed compensation payments for lost value

Priorities for FY26

Our focus will shift from design to refinement. We will continue strengthening the link between performance and reward, review policy alignment with emerging legislation and support Boxer's broader strategic goals. Key focus areas include:

- Approving the first performance-based LTIP awards (FY26 – FY28)
- Ongoing review of remuneration structures for market alignment
- Deepening our review of race and gender pay equity
- Exploring a potential migration to a full cost-to-company remuneration model
- Strengthening labour engagement to support wage stability and shared value
- The implementation of a formal succession plan for executive directors and senior management to ensure depth and continuity in leadership structures

The RemCom is confident that the framework we have put in place is fit for purpose, grounded in sound governance and in the values that make Boxer unique. It will support the Group's strategy, enable us to attract and retain the right talent, and foster a high-performance culture that delivers value for all stakeholders.

I thank my fellow committee members for their insight and commitment and extend my appreciation to the Boxer executive and HR teams for their support throughout this critical year. Most of all, I want to acknowledge the extraordinary people of Boxer, whose commitment, care and belief in the Boxer mission continues to drive the business forward.

Leon Lourens
Chair: Remuneration Committee

30 June 2025

The RemCom is satisfied that it has fulfilled its responsibilities in accordance with its Terms of Reference, and that the remuneration policies applied and decisions made in FY25 achieved the objective of fair and responsible remuneration.

OVERVIEW OF REMUNERATION POLICY

Boxer's remuneration strategy is built on fairness, responsibility and performance-based reward to attract, motivate and retain high-calibre talent. Our framework supports employee growth and long-term value creation for all stakeholders.

Stakeholder guide

This section outlines Boxer's forward-looking remuneration policies and practices, including:

- The core principles guiding our remuneration approach
- The structure of fixed and variable pay
- Key provisions relating to service contracts, terminations and minimum shareholding requirements
- Malus and claw-back mechanisms

Remuneration principles

Our remuneration policy aims to:

- Attract and retain talent aligned with our values
- Support strategic delivery within the Group's risk appetite
- Drive positive outcomes for employees, shareholders and communities
- Promote ethical, well-governed and sustainable business practices

Our remuneration approach is underpinned by three core principles:

1. Fair and responsible remuneration	2. Diversity and talent development	3. Performance-based reward
We ensure remuneration is: • Legally compliant and non-discriminatory • Internally equitable and externally benchmarked • Supports long-term sustainability	Our policies promote a diverse and high-performance workforce by: • Prioritising local hiring and community upliftment • Investing in training, bursaries, and development • Enabling equal access to career progression	Remuneration is closely linked to performance and aligned with shareholder interests through: • Transparent expectations and clear targets • Rewards for strong performance, with no payouts for underperformance • Long-term incentives and MSR requirements that encourage executive share ownership

> Through these core principles, Boxer ensures that remuneration remains fair, competitive and aligned with long-term business success.

Remuneration framework

Boxer's remuneration framework combines its remuneration principles and policy in a structured approach that ensures fair, competitive, and performance-driven reward. It is designed to develop and retain a high-performance team by balancing short-term performance incentives with long-term value creation, closely aligned with the Group's strategic objectives and stakeholder interests.

The remuneration framework comprises fixed remuneration and variable remuneration. The weighting of fixed and variable remuneration varies by job level, with senior employees having a greater proportion of variable pay, recognising their accountability for strategic delivery.

Fixed remuneration

Fixed remuneration consists of a guaranteed base salary and benefits, which are benchmarked against market standards and industry peers, with the assistance of independent remuneration experts, to ensure competitiveness. Fixed remuneration is reviewed annually to balance fairness with affordability, with particular focus on increases for lower-level employees to help address remuneration gaps over time.

1. Base salary
   - Reflects role, skills and experience
   - Set within defined pay structures for internal equity and market alignment
   - Reviewed annually based on performance, inflation and affordability
2. Benefits
   - Core benefits include retirement, insured life and disability covers and training
   - Two provident funds serve the Group executive team and other employees respectively
   - Medical aid is offered to all employees above junior management
   - Additional store-level benefits include a 13th cheque, long service cash awards and funeral cover
   - Benefits are regularly reviewed for competitiveness and employee value

Variable remuneration

Competitive variable remuneration plays an important role in attracting, motivating and retaining key talent. Boxer's variable remuneration structure is designed to reward performance and incentivise value creation over the short to medium term (one to three years). It consists of STIs and LTIs, with both elements considered "at risk" pay directly linked to the achievement of Group and individual performance targets.

The total value of the annual STI and LTI awards is capped at 10% of Group PBT to ensure affordability and alignment with the Group's objective of delivering sustainable long-term value creation.

1. Short-term variable incentives

Annual STI performance bonus scheme

The annual STI bonus scheme is a self-funding, performance-driven model, ensuring that bonus payouts are directly linked to the Group's results. Bonuses increase with stronger performance but remain subject to overall affordability limits and RemCom discretion.

The scheme incorporates a combination of Group-specific and individual key performance indicator (KPI) targets. This dual focus drives performance and ensures that individual contributions are recognised and rewarded.

Store bonus scheme

More frequent bonuses are paid to qualifying employees at store level. These incentives are directly linked to key short-term sales and profit targets that drive overall store profitability.

Overview of annual STI performance bonus scheme

Purpose	• To drive short-term performance by rewarding delivery against financial and strategic targets
Participation and eligibility	• 155 participants for middle management and above • Minimum KPI rating required • Must be employed for more than three months (bonuses pro-rated) • Excludes employees who have resigned or are serving notice periods
Value of STI: Executive directors	• Equal in value to a specified number of months' total guaranteed pay (TGP) at threshold, target, stretch and super-stretch performance levels, aligned with market benchmarks > Threshold: 4 months > On-target: 6 months > Stretch: 8 months > Super-stretch: 12 months • The total value of the STI cannot exceed 100% of TGP (12 months)
Value of STI: management	• Equal to various set months of base salary (excluding benefits) at each performance level • Value of awards reflect role, skill and market benchmarks • Super-stretch bonuses may apply for exceptional outperformance • STI capped at 100% of base salary (12 months)
Performance targets	**Group performance targets** • **FY25:** Comparable PBT* • **FY26:** Adjusted trading profit after lease interest (ATPAL) **Individual KPIs** • KPIs linked to Group strategy, such as store expansion, volume growth, operating efficiency and resource management targets
Weighting of performance metrics	**Executive directors** • 80% based on Group performance targets • 20% based on individual KPIs **Management** • 50% based on Group performance targets • 50% based on individual KPIs
Safeguards	• Total variable pay (STI and LTI) limited to 10% of Group PBT • Individual bonuses capped at 100% of TGP or base salary • All awards subject to malus and claw-back provisions

* *Profit before tax on a 52 week basis adjusted for IPO related costs.*

2. Long-term variable incentives

a. Long-term share incentive plan (LTIP)

Boxer's LTIP is designed to reward and retain executives and senior leaders critical to the Group's long-term strategy. Structured as a zero-strike forfeitable share plan, it aligns executive reward with sustained performance and shareholder value. Awards are performance-based and may also support talent attraction, critical skill retention, and transformation goals.

Overview of the LTIP

Purpose	• To align executive and senior leadership rewards with sustainable long-term shareholder value creation
Participation	• Executive directors, senior management and other key individuals, based on role, performance and business impact
Award types	• Admission (once-off IPO award) • Annual performance awards • Sign-on/retention awards (ad hoc in exceptional cases)
Value of awards	• Based on % of TGP, aligned with market benchmarks
Vesting period	• Two- to three-year cliff vesting, subject to: > Continued employment > Group financial performance conditions linked to strategic plan > Return on invested capital (ROIC) > weighted average cost of capital (WACC) gatekeeper
Participant rights	• Beneficial ownership from award date, with full voting rights • Shares held in escrow and subject to forfeiture restrictions until vesting • Dividends retained and paid in line with vesting outcomes
Safeguards	• Total variable pay (STI + LTI) capped at 10% of Group PBT • Annual individual LTIP awards capped at 120% of annual TGP for CEO, 80% of annual TGP for CFO and 100% of annual basic for all other participants • Individual LTIP allocations are capped at 2.9 million shares (0.5% of issued share capital), while total LTIP awards are capped at 29.9 million shares (5.0% of issued share capital) • Malus and claw-back apply for misstatement, misconduct or reputational harm
Settlement	• Settled via treasury shares, open-market purchases, or the issue of new shares, as permitted under the share plan rules

Summary of LTIP award types

Admission awards

Once-off LTIP admission awards were granted at listing to executive directors and key managers. These awards recognise not only the strength and outstanding track record of the executive and senior management team, whose leadership has underpinned Boxer's market-leading performance over several years, but also the need to retain their skills and experience through a period of significant transition. The awards were broad-based, granted to 181 participants, and were designed primarily to support retention and ensure post-listing stability.

The awards are subject to continued employment over two- and three-year vesting periods. Performance conditions, based on annual compound growth in adjusted trading profit after lease interest (ATPAL), were deliberately set at a moderate level to ensure they functioned effectively as a retention tool. While these conditions offer some alignment with shareholder outcomes, they are not directly linked to the Group's medium-term performance targets.

ATPAL was selected as the performance measure for the admission awards due to Boxer's balance sheet restructure ahead of the IPO, which introduced long-term debt and associated interest charges. As the management team had no control over the restructure, a metric that excluded this impact was considered more appropriate for this once-off retention award. ATPAL also excludes any once-off impacts from the financial guarantee previously provided to Pick n Pay Stores Limited.

From FY26 onwards, performance conditions under the annual LTIP performance awards will be based on headline earnings, which are directly aligned with long-term shareholder value and the Group's medium-term strategic targets.

Further details, including participation by the CEO and CFO, are provided on page 69.

Performance awards

Annual rolling performance share awards are granted under the LTIP to executive directors and senior management to support long-term value creation and drive the delivery of the Group's strategic objectives. The awards are subject to performance conditions measured over a three-year period, based on compound annual growth in headline earnings. Performance targets are supportive of the Group's earnings targets under the Boxer long-term plan and are consistent with the guidance provided in the Pre-Listing Statement.

Growth in headline earnings, rather than HEPS, has been selected as the appropriate performance measure at this stage, due to unique dilution in the weighted average number of shares in issue following the pre-IPO restructure and the issue of new shares.

The use of headline earnings ensures strong alignment with shareholder interests and reinforces a clear link between incentive outcomes and sustainable value creation. Over time, eligibility for the LTIP may be extended to additional levels of management, supporting talent development, succession planning, and transformation across the Group.

The first performance award was granted in June 2025. Further details, including CEO and CFO participation are provided on page 69.

Sign-on and retention awards

These are awarded in exceptional cases to compensate for forfeited remuneration at a previous employer or to retain employees with scarce, high-value skills. All awards are subject to RemCom approval, ensuring alignment with best-practice governance and shareholder interests.

- Sign-on awards: Value and vesting terms will mirror the risk profile of forfeited remuneration
- Retention awards: Used only where a strategic retention objective is identified

b. Long-term cash retention scheme

The RemCom may approve once-off cash retention payments of up to 50% of annual TGP to retain key executives. These payments are subject to continued service but not performance conditions, as their sole purpose is long-term retention.

Remuneration mix

The Group balances fixed pay and variable incentives to align employee and shareholder interests over the long term. Senior managers receive a higher proportion of variable pay to drive performance, while middle and junior levels focus more on TGP.

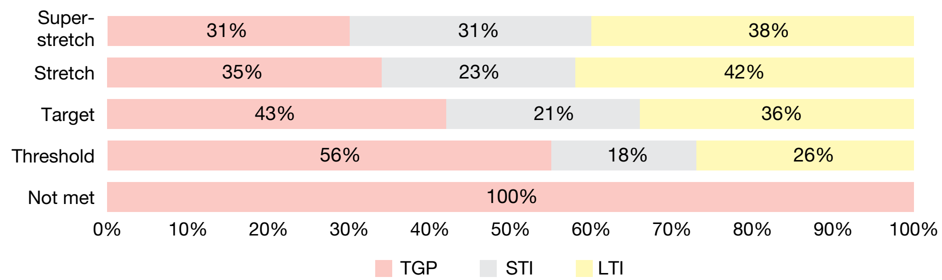
Variable pay is considered "at-risk pay" linked to performance targets aligned with the Group's strategy. These targets are set within the Group's risk appetite to be challenging yet achievable, supporting both performance and retention. STI and LTI values increase as targets are met and exceeded to reward high performance.

The tables below indicate the current potential of fixed and variable pay for the CEO and CFO at threshold, on-target and stretch performance levels.

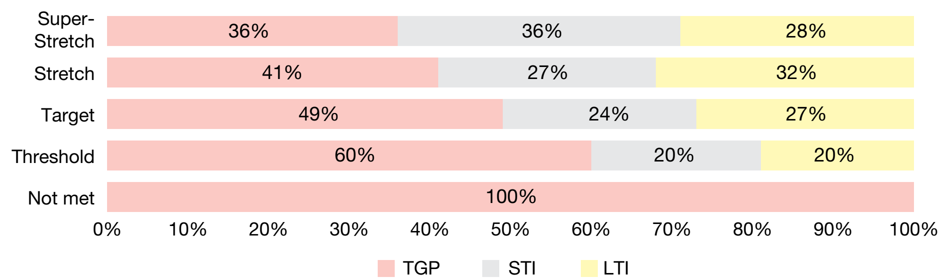
The value of the LTI reflects the first issuance of the annual performance LTIP which was awarded in June 2025 and will only vest in June 2028.

The tables are forward-looking and do not include the value of the once-off retention LTIP admission award (refer to page 69 for further information).

CEO Remuneration R'000



CFO Remuneration R'000



Minimum shareholding requirement

To strengthen alignment between executives and shareholders, executive directors and senior managers are required to build and maintain a minimum shareholding in Boxer shares within five years of appointment. The requirements are:

- CEO: 200% of TGP
- CFO: 100% of TGP
- Other executives: 100% of annual basic salary (excluding benefits)

These thresholds are expected to be met through the retention of vested shares under the Group's LTI plans. Shares used to meet the requirement must be held on a pre-tax basis and remain subject to holding requirements even after vesting, reinforcing long-term ownership. Progress towards these targets will be monitored annually by the RemCom.

Service contracts, notice periods and termination benefits

Executive directors and senior management are employed under the Group's standard employment contract, with fixed-term contracts only utilised in specific circumstances.

Notice periods and restraint of trade

Executive directors have a six-month notice period, followed by a 12-month restraint of trade. Notice and restraint periods for other employees are determined based on role and market practice.

Termination benefits

Employment contracts do not provide for exceptional benefits or automatic compensation upon termination. Remuneration payable on termination or loss of office is at the discretion of RemCom and is limited to:

- Payment in lieu of notice, based on fixed remuneration
- Accrued leave pay and any other statutory obligations
- Outstanding variable incentives, subject to good leaver provisions

Summary of remuneration policy on termination of employment

	Salary	Benefits	STI	LTI*
Voluntary resignation	Paid over notice period	Paid over notice period	Lapses	Unvested awards forfeited
Dismissal	Paid until termination	Paid until termination	Lapses	Unvested awards forfeited
Early retirement	Paid over notice period	Paid over notice period	Paid on normal payment date, pro rata for time served	Accelerated early vesting, pro rata based on time served and performance conditions achieved
Normal retirement	Paid until retirement	Paid until retirement	Paid on normal payment date, pro rata for time served	Accelerated early vesting, pro rata based on time served and performance conditions achieved
Retrenchment	Paid until exit	Paid until exit Severance payments apply	Paid on normal payment date, pro rata for time served	Accelerated early vesting, pro rata based on time served and performance conditions achieved

* *Including admission award.*

Malus and claw-back

All STI and LTIP awards are subject to the Group's Malus and Claw-back Policy, which applies to both unvested and vested awards (including settled awards) for a period of up to three years post-settlement. The policy empowers RemCom to reduce, cancel or recover awards where warranted.

Triggers for application include:

- Fraud, dishonesty, or the misrepresentation of financial performance
- Material gross errors in the calculation or assessment of performance metrics
- Gross misconduct or negligence
- Reputational damage or breach of policy
- Material failure in risk management or oversight responsibilities

The policy is designed to ensure accountability and to protect the interests of shareholders by allowing flexible, case-by-case application across all forms of variable remuneration.

Non-executive director fees

Non-executive directors are appointed via Board-approved letters and re-elected by shareholders on a rotational basis. They have no service contracts and their appointments may be terminated without compensation.

Non-executive directors are paid fixed quarterly fees, not linked to Group performance or share price, and do not receive bonuses or share awards. Fees are benchmarked annually against JSE-listed peers and reflect Board and committee roles, with higher fees for the Board Chair and committee Chairs.

Fees are not tied to meeting attendance as full participation is expected. Any additional services are approved and remunerated separately by the RemCom. The Group also covers travel and accommodation expenses. All non-executive director fees are reviewed by the RemCom, approved by the Board, and submitted to shareholders at the AGM.

The peer group of JSE-listed companies used for benchmarking

Clicks Group Limited	TFG Limited
Dis-Chem Pharmacies Limited	Truworths International Limited
Mr Price Group Limited	Shoprite Holdings Limited
Pepkor Holdings Limited	Spar Group Limited
Pick n Pay Stores Limited	Woolworths Holdings Limited

IMPLEMENTATION OF REMUNERATION POLICY

Boxer's approach to remuneration is grounded in fairness, responsibility and long-term value creation. All remuneration decisions aligned with the remuneration policy in FY25.

Stakeholder guide

This section outlines how the RemCom implemented remuneration policy in FY25, including:

- Adjustments to guaranteed pay, including for the CEO and CFO
- Performance awards under the Group's STI and LTI schemes, including the admission award
- Fees paid to non-executive directors

FY25 was shaped by Boxer's November 2024 listing. Remuneration decisions were made under two governance frameworks: pre-listing by the Pick n Pay RemCom, and post-listing by Boxer's independent RemCom. Key decisions, outcomes, and any post-IPO policy changes are detailed, with timing and context clearly indicated. Where applicable, future policy enhancements are noted in line with commitments made in the Pre-Listing Statement.

Fair and responsible remuneration

We are committed to ensuring that pay is equitable, market-aligned and supportive of transformation and inclusion.

We assess remuneration fairness through five core principles:

1. Internal equity: Alignment to role scope and responsibility
2. Legal compliance: Adherence to all labour and governance regulations
3. Union agreements: Respect for collectively bargained pay structures
4. Market competitiveness: Regular benchmarking against peer companies
5. Affordability: Ensuring pay decisions support long-term sustainability

This framework ensures that our remuneration policies are fair in principle and effective in practice across all levels of the Group.

Equal pay for equal work

Remuneration is determined based on the requirements of the role, including levels of responsibility, skills, and experience, and is not influenced by race, gender, or any other discriminatory factor. Any differences in pay are reviewed to ensure they are fair, transparent, and justifiable.

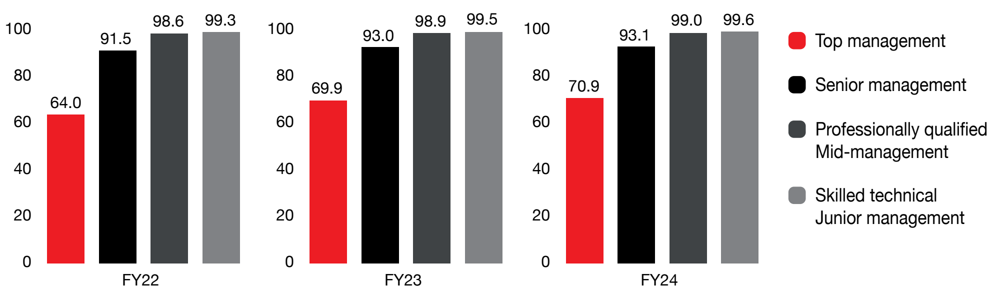
The RemCom has initiated a comprehensive statistical analysis across all levels of the business to confirm that unjustified pay disparities do not exist and to address any anomalies identified. The RemCom remains fully committed to pay equity and will continue to monitor outcomes on a regular basis. To support transparency and accountability, the RemCom intends to expand disclosure in this area over time.

Economic inclusion and workforce diversity

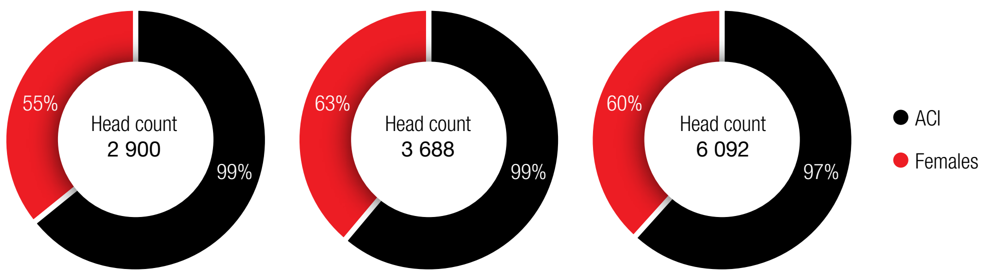
Boxer is deeply committed to economic inclusion and creating opportunities in the communities we serve. As at 2 March 2025, 98% of our workforce is from historically disadvantaged groups, with 57% female representation.

In line with our commitment to employ locally, around 90% of employees hired for new store openings come from the surrounding communities. This approach supports meaningful job creation and strengthens our connection with customers and local economies.

Employment equity participation (%)



Jobs created | **Promotions** | **Number of people trained**



Understanding income disparity in retail

Boxer recognises the significant income disparities that exist within the retail sector. These reflect the industry's wide base of unskilled and semi-skilled labour roles across store and supply chain operations, compared to a smaller group of highly skilled, senior positions. This structural reality results in a broad income distribution curve, but one that we are committed to managing responsibly.

Our pay philosophy at different levels

At senior executive levels, we target the 25th – 50th percentile of the market for TGP, with higher variable incentives used to drive strategic delivery and shareholder alignment. For critical or scarce skills, we may apply a premium to attract and retain talent.

At entry level, we pay at least the legislated retail sector minimum wage (currently R28.79/hour), alongside additional benefits such as a 13th cheque and funeral cover. Increases are agreed through formal union negotiations and are structured to support progression over time.

Preparing for greater transparency

We support the intent of the Companies Amendment Act and are preparing to meet its new disclosure requirements. Once final regulations are in place, we will publish the information required in a format that is accurate, meaningful and consistent with practice across the listed market.

Total guaranteed pay

Annual adjustments to TGP are intended to reflect changes in CPI and support Boxer's commitment to fair and competitive remuneration. Increases for all employees, excluding executive directors and the Group executive team, are implemented on 1 March each year. Increases for executive directors and the Group executive team are applied on 1 June annually.

In line with Boxer's efforts to narrow the pay gap, lower-earning employees continue to receive higher percentage increases than senior and executive management. All salary and wage reviews consider market-related benchmarks, the availability of critical skills and experience and overall affordability for the Group.

Executive directors' IPO adjustment

Marek Masojada (CEO) and David Wayne (CFO) were appointed as executive directors of Boxer Retail Limited on 15 October 2024. As part of the transition to a publicly listed entity, the roles of CEO and CFO carry significantly expanded responsibilities, particularly relating to regulatory compliance, corporate governance and stakeholder engagement. Considering these heightened demands, their total remuneration packages were comprehensively reviewed and benchmarked to ensure alignment with market standards for comparable listed entities. Therefore, their annual total guaranteed remuneration was set at R8 500 000 for the CEO and R4 500 000 for the CFO, effective from December 2024. This in line with our philosophy to target the 25th – 50th percentile of the market for TGP, utilising higher variable incentives to drive strategic delivery and shareholder alignment. As these are newly created executive roles within a stand-alone listed company, comparisons to prior year remuneration are not meaningful. Post-listing, executive director remuneration moved from being based on base salary and benefits to a total cost-to-company structure, consistent with standard listed company practice.

No other employee received a salary adjustment as a direct result of the listing.

Top management and broader workforce – annual increases

Outside of the executive directors, annual increases across all levels of the Group were guided by the core principles of affordability, inflation alignment and pay gap reduction. Historically, higher percentage increases have been awarded to employees at lower pay grades. However, in both FY24 and FY25, the increases at more senior levels reflect the outcomes of industry benchmarking, where salaries across a number of roles were lifted to reflect market norms and address retention risk. The table below outlines the average annual increases granted for FY25 and FY24.

Average annual increases	FY25 % increase	FY24 % increase
Group executive	6.3	7.7
Senior and middle management	5.7	6.5
Junior management and supervisory	6.3	7.0
Clerical and other	6.6	7.4
Non-management bargaining unit	7.5	7.7

The average increase for non-management bargaining unit employees is determined in accordance with labour union agreements. In June 2024, Boxer concluded a three-year wage agreement which was designed to keep wages aligned with inflation, ensuring that employees' earnings maintain their real value over time. This multi-year agreement provides the Group with valuable cost predictability and labour stability during a strategically important period, enabling greater focus on long-term growth and operational execution.

Short-term variable incentive – annual performance bonus

The Pick n Pay Remuneration Committee set FY25 STI targets ahead of the financial year, based on growth in comparable PBT. Comparable PBT was measured on a 52/52-week basis, excluding the 53rd week, financial guarantee and IPO related costs and higher finance charges related to the IPO-related balance sheet restructure. This ensured performance was assessed only on factors within management's control.

Group targets Comparable PBT growth % (80% weighting for CEO and CFO):

	FY25 target	FY25 outcome
Threshold	2%	
On-target	7%	
Stretch	12%	
Super-stretch	15%	15%

Outcome – achieved

+

Individual targets (20% weighting for CEO and CFO):

CEO	CFO
Successful listing of Boxer	
Deliver FY25 net profit budget	Successful transitioning of financial reporting from Pick n Pay to Boxer

Outcome – achieved

=

Stretch Group performance target and individual performance targets were fully attained.

	FY25 STI R'000	STI as a % of TGP
CEO Marek Masojada	8 500	100%
CFO David Wayne	4 100	91%

The total value of the FY25 short-term incentive bonus paid to 1 450 qualifying employees was R125.0 million (including CEO and CFO). The STI payout to participants other than the CEO and CFO was dependent on the Group comparable PBT target (50%) and the attainment of individual KPIs (50%). The Group remains committed to the inclusion of key ESG targets into individual KPIs going forward. However, it anticipates that the Group may only be ready for this from FY27 onwards.

The RemCom approved the STI policy going forward, as communicated in the Pre-Listing Statement and set out on page 63. The key Group performance measure for STIs going forward will be growth in Adjusted Trading Profit After Leases (ATPAL).

To ensure affordability, a safeguard was introduced where the total annual bonus pool, including the cost of the LTIP (as calculated under IFRS 2), will be capped at 10% of Group PBT. In addition, individual annual bonuses are limited to 100% of annual salary for employees, or total fixed remuneration in the case of executive directors, in the relevant financial year.

While best practice encourages publishing forward-looking STI targets, the Group will continue to disclose them retrospectively due to the commercial sensitivity of profit forecasts, in line with market norms.

Long-term variable incentive

Pick n Pay Stores Limited share options and restricted share plan (RSP) awards

Certain Boxer Group employees previously held Pick n Pay share options and RSP awards through their participation in the broader Pick n Pay Group employee share incentive schemes, reflecting the Group's historical ownership structure. In line with IFRS Accounting Standards, these awards were accounted for as cash-settled share-based payments by Boxer.

Cancellation of PIK share incentives

Ahead of the IPO, Pick n Pay share options held by qualifying Boxer employees had no intrinsic market value, as their grant prices exceeded the market price. These options were cancelled during the year with no value accruing to participants. In addition, a portion of Pick n Pay RSP shares due to vest in June 2025 were forfeited, as Pick n Pay Group performance conditions were not fully met. At year-end, no Pick n Pay share options or RSPs remain outstanding for Boxer employees.

Compensation for lost value – pre-IPO

The forfeit of the PIK RSP shares represented a significant loss of potential value for Boxer participants, despite Boxer's strong business and management performance over the vesting period. This loss was driven by Pick n Pay's underperformance – factors outside of Boxer's control – resulting in below-market long-term incentive outcomes for top-performing Boxer staff. To address this, Remcom approved compensation for the Boxer senior management. These legacy payments recognise the significant value delivered by the Boxer team over the past three years. The legacy payments agreed for CEO Marek Masojada (R4.2 million) and CFO David Wayne (R2.2 million) will be paid in FY26, are considered once-off legacy settlements, and will not be included in the FY26 short- or long-term incentive structures.

Boxer long-term share incentive plan

Admission awards

As part of Boxer's listing, once-off broad based admission awards were granted under the terms and conditions of the LTIP to executive directors and managers. The awards were primarily designed to support retention and maintain leadership continuity during a period of transition. Awards vest over two- and three-year periods, subject to continued employment and performance conditions, including growth in adjusted trading profit after lease interest (ATPAL) relative to CPI, and ROIC exceeding the Group's WACC at vesting. The performance conditions were intentionally set at a moderate level to ensure the awards effectively supported retention, without creating unintended barriers to vesting.

Further detail on the structure, rationale, and metrics applied to the admission awards is provided on page 64.

Details of the awards are set out below:

Total award value	R205 million	
Total number of participants	181	
Total number of shares	3 794 515	
Award date	30 November 2024	
Vesting date	40% of the awards 30 November 2026	60% of the awards 30 November 2027
Performance conditions	**Base year: FY24**	**Base year: FY24**
Threshold: 40% vesting	ATPAL 2-year CAGR = CPI	ATPAL 3-year CAGR = CPI
On-target: 70% vesting	ATPAL 2-year CAGR = CPI + 2%	ATPAL 3-year CAGR = CPI + 2%
Stretch: 100% vesting	ATPAL 2-year CAGR = CPI + 3%	ATPAL 3-year CAGR = CPI + 3%
Gatekeeper condition	ROIC > WACC over 2 years	ROIC > WACC over 3 years
Executive director awards	CEO – Marek Masojada	CFO – David Wayne
Number of shares	521 040	210 896
Value of award	R28 136 142	R11 388 400

Performance awards

Annual rolling awards of performance shares are granted under the standard terms and conditions of the LTIP to executive directors and members of senior and middle management. These awards are intended to drive sustainable long-term performance and shareholder value creation. Awards are subject to continued employment and performance conditions measured over a three-year vesting period, set out in the Group's long-term plan. Full details of the award structure, performance measures and rationale are provided on page 64.

The first performance awards were granted in June 2025, with the details set out below:

Total award value	R60.0 million	
Total number of participants	46	
Total number of shares	932 236	
Award date	30 June 2025	
Vesting date	30 June 2028	
Performance conditions	Base year: FY25 Headline Earnings: 3-year CAGR	
Threshold: 40% vesting **On-target:** 70% vesting **Stretch:** 100% vesting	CPI + 2.0% CPI + 3.0% CPI + 5.5%	
Gatekeeper condition	ROIC > WACC + 5% over three years	
Executive director awards	CEO – Marek Masojada	CFO – David Wayne
TGP value	120%	80%
Number of shares	158 533	55 953
Value of award	R10.2 million	R3.6 million

Ad hoc retention awards

Ad hoc retention awards are issued in exceptional cases to retain employees with scarce, high-value skills. No ad hoc retention awards were issued under the LTIP during FY25.

Long-term cash retention scheme

As part of the transition to listing and to support leadership continuity through this critical period, the Pick n Pay Remuneration Committee exercised its discretion to award a once-off cash retention payment to CEO Marek Masojada of R3.0 million. The award was made pre-IPO in accordance with the parameters outlined in the Pre-Listing Statement, which allowed for cash retention payments of up to 50% of total fixed remuneration per annum for a defined retention period. Should Marek leave the employ of Boxer before the end of the retention period, the award will need to be repaid. The cash retention payments are separate from and in addition to the long-term share-based awards granted under the Boxer LTIP. No other cash retention award was issued during the year.

Non-executive director fees

RemCom reviewed and recommended non-executive director remuneration to the Board, for shareholder approval at the 2025 AGM. The Committee agreed that no increases were required for the FY26 year, as the Board had only been constituted in October 2024 and the fees remained in line with market benchmarks. The Board will ask shareholders for further approval to increase the FY27 fees by CPI, subject to any amendments tabled at the FY26 AGM.

	FY26 Proposed R'000	FY25 Previous[2] R'000
Chair (including participation in all committees)	**1 800**	1 800
Lead independent director (including participation in all committees)	**900**	900
Non-executive director	**460**	460
Chair of the Audit, Risk and Compliance Committee	**400**	400
Member of the Audit, Risk and Compliance Committee	**210**	210
Chair of the Remuneration Committee	**234**	234
Member of the Remuneration Committee	**110**	110
Chair of the Social, Ethics and Transformation Committee	**200**	200
Member of the Social, Ethics and Transformation Committee	**110**	110
Chair of the Nominations and Corporate Governance Committee[1]	**210**	210
Member of the Nominations and Corporate Governance Committee	**100**	100

[1] The Committee is chaired by the lead independent director, who does not receive an additional fee for chairing this committee.
[2] FY25 remuneration is presented for the full year to be comparable. In FY25 non-executive directors received pro rata remuneration for five months from the date of their appointment on 15 October 2024 to 2 March 2025. Please refer overleaf for the fees paid to non-executive directors in FY25.

Directors' remuneration and interest in shares

Remuneration of executive directors

Executive directors[2]	Base salary Rm[3]	Retirement and medical contributions Rm	Fringe and other benefits Rm	Total fixed remuneration Rm[3]	Short-term incentive bonus Rm	Cash retention incentive Rm	Total remuneration Rm	Long-term share awards charges[1] Rm
Marek Masojada	5.6	1.1	0.3	**7.0**	8.5	3.0	**18.5**	–
David Wayne	2.7	0.6	0.2	**3.5**	4.1	–	**7.6**	(0.2)
Total remuneration	**8.3**	**1.7**	**0.5**	**10.5**	**12.6**	**3.0**	**26.1**	**(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.*
3 *In December 2024, the CEO and CFO remuneration structure transitioned from a base salary and benefits model to a total cost to company model, aligned with market practice. Their total annual fixed remuneration was set at R8 500 000 (CEO) and R4 500 000 (CFO) based on market benchmarking. The FY25 figures reflect pro rata payments under each model, effectively pre- and post-IPO. See page 68 for details.*

Remuneration of non-executive directors

Non-executive directors[1]	Directors' fees R'000	Audit, Risk and Compliance Committee R'000	Remuneration Committee R'000	Social, Ethics and Transformation Committee R'000	Nominations and Corporate Governance Committee R'000	Total R'000
James Formby	750.0	–	–	–	–	750.0
Sean Summers[2]	191.7	–	45.8	–	–	237.5
Jesmane Boggenpoel	191.7	87.5	–	83.3	41.7	404.2
Cindy Robertson	191.7	166.7	45.8	–	41.7	445.8
Leon Lourens	191.7	87.5	97.5	–	41.7	418.3
Charlotte Maponya	375.0	–	–	–	–	375.0
Dineo Molefe	191.7	–	–	45.8	–	237.5
Lerena Olivier[3]	–	–	–	–	–	–
Total remuneration	**2 083.3**	**341.7**	**189.2**	**129.2**	**125.0**	**2 868.3**

1 *The non-executive directors have been remunerated by Boxer Retail Limited. The remuneration is from appointment date of 15 October 2024 to 2 March 2025.*
2 *Sean Summers has ceded his remuneration to Pick n Pay Retailers Proprietary Limited.*
3 *Lerena Olivier was appointed a director of Boxer Retail Limited on 26 August 2024. She resigned on 15 October 2024. During her tenure no director remuneration was earned or paid.*

Share awards granted to executive directors

2025	Calendar year granted	Award grant price R	Balance held at 25 February 2024	Granted	Balance held at 2 March 2025
Long-term incentive plan (LTIP)					
Marek Masojada					
Vesting 2027	2024	Nil	–	208 416	208 416
Vesting 2028	2024	Nil	–	312 624	312 624
				521 040	521 040
David Wayne					
Vesting 2027	2024	Nil	–	84 358	84 358
Vesting 2028	2024	Nil	–	126 538	126 538
			–	210 896	210 896

Directors' interest in shares

2025	How held[1]	Balance held at 25 February 2024	Additions/ Grants	Balance held at 2 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

There were no changes in the directors' interest in shares between 2 March 2025 up to the date of the approval of the 2025 audited Group Annual Financial Statements.

[1] *Direct interests represent a holding in the director's personal capacity. Indirect interests represent a holding by a trust (of which the director is a trustee), a spouse or minor children of directors.*
[2] *Direct – LTIP relates to the long-term incentive plan share scheme, where shares not yet vested are held in escrow.*
[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 amounts to 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.*

REPORT OF THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE

Committee mandate

The Social, Ethics and Transformation Committee (SETC) is a statutory committee of the Board, constituted in accordance with the Companies Act. The Committee also functions in accordance with the JSE Listings Requirements and King IV.

The key responsibilities of the SETC are to:

- Monitor social and economic development, including compliance with relevant laws and standards
- Oversee all policies and practices, including whistle-blowing and anti-corruption measures
- Review environmental and community sustainability initiatives and related disclosures
- Monitor health, safety and well-being across the Group's operations
- Ensure consumer protection and fair marketing practices
- Guide stakeholder engagement, particularly with employees and communities
- Track progress against transformation, employment equity and skills development targets

Committee governance and membership

The SETC comprises three independent non-executive directors:

- Jesmane Boggenpoel (Chair)
- Charlotte Maponya
- Dineo Molefe

The Committee was constituted ahead of Boxer's JSE and A2X listing in 2024 and operates in accordance with its approved Terms of Reference. Members collectively bring the experience, independence and insight required to oversee the Group's responsibilities in the areas of ethics, sustainability and transformation.

The SETC formally met once during FY25, with 100% attendance, as a result of extensive Board and other engagement ahead of the IPO. From FY26 onwards, the Committee will meet at least three times annually, with additional meetings convened as required. Invitations to meetings may be extended to senior executives or external advisors, where appropriate. All Board members may attend as observers.

The SETC Chair provides feedback to the Board following each scheduled meeting, and holds regular engagements with the Chair of the Pick n Pay Stores Limited Social, Ethics and Transformation Committee to ensure alignment on material matters of mutual interest. The Chair of the SETC regularly engages with the chairs of RemCom, NomGov and ARCC on areas of shared oversight.

The SETC is satisfied that it has fulfilled its responsibilities in accordance with its Terms of Reference for FY25.

Key Committee activities in FY25

The SETC focused on the establishment of its oversight structures, regulatory compliance, and strategic integration into Boxer's governance model.

Key activities included:

- Formally constituted the SETC and approved its Terms of Reference and annual workplan
- ESG
  - Provided input into ESG disclosures within the Pre-Listing Statement
  - Reviewed and approved key sustainability policies, including climate change, energy and water consumption, ethical sourcing; food waste, packaging and general waste management
  - Reviewed the Group's ESG framework and related sustainability and corporate social responsibility strategies, and oversaw the Group's progress against its environmental and social sustainability impact projects
- Ethics
  - Reviewed and approved the Group's Code of Ethics and related policies, including whistle-blowing, anti-corruption and conflicts of interest
  - Oversaw whistle-blower reports and internal investigations undertaken during the year
- Oversaw the development of a formal Stakeholder Engagement Policy
- Compliance
  - Monitored the Group's compliance with the Employment Equity Act, BBBEE Act and related transformation legislation
- Evaluated Boxer's occupational health and safety and food safety procedures and compliance metrics
- Oversaw and assessed relevant labour matters to assess overall employee well-being, the quality of relationships with labour unions, the Group's progress against its transformation goals, and ongoing training and development.

Key focus areas for FY26

- Monitoring the ESG strategy with clear KPIs and accountability mechanisms
- Supporting transparency in external ESG reporting
- Enhancing ethical governance, including employee training
- Advancing transformation and equity, with a focus on BBBEE scorecard and pay parity oversight
- Promoting inclusive skills development and measuring learning impact
- Guiding community investment to maximise societal return
- Overseeing stakeholder engagement outcomes and reputational risk

REPORT OF THE NOMINATIONS AND CORPORATE GOVERNANCE COMMITTEE

Committee mandate

The Nominations and Corporate Governance Committee (NomGov) is responsible for ensuring effective leadership and sound corporate governance. By overseeing the nomination, evaluation and succession of directors and senior leadership, the NomGov plays a vital role in supporting the long-term success and sustainability of the Group.

The key responsibilities of the NomGov are to:

Board composition and succession

- Identify and recommend qualified individuals for appointment to the Board and its committees
- Establish formal and transparent procedures for nominations and appointments
- Oversee succession planning to ensure continuity and effective leadership

Diversity and inclusion

- Ensure the Board composition aligns with the Company's MOI and Board Diversity Policy
- Promote a balance of skills, experience and backgrounds that support Boxer's transformation objectives and effective decision-making

Performance evaluation

- Evaluate the performance of the Board, its committees and individual directors, including the use of external facilitation where appropriate
- Support director induction and ongoing development to maintain a high-performing Board

Governance excellence

- Maintain and enhance the Group's corporate governance framework
- Ensure alignment with King IV principles, JSE Listings Requirements and evolving stakeholder expectations

Committee governance and membership

The NomGov comprises four independent non-executive directors, each a Chair of one of the four Board committees:

- Charlotte Maponya (Chair of NomGov)
- Jesmane Boggenpoel (Chair of SETC)
- Cindy Robertson (Chair of ARCC)
- Leon Lourens (Chair of RemCom)

The Committee met twice formally during FY25, with several ad hoc engagements ahead of the listing, with 100% attendance at all. From FY26 onwards, the Committee will meet at least three times annually, with additional meetings convened as required. Invitations to meetings may be extended to senior executives or external advisors, where appropriate. All Board members may attend as observers.

The NomGov Chair provides feedback to the Board following each scheduled meeting and is required to formally meet with the Chair of the Pick n Pay Stores Limited Nominations and Corporate Governance Committee to report back on material matters.

Key Committee activities in FY25

Much of NomGov's work was undertaken ahead of the IPO, in conjunction with the Board of Pick n Pay Stores Limited, and with the assistance of legal counsel and professional advisors, and included:

- Developed and adopted a formal Terms of Reference and workplan to guide its activities and ensure effective delivery on its mandate to the Board
- Established the Group's constitutional documents, corporate governance framework, Board and committee charters, Board Diversity Policy, Code of Ethics and supporting policies
- Established the Group Governance Interaction Framework which supports a structured and transparent relationship between Boxer and its controlling shareholder. This safeguards the independence of the Boxer Board while facilitating appropriate and timely consultation on key matters
- Ensured the accuracy of governance disclosures in the Pre-Listing Statement
- Developed a succession planning framework for the Board and senior leadership
- Evaluated and nominated Sean Summers to take over as Chair of the Board from James Formby at the end of FY26
- Reviewed and confirmed director independence and skills alignment

Key focus areas for FY26

- Annual review of governance framework and supporting charters and policies
- Ongoing governance training post-listing
- Developing a formal Board and committee skills matrix to identify capability gaps and guide future appointments
- Reviewing and updating governance charters and policies in line with regulatory and best practice developments
- Succession planning in line with the Board Diversity Policy
- The performance evaluation of the Board, its committees, and the Board Chair, CEO and CFO
- Support for executive pipeline development, particularly in operational and financial leadership roles
- Advancing alignment with emerging regulatory requirements and stakeholder expectations, including governance over ESG disclosures

The NomGov is satisfied that it has fulfilled its responsibilities in accordance with its Terms of Reference for FY25.

7 Additional INFORMATION

GROUP STATEMENT OF **COMPREHENSIVE INCOME**

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Revenue	42 747	37 779
Turnover	42 344	37 419
Cost of merchandise sold	(33 291)	(29 498)
Gross profit	9 053	7 921
Other trading income	312	269
Trading expenses	(7 057)	(6 089)
Employee costs	(3 079)	(2 586)
Occupancy costs	(1 182)	(1 074)
Operations costs	(2 098)	(1 968)
Merchandising and administration costs	(698)	(461)
Trading profit	2 308	2 101
Finance income	91	91
Finance costs	(458)	(342)
Profit before tax before capital items	1 941	1 850
Loss on capital items	(33)	(27)
Loss on sale of assets	(13)	(16)
Loss from impairments of property, plant and equipment and intangible assets	(4)	(11)
Loss from impairment on right-of-use assets	(16)	–
Profit before tax	1 908	1 823

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Tax	(525)	(438)
Profit for the period	1 383	1 385
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss	5	(48)
Fair value gain/(loss) on investment in Pick n Pay Stores Limited	5	(48)
Items that may be reclassified to profit or loss	(1)	(1)
Movement in cash flow hedge	(1)	(1)
Total comprehensive income for the period	1 387	1 336
Earnings per share	Cents	Cents
Basic earnings per share	406.70	461.67
Diluted earnings per share	405.51	461.67

GROUP STATEMENT OF FINANCIAL POSITION

	As at 2 March 2025 Rm	As at 25 February 2024 Rm
ASSETS		
Non-current assets		
Property, plant and equipment	3 807	3 468
Intangible assets	337	334
Right of use assets	3 654	3 312
Loans	126	120
Deferred tax asset	165	144
Investment in Pick n Pay Stores Limited	–	40
	8 089	7 418
Current assets		
Inventory	3 378	3 231
Trade and other receivables	458	382
Cash and cash equivalents	466	349
Loans	8	–
Right-of-return asset	3	2
Amounts owing by related parties	331	1 335
	4 644	5 299
Total assets	12 733	12 717

	As at 2 March 2025 Rm	As at 25 February 2024 Rm
EQUITY AND LIABILITIES		
Equity		
Share capital	8 203	–
Share premium	–	9
Treasury shares	(205)	–
Retained earnings	2 142	1 891
Common control reserve	(8 197)	–
Fair value reserve	–	(59)
Other reserves	(1)	–
Total equity	1 942	1 841
Non-current liabilities		
Share based payment liability	–	8
Lease liabilities	4 150	3 700
Borrowings	850	–
	5 000	3 708
Current liabilities		
Trade and other payables	4 755	4 612
Share based payment liability	–	11
Lease liabilities	647	608
Provisions	57	49
Deferred revenue	119	94
Current tax liability	86	290
Amounts owing to related parties	127	1 497
Provision for financial guarantee contracts	–	7
	5 791	7 168
Total equity and liabilities	12 733	12 717

GROUP STATEMENT OF CHANGES IN EQUITY

	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 26 February 2023	–	9	–	947	–	(20)	1	937
Total comprehensive income for the period	–	–	–	1 376	–	(39)	(1)	1 336
Profit for the period	–	–	–	1 385	–	–	–	1 385
Movement in cash flow hedge	–	–	–	–	–	–	(1)	(1)
Fair value loss on investment in Pick n Pay Stores Limited	–	–	–	–	–	(48)	–	(48)
Reclassification to retained earnings	–	–	–	(9)	–	9	–	–
Other reserve	–	–	–	–	–	–	–	–
Transactions with owners	–	–	–	(432)	–	–	–	(432)
Dividends	–	–	–	(290)	–	–	–	(290)
Financial guarantee				(142)				(142)
At 25 February 2024	–	9	–	1 891	–	(59)	–	1 841

	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	–	–	–	–	–	5	–	5
Reclassification to retained earnings	–	–	–	(54)	–	54	–	–
Share purchases	–	–	(205)	–	–	–	–	(205)
Transactions with owners	8 204	(9)	–	(1 078)	(8 197)	–	–	(1 080)
Dividends	–	–	–	(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 2 March 2025	8 203	–	(205)	2 142	(8 197)	–	(1)	1 942

GROUP STATEMENT OF **CASH FLOWS**

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Cash flows from operating activities		
Trading profit	2 308	2 101
Adjusted for non-cash items	1 225	1 004
Depreciation on property, plant and equipment	591	518
Amortisation on intangible assets	14	16
Depreciation on right-of-use assets	653	620
Share-based payment expense/(reversal)	16	(7)
Profit on termination of leases	(42)	(8)
Amortisation of financial guarantee contract	(1)	(18)
Derecognition of financial guarantee contract	(6)	(117)
Cash generated before movements in working capital	3 533	3 105
Movements in working capital	(78)	396
Movement in trade and other payables, provisions and deferred revenue	146	801
Movement in inventory and right-of-return asset	(148)	(417)
Movement in trade and other receivables	(76)	12
Cash generated from trading activities	3 455	3 501
Interest paid on lease liabilities	(345)	(336)
Interest paid	(47)	(5)
Interest received	86	84
Cash generated from operations	3 149	3 244
Dividend paid	(9 260)	–
Tax paid	(750)	(407)
Cash (utilised)/generated from operating activities	(6 861)	2 837

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Cash flows from investing activities		
Investment in intangible assets	(16)	(42)
Investment in property, plant and equipment	(895)	(1 044)
Proceeds on disposal of Pick n Pay Stores Limited shares	31	–
Proceeds on disposal of property, plant and equipment and intangible assets	12	32
Purchase of operations	(28)	(7)
Loans advanced by the Group	(59)	(120)
Loans repaid to the Group	47	62
Lease incentives received	74	28
Cash utilised in investing activities	(834)	(1 091)
Cash flows from financing activities		
Net proceeds on issue of shares*	8 157	–
Borrowings raised	850	–
Share purchases	(205)	–
Settlement of share based payment liability	–	(1)
Related party loans advanced to the Group	966	–
Related party loans repaid by the Group	(2 347)	–
Related party loans advanced by the Group	–	(455)
Principal lease liability payments	(613)	(550)
Cash generated/(utilised) in financing activities	6 808	(1 006)
Net (decrease)/increase in cash and cash equivalents	(887)	740
Cash and cash equivalents at beginning of period	1 684	944
Cash and cash equivalents at end of period	797	1 684
Comprising of:	797	1 684
Cash and cash equivalents	466	349
Amounts owing by related parties	331	1 335

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

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 regularly 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. The pro forma information has been extracted, without adjustment, from the Group annual financial statements. Ernst & Young Inc.'s unqualified Independent Auditor's Assurance Report on the compilation of the pro forma financial Information is included on page 80 to 81 of the FY25 Annual Financial Statements.

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 reports on a 53-week basis in FY25, whereas the comparative 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

Rm	As reported audited 53 weeks to 2 March 2025[i]	Adjustment for week 53	Pro forma 52 weeks to 23 February 2025	As reported audited 52 weeks to 25 February 2024[i]	Pro forma % change
Turnover	42 344	(1 040)	41 304	37 419	10.4%
Trading profit	2 308	(60)	2 248	2 101	7.0%
Trading profit margin	5.5%		5.4%	5.6%	

i. Information has been extracted, without adjustment, from the audited Group Annual Financial Statements of Boxer Retail Limited for the 53 weeks ended 2 March 2025 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.

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Cash and cash equivalents	466	349
Amount owing by related party	331	1 335
Borrowings	(850)	–
Amounts owing to related parties	(127)	(1 497)
Net debt (excluding lease liabilities)/(Net cash (excluding lease liabilities))	(180)	187
Non-current lease liabilities	(4 150)	(3 700)
Current lease liabilities	(647)	(608)
Net debt (including lease liabilities)	(4 977)	(4 121)

i. Information has been extracted, without adjustment, from the audited Group Annual Financial Statements of Boxer Retail Limited for the 53 weeks ended 2 March 2025 on which the Independent Auditor has issued an unqualified assurance report.

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 EBITDA and EBITDA (pre-IFRS 16) for the Group on a historical basis for each of the periods indicated.

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Profit for the period	1 383	1 385
Tax	525	438
Loss from impairment on right-of-use assets	16	–
Loss from impairments of property, plant and equipment and intangible assets	4	11
Loss on sale of assets	13	16
Finance costs	458	342
Finance income	(91)	(91)
Trading profit	2 308	2 101
Depreciation on property, plant and equipment	591	518
Amortisation on intangible assets	14	16
Depreciation on right-of-use assets	653	620
EBITDA	3 566	3 255
Profit on termination of leases	(42)	(8)
Lease incentives received	74	28
Principal lease liability payments	(613)	(550)
Interest paid on lease liabilities	(345)	(336)
EBITDA (pre-IFRS 16)	2 640	2 389

i. Information has been extracted, without adjustment, from the audited Group Annual Financial Statements of Boxer Retail Limited for the 53 weeks ended 2 March 2025 on which the Independent Auditor has issued an unqualified assurance report.

4. Return on average invested capital

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

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Pro forma 52-week FY25 trading profit/As reported 52-week FY24 trading profit (A)[i]	2 248	2 101
Multiplier (B)[ii]	0.73	0.73
After-tax trading profit (A x B = C)	1 641	1 534
Average invested capital (D)[iii]	6 441	5 778
ROIC (C/D)	25.5%	26.5%

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.

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:

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Pro forma 52-week FY25 trading profit/As reported 52-week FY24 trading profit (A)[i]	2 248	2 101
Interest paid on lease liabilities[ii]	(345)	(336)
Trading profit (excluding IFRS 16) (A)	1 903	1 765
Multiplier (B)[iii]	0.73	0.73
After-tax trading profit (A x B = C)	1 389	1 288
Average invested capital (excluding IFRS 16) (D)[iv]	1 888	1 655
ROIC (excluding IFRS 16) (C/D)	73.6%	77.8%

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.

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm	52 weeks to 26 February 2023 Rm
Total equity[i]	1 942	1 841	937
Cash and cash equivalents[i]	(466)	(349)	(345)
Amount owing by related party[i]	(331)	(1 335)	(599)
Non-current lease liabilities[i]	4 150	3 700	3 393
Borrowings[i]	850	–	–
Current lease liabilities[i]	647	608	545
Amounts owing to related parties[i]	127	1 497	1 663
Invested capital (A)	6 919	5 962	5 594
Invested capital of previous period (B)	5 962	5 594	
Average invested capital ((A+B)/2)	6 441	5 778	

i. Information for the 53 weeks to 2 March 2025 and 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 2 March 2025 on which the Independent Auditor has issued an unqualified assurance report. Information for the 52 weeks to 26 February 2023 has been extracted, without adjustment, from the audited Consolidated Annual Historical Financial Information of Boxer Superstores Proprietary Limited included in the Pre-Listing Statement published on 11 November 2024, on which the Independent Auditor has issued an unqualified assurance report.

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.

	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm	52 weeks to 26 February 2023 Rm
Total equity[i]	1 942	1 841	937
Cash and cash equivalents[i]	(466)	(349)	(345)
Amount owing by related party[i]	(331)	(1 335)	(599)
Borrowings[i]	850	–	–
Amounts owing to related parties[i]	127	1 497	1 663
Invested capital (excluding IFRS 16) (A)	2 122	1 654	1 656
Invested capital (excluding IFRS 16) of previous period (B)	1 654	1 656	
Average invested capital (excluding IFRS 16) ((A+B)/2)	1 888	1 655	

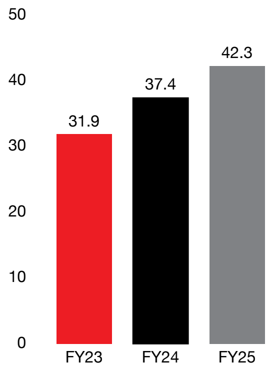
i. Information for the 53 weeks to 2 March 2025 and 52 weeks to 25 February 2024 has been extracted, without adjustment, from the audited Group Annual Financial Statements of Boxer Retail Limited for the 53 weeks ended 2 March 2025 on which the Independent Auditor has issued an unqualified assurance report. Information for the 52 weeks to 26 February 2023 has been extracted, without adjustment, from the audited Consolidated Annual Historical Financial Information of Boxer Superstores Proprietary Limited included in the Pre-Listing Statement published on 11 November 2024, on which the Independent Auditor has issued an unqualified assurance report.

FINANCIAL VALUE-ADDED **STATEMENT**

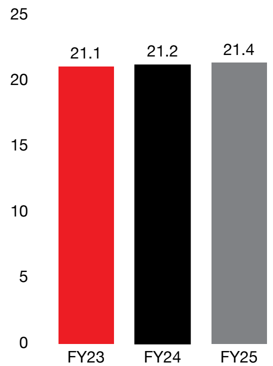
	53 weeks to 2 March 2025 Rm	52 weeks to 25 February 2024 Rm
Turnover	42 344	37 419
Other income	312	269
Amounts paid for goods and services	(36 884)	(32 820)
Finance income (excluding IFRS 16)	91	91
Total value created	**5 863**	**4 959**
Distributed as follows:		
Employees		
Salaries, wages, share purchases and other benefits	3 284	2 586
To providers of capital	1 146	295
Inter-group dividend to Pick n Pay Stores Limited Group[1]	1 100	290
Finance costs (excluding IFRS 16)	46	5
Government		
Taxation paid	750	407
Retained for growth	683	1 671
Total value distributed	**5 863**	**4 959**

[1] *Pre-IPO distribution.*

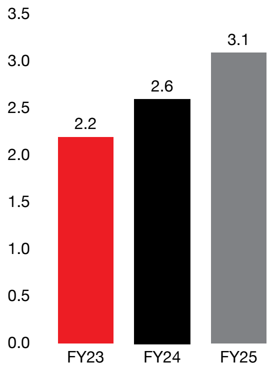
Turnover (Rbn)



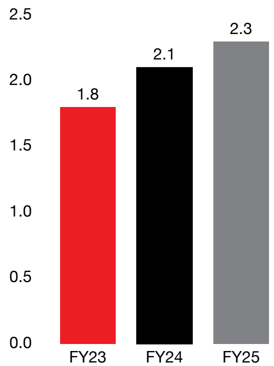
Gross profit margin (%)



Employee costs (Rbn)



Trading profit (Rbn)



ANALYSIS OF **ORDINARY SHAREHOLDERS**

As at 2 March 2025

Shareholder spread

	Number of shareholdings	%	Number of shares	%
1 – 1 000 shares	25 102	86.06	3 576 864	0.78
1 001 – 10 000 shares	3 275	11.23	9 256 654	2.02
10 001 – 100 000 shares	627	2.15	19 962 584	4.36
100 001 – 1 000 000 shares	131	0.45	40 858 080	8.93
1 000 001 shares and over	32	0.11	383 753 226	83.90
Totals	29 167	100.00	457 407 408	100.00

Distribution of shareholders

	Number of shareholdings	%	Number of shares	%
Strategic investor	1	0.00	300 000 000	65.59
Mutual funds	362	1.24	57 323 098	12.53
Retirement funds	429	1.47	34 227 218	7.48
Banks/Brokers	36	0.12	33 888 375	7.41
Individuals	26 065	89.36	10 263 769	2.24
Private companies	498	1.71	8 897 332	1.95
Boxer Superstores Proprietary Limited	1	0.00	3 796 296	0.83
Trusts	1 418	4.86	3 671 705	0.80
Insurance companies	51	0.17	2 924 512	0.64
Medical schemes	34	0.12	1 160 371	0.25
Endowment funds	74	0.25	729 683	0.16
Close corporations	74	0.25	193 199	0.04
Other corporations	114	0.39	137 264	0.03
Public companies	4	0.01	107 978	0.02
Investment companies	5	0.02	57 688	0.01
Sovereign Wealth Fund	1	0.00	28 920	0.01
Totals	29 167	100.00	457 407 408	100.00

Public/non-public shareholders

	Number of shareholdings	%	Number of shares	%
Non-public shareholders	6	0.02	303 810 924	66.42
Pick n Pay Retailers Proprietary Limited	1	0.00	300 000 000	65.59
Boxer Superstores Proprietary Limited	3	0.01	3 796 296	0.83
Directors of the Company	2	0.01	14 628	0.00
Public shareholders	29 161	99.98	153 596 484	33.58
Totals	29 167	100.00	457 407 408	100.00

Beneficial shareholders holding more than 1%

	Number of shares	%
Pick n Pay Retailers Proprietary Limited	300 000 000	65.59
Government Employees Pension Fund	20 321 847	4.44
Allan Gray	7 767 671	1.70
Alexforbes	7 675 508	1.68
International Finance Corporation	6 481 181	1.42
Sanlam	5 727 196	1.25
M&G Investments	5 604 091	1.23
Salestalk Proprietary Limited Selected Shares 2	5 500 000	1.20
GIC Private Limited	5 300 095	1.16
Old Mutual	4 037 599	0.88
Totals	368 415 188	80.54

NUMBER OF **STORES**

	As at 25 February 2024	Opened	Closed	As at 2 March 2025
Boxer South Africa	468	52	5	**515**
Superstores	290	25	2	**313**
Liquors	147	27	2	**172**
Build	31	–	1	**30**
Boxer Rest of Africa	9	1	–	**10**
Superstores	6	1	–	**7**
Liquors	3	–	–	**3**
Build	–	–	–	**–**
African footprint – by country	477	53	5	**525**
South Africa	468	52	5	**515**
Eswatini	9	1	–	**10**
Store formats	477			**525**
Superstores	296	26	2	**320**
Liquors	150	27	2	**175**
Build	31	–	1	**30**

GLOSSARY OF **TERMS**

Terms and abbreviations used in this Integrated Annual Report:

A2X	A2X Markets, an alternative venue for secondary listing and trading shares in South Africa
ACI	African, Coloured and Indian
AFS	Annual Financial Statements
AGM	Annual General Meeting
ARCC	Audit, Risk and Compliance Committee
ATPAL	Adjusted trading profit after lease interest
BBBEE	Broad-based black economic empowerment
Board	Board of directors of the Company
CAGR	Compound annual growth rate
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CO_2e	Carbon dioxide equivalent
Company	Boxer Retail Limited
Companies Act	Companies Act of South Africa, No 71 of 2008, as amended
CPI	Consumer Price Index – the headline inflation number in South Africa as reported by Stats SA
CRI	Long-term cash retention incentive scheme
CSI	Corporate social investment
CSDP	A central securities depository participant
DC	Distribution centre
EBITDA	Earnings before net interest, tax, depreciation, amortisation and capital items
ERM	Enterprise risk management
ESD	Enterprise and supplier development
ESG	Environmental, social and governance
EY	Ernst & Young Inc.
FMCG	Fast-moving consumer goods
FY	Financial year, for example FY25 – our 2025 financial year
GDP	Gross domestic product
Gearing	Gearing measures the Group's leverage by comparing its debt to its equity, illustrating its reliance on debt funding to finance its operations
GHG emissions	Greenhouse gas emissions
GLA	Gross lettable area
Group	Boxer Retail Limited and its subsidiaries
H1 and H2	First and second half of a financial year
HDSA	Historically disadvantaged South African
HEPS	Headline earnings per share
IAR	Integrated Annual Report
IAS	International Accounting Standards
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IPO	The listing of Boxer on the Main Board of the Johannesburg Stock Exchange
IT	Information technology
JSE	Johannesburg Stock Exchange
King IV	King IV Report on Corporate Governance™ for South Africa, 2016
KPI	Key performance indicator
LED	Light-emitting diode
LID	Lead independent director
LTI	Long-term incentive
MOI	Memorandum of Incorporation
MSR	Minimum shareholding requirement
NED	Non-executive director
NMBU	Non-management bargaining unit
NomGov	Nominations and Corporate Governance Committee
PBT	Profit before tax
PIK	Pick n Pay Stores Limited and its subsidiaries (the Pick n Pay Group)
RemCom	Remuneration Committee
ROIC	Return on invested capital
RSP	Restricted Share Plan
SD9	Sectoral Determination 9
SDG	Sustainable Development Goal
SENS	Johannesburg Stock Exchange News Service
SETC	Social, Ethics and Transformation Committee
STI	Short-term incentive
tCO_2e	Tonne of carbon dioxide equivalent
TGP	Total guaranteed package
SETA	Sector Education and Training Authority
UN	United Nations
WACC	Weighted average cost of capital

8 Notice of ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the first Annual General Meeting (**AGM**) of the shareholders of Boxer Retail Limited (the **Company**) for the 2025 annual financial period.

The AGM will be conducted entirely by electronic communication, with the meeting starting at **08:30** on **Tuesday, 29 July 2025**.

Please register for the AGM via the Lumi electronic platform at www.smartagm.co.za.

The procedure to be followed by shareholders or their duly appointed proxies (**participants**) who wish to participate electronically in the AGM is set out in detail under the heading "Electronic Participation" on page 93. The Board of directors of the Company (the **Board**) has established that the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM is Friday, 18 July 2025. Accordingly, the last day to trade in the Company's shares to be recorded in the Company's securities register to be entitled to participate and vote at the AGM will be Tuesday, 15 July 2025.

Each of the ordinary and special resolutions set out below may be proposed and passed, with or without modification or amendment, at the AGM or at any postponement or adjournment of the AGM. The resolutions are proposed in terms of the Companies Act, No 71 of 2008, as amended (the **Companies Act**), the Memorandum of Incorporation of the Company (the **MOI**) and/or the JSE Listings Requirements.

Relevant dates

Record date to receive this notice of AGM	Friday, 20 June 2025
Last day to trade to be entitled to participate and vote	Tuesday, 15 July 2025
Record date to be entitled to participate and vote	Friday, 18 July 2025
Recommended latest date to lodge forms of proxy by **08:30** on	Friday, 25 July 2025
Recommended latest date to register to attend AGM by **08:30** on	Friday, 25 July 2025
Electronic AGM at **08:30** on	Tuesday, 29 July 2025

Voting thresholds

Ordinary resolutions require the approval of at least 50% of the voting rights plus 1 vote exercised on the resolutions. Special resolutions require the approval of at least 75% of the voting rights exercised on the resolutions. Matters put before shareholders to consider by way of a non-binding advisory vote do not have a voting threshold, but will require shareholder engagement if a 75% majority is not achieved.

Part I

Presentation of the consolidated and separate audited Annual Financial Statements, the Directors' Report, the Remuneration Report and the reports of the Audit, Risk and Compliance Committee and the Social, Ethics and Transformation Committee for the 2025 annual financial period.

- The 2025 consolidated audited Annual Financial Statements and the 2025 Integrated Annual Report of the Company and its subsidiaries (the **Group**) are published on the Group's website, www.boxerinvestor.co.za or can be requested from the Company Secretary at companysecretary@boxer.co.za
- Extracts of the consolidated audited Annual Financial Statements of the Group are set out in the CFO's report and the additional information section of the Integrated Annual Report
- The audited Annual Financial Statements have been distributed together with this Notice
- The Remuneration Report has been distributed together with this Notice
- The Directors' Report on the Company and its subsidiaries is set out in the consolidated audited Annual Financial Statements
- The Audit, Risk and Compliance Committee's report and the Social, Ethics and Transformation Committee's report of the Group are set out in the Integrated Annual Report, published on the Group's website at www.boxerinvestor.co.za

Part II

ORDINARY RESOLUTIONS

1. Ordinary resolution number 1

Appointment of external auditors

Ernst & Young Inc. are the auditors of the Company, having been appointed as such on 25 October 2024. Matthew Brown was appointed as the designated audit partner on the same date and will be rotated as audit partner after five consecutive financial periods.

The Audit, Risk and Compliance Committee has considered the independence of the auditors and concluded that there is no reason to believe that the auditors acted with impaired independence at any time, and that the audit quality for the 2025 financial year was satisfactory.

The Audit, Risk and Compliance Committee has recommended the appointment of Ernst & Young Inc. as the Company's external auditors.

Ordinary resolution number 1

"RESOLVED that Ernst & Young Inc. are hereby appointed as the external auditors of the Company."

2. Ordinary resolutions numbered 2.1 to 2.9

Appointment of directors

Curricula vitae of directors to be elected are presented from page 51.

The Board was appointed on 15 October 2024 (with Sean Summers and James Formby appointed earlier on 20 August 2024 and 9 October 2024 respectively) by way of a Board resolution and each appointment must be formally approved by shareholders. Being eligible, each member of the Board offers themselves for election as a director of the Company.

Going forward, and in terms of the Company's MOI, at least one-third of non-executive directors are required to retire by rotation at each AGM and may offer themselves to shareholders for re-election at that time. In determining which directors shall retire, the Board will consider the requirements of the Companies Act, the JSE Listings Requirements, the Board Charter and the length of time that each non-executive director has served since last election by shareholders. It is noted that non-executive directors are required to retire after a maximum of 3 (three) years' service and may offer themselves to shareholders for re-election.

The Nominations and Corporate Governance Committee considered the independence of all non-executive directors categorised as independent. After consideration of several relevant factors, the Committee concluded that the classification of Jesmane Boggenpoel, Leon Lourens, Charlotte Maponya (lead independent director), Dineo Molefe and Cindy Robertson as independent is appropriate. As representatives of the controlling shareholder, Pick n Pay Stores Limited, James Formby and Sean Summers are not considered to be independent.

The Board is satisfied that the Board and each Board committee functions effectively and that there is an appropriate mix of knowledge, skill, experience and diversity with sufficient capacity to execute duties effectively.

Based on the performance and contribution of the directors to date, the Board recommends the election of the directors set out below.

Being eligible, the directors listed below offer themselves for election:

Executive directors	Designation	Detail
Marek Masojada	Chief Executive Officer	Election, following Board appointment on 15 October 2024
David Wayne	Chief Finance Officer	Election, following Board appointment on 15 October 2024
Non-executive directors		
James Formby	Non-independent Chair	Election, following Board appointment on 9 October 2024
Sean Summers	Non-independent	Election, following Board appointment on 20 August 2024
Jesmane Boggenpoel	Independent	Election, following Board appointment on 15 October 2024
Leon Lourens	Independent	Election, following Board appointment on 15 October 2024
Charlotte Maponya	Lead Independent	Election, following Board appointment on 15 October 2024
Dineo Molefe	Independent	Election, following Board appointment on 15 October 2024
Cindy Robertson	Independent	Election, following Board appointment on 15 October 2024

Shareholders are requested to consider and, if deemed fit, elect Marek Masojada, David Wayne, James Formby, Sean Summers, Jesmane Boggenpoel, Leon Lourens, Charlotte Maponya, Dineo Molefe, and Cindy Robertson as directors of the Company by way of passing the separate ordinary resolutions set out below. Each non-executive director will be elected for a term not exceeding 3 (three) years. As described above, at least one-third of the Board will be put forward for re-election at the next AGM.

Ordinary resolution number 2.1

Election of Marek Masojada as an executive director

"RESOLVED that Marek Masojada be and is hereby elected as an executive director of the Company."

Ordinary resolution number 2.2

Election of David Wayne as an executive director

"RESOLVED that David Wayne be and is hereby elected as an executive director of the Company."

Ordinary resolution number 2.3

Election of James Formby as a non-executive director

"RESOLVED that James Formby be and is hereby elected as a non-executive director of the Company for a maximum 3 (three) year term."

Ordinary resolution number 2.4

Election of Sean Summers as a non-executive director

"RESOLVED that Sean Summers be and is hereby elected as a non-executive director of the Company for a maximum 3 (three) year term."

Ordinary resolution number 2.5

Election of Jesmane Boggenpoel as an independent non-executive director

"RESOLVED that Jesmane Boggenpoel be and is hereby elected as an independent non-executive director of the Company for a maximum 3 (three) year term."

Ordinary resolution number 2.6

Election of Leon Lourens as an independent non-executive director

"RESOLVED that Leon Lourens be and is hereby elected as an independent non-executive director of the Company for a maximum 3 (three) year term."

Ordinary resolution number 2.7

Election of Charlotte Maponya as an independent non-executive director

"RESOLVED that Charlotte Maponya be and is hereby elected as an independent non-executive director of the Company for a maximum 3 (three) year term."

Ordinary resolution number 2.8

Election of Dineo Molefe as an independent non-executive director

"RESOLVED that Dineo Molefe be and is hereby elected as an independent non-executive director of the Company for a maximum 3 (three) year term."

Ordinary resolution number 2.9

Election of Cindy Robertson as an independent non-executive director

"RESOLVED that Cindy Robertson be and is hereby elected as an independent non-executive director of the Company for a maximum 3 (three) year term."

3. Ordinary resolutions numbered 3.1 to 3.3

Appointment of Audit, Risk and Compliance Committee members for the 2026 annual financial period

Curricula vitae of directors proposed to be elected to the Audit, Risk and Compliance Committee are presented from page 52.

Shareholders are requested to consider and, if deemed fit, elect Cindy Robertson, Jesmane Boggenpoel and Leon Lourens as members of the Audit, Risk and Compliance Committee by way of passing the separate ordinary resolutions set out below. If appointed, Cindy Robertson will act as Chair of this Committee.

Ordinary resolution number 3.1

Appointment of Cindy Robertson as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Cindy Robertson be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period, subject to her election as a director of the Company in terms of ordinary resolution 2.9."

Ordinary resolution number 3.2

Appointment of Jesmane Boggenpoel as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Jesmane Boggenpoel be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period, subject to her election as a director of the Company in terms of ordinary resolution 2.5."

Ordinary resolution number 3.3

Appointment of Leon Lourens as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Leon Lourens be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period, subject to his election as a director of the Company in terms of ordinary resolution 2.6."

4. Ordinary resolutions numbered 4.1 to 4.3

Appointment of Social, Ethics and Transformation Committee members for the 2026 annual financial period

Curricula vitae of directors proposed to be elected to the Social, Ethics and Transformation Committee are presented from page 52.

In accordance with the amendments to the Companies Act, as introduced by the Companies Amendment Act, 16 of 2024, the appointment of members to the Social, Ethics and Transformation Committee must now be approved by shareholders at the Annual General Meeting. Shareholders are requested to consider and, if deemed fit, elect Jesmane Boggenpoel, Charlotte Maponya and Dineo Molefe as members of the Social, Ethics and Transformation Committee by way of passing the separate ordinary resolutions set out below. If appointed, Jesmane Boggenpoel will act as Chair of this Committee.

Ordinary resolution number 4.1

Appointment of Jesmane Boggenpoel as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Jesmane Boggenpoel be and is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period, subject to her election as a director of the Company in terms of ordinary resolution 2.5."

Ordinary resolution number 4.2

Appointment of Charlotte Maponya as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Charlotte Maponya be and is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period, subject to her election as a director of the Company in terms of ordinary resolution 2.7."

Ordinary resolution number 4.3

Appointment of Dineo Molefe as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Dineo Molefe be and is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period, subject to her election as a director of the Company in terms of ordinary resolution 2.8."

Part III

ADVISORY VOTES

5. Non-binding Advisory votes numbered 1 and 2

Remuneration policy and implementation for the 2025 annual financial period

The directors table the remuneration report for the 2025 annual financial period. The remuneration policy and implementation report are set out in the Remuneration Report, which can be found on pages 60 to 72 in the Integrated Annual Report, available on the Company website at www.boxerinvestor.co.za.

Advisory vote number 1

Endorsement of the remuneration policy

"RESOLVED that, by way of a non-binding advisory vote, the remuneration policy of the Company, as outlined in the remuneration report, is endorsed."

This is a non-binding advisory vote to enable shareholders to express their views on the remuneration policy adopted by the Company. In terms of the JSE Listings Requirements and King IV, if 25% (twenty-five per cent) or more of the voting rights exercised are cast against this resolution, the Board will invite dissenting shareholders to engage with the Remuneration Committee on their concerns. The manner and timing of such engagement will be set out in the voting results announcement.

Advisory vote number 2

Endorsement of the implementation of the remuneration policy

"RESOLVED that, by way of a non-binding advisory vote, the remuneration implementation report of the Company, as outlined in the remuneration report, is endorsed."

This is a non-binding advisory vote to enable shareholders to express their views on the Company's remuneration implementation report. In terms of the JSE Listings Requirements and King IV, if 25% (twenty-five per cent) or more of the voting rights exercised are cast against this resolution, the Board will invite dissenting shareholders to engage with the Remuneration Committee on their concerns. The manner and timing of such engagement will be set out in the voting results announcement.

Part IV

SPECIAL RESOLUTIONS

6. Special resolution number 1

Directors' fees for the 2026 and 2027 annual financial periods

"RESOLVED, as a special resolution, that the directors' fees, to be paid to the directors in their capacity as directors only, for the 2026 annual financial period, be as follows:

	FY26 proposed 12 months R	FY25 previous 12 months[2] R	FY25 previous 5 months[2] R	Year-on-year % change
Chair (including participation in all committees)	**1 800 000**	1 800 000	750 000	–
Lead independent director (including participation in all committees)	**900 000**	900 000	375 000	–
Non-executive director	**460 000**	460 000	191 667	–
Chair of the Audit, Risk and Compliance Committee	**400 000**	400 000	166 667	–
Member of the Audit, Risk and Compliance Committee	**210 000**	210 000	87 500	–
Chair of the Remuneration Committee	**234 000**	234 000	97 500	–
Member of the Remuneration Committee	**110 000**	110 000	45 833	–
Chair of the Social, Ethics and Transformation Committee	**200 000**	200 000	83 333	–
Member of the Social, Ethics and Transformation Committee	**110 000**	110 000	45 833	–
Chair of the Nominations and Corporate Governance Committee[1]	**210 000**	210 000	–	–
Member of the Nominations and Corporate Governance Committee	**100 000**	100 000	41 667	–

[1] *The Committee is currently chaired by the lead independent director who does not receive an additional fee for chairing this committee.*

[2] *FY25 remuneration is presented for the full year – and for the pro rata 5 months for which the directors received payment (from appointment date of 15 October 2024 to 2 March 2025).*

It is further resolved that the directors' fees be increased by CPI for the 2027 annual financial period. Where applicable, directors' fees are exclusive of VAT."

Reason for and effect of special resolution number 1

The reason for special resolution number 1 is to obtain shareholder approval for the remuneration of each of the non-executive directors of the Company, in accordance with section 66(9) of the Companies Act. The passing of this special resolution will have the effect of approving the remuneration of each of the directors of the Company, in accordance with section 66(9) of the Companies Act. This authority will be in place for a period of 2 (two) years from the date of adoption of this special resolution number 1 or until superseded by another special resolution, whichever period is shorter.

7. Special resolution number 2

General approval to repurchase the Company's own shares

"RESOLVED, as a special resolution, that the Company, or any of its subsidiaries, be and is hereby authorised, by way of a general approval, to acquire issued shares of the Company from time to time, upon such terms and in such amounts as the directors may determine, subject to the Memorandum of Incorporation, the Companies Act, and the JSE Listings Requirements as amended from time to time, provided that such acquisitions shall not exceed 5% (five per cent) of the Company's issued share capital in any one financial year."

Additional requirements imposed by the JSE Listings Requirements

It is recorded that the Company or its subsidiaries may only make a general acquisition of shares if the following JSE Listings Requirements are met:

- Any such acquisition of shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company or its subsidiaries and the counterparty or in any other manner approved by the JSE;
- The general approval shall only be valid until the Company's next AGM, or for 15 (fifteen) months from the date of passing of this special resolution, whichever period is shorter;
- An announcement will be made as soon as the Company and/or its subsidiaries has/have acquired shares in terms of this authority constituting, on a cumulative basis, 3% (three per cent) of the number of shares of the class of shares acquired in issue at the time of granting of this general approval and for each 3% (three per cent) in aggregate of the initial number of that class of shares acquired thereafter, which announcement shall contain full details of such acquisitions as required by paragraph 11.27 of the JSE Listings Requirements;
- In determining the price at which shares are acquired by the Company or its subsidiaries in terms of this general approval, the maximum price at which such shares may be acquired may not be greater than 10% (ten per cent) above the weighted average of the market value at which such shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date of the acquisition of such shares by the Company or its subsidiaries;
- At any point in time, a company may only appoint one agent to effect any repurchase(s) on the company's behalf;
- A resolution by the Board authorising the repurchase, that the Company passed the solvency and liquidity test, and that since the test was done there have been no material changes to the financial position of the Group; and

- The Company and/or its subsidiaries may not repurchase any shares, in terms of this authority, during a prohibited period, as defined in the JSE Listings Requirements, unless there is in place a repurchase programme where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE prior to the commencement of the prohibited period.

Statement by the Board of directors of the Company

Pursuant to the JSE Listings Requirements, the Board hereby states that:

- the intention of the directors is to utilise the general approval to repurchase shares in the capital of the Company if at some future date the cash resources of the Company are in excess of its requirements or there are other good grounds for doing so. In this regard, the directors will take account of, inter alia, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company and the interests of the Company;
- in determining the method by which the Company intends to repurchase its securities, the maximum number of securities to be repurchased and the date on which such repurchase will take place, the directors will only make repurchases if, at the time of the repurchase, they are of the opinion that:
  - > the Group will, after the repurchase, be able to pay its debts as they become due in the ordinary course of business for the 12 (twelve) month period following the date of the repurchase;
  - > the consolidated assets of the Group, fairly valued and recognised and measured in accordance with the accounting policies used in the latest audited financial statements, will, after the repurchase, be in excess of the consolidated liabilities of the Group for the 12 (twelve) month period following the date of the repurchase;
  - > the issued share capital and reserves of the Group will, after the repurchase, be adequate for the ordinary business purposes of the Group for the 12 (twelve) month period following the date of the repurchase; and
  - > the working capital available to the Group will, after the repurchase, be adequate for the ordinary business purposes of the Group for the 12 (twelve) month period following the date of the repurchase;
- the repurchase shall only be effected if the Board has, at the time of the repurchase, passed a resolution authorising the repurchase in terms of sections 48 and 46 of the Companies Act and it reasonably appears that the Group has satisfied the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group.

Reason for and effect of special resolution number 2

The reason for special resolution number 2 is to grant the Company a general authority, in terms of the JSE Listings Requirements, for the acquisition by the Company or any of its subsidiaries of shares issued by the Company, which authority shall be valid until the earlier of the next AGM of the Company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall only be valid until the Company's next AGM, or for 15 (fifteen) months from the date of passing of this special resolution, whichever period is shorter. The passing of this special resolution will have the effect of authorising the Company or any of its subsidiaries to acquire shares issued by the Company.

The Board may exercise its powers under this resolution to buy back shares from employees who are exercising their share options or electing to sell their shares that have vested under the Group's restricted share plan (RSP), and to cover share scheme obligations, including the RSP.

Save as aforesaid, the Board has no specific intention, at present, for the Company to repurchase any of its shares, but considers that such a general authority should be put in place should an opportunity present itself to do so during the year, which the Board deems to be in the best interests of the Company and its shareholders, taking prevailing market conditions and other factors into account.

8. To transact other business that may be transacted at an annual general meeting

Notes to the notice of Annual General Meeting

A. General instructions and information

In addition to the Notice and Proxy, this document contains:

- Details of the directors of the Company on pages 51 to 53;
- The curricula vitae of directors standing for election from page 51;
- The curricula vitae of directors nominated for election as members of the Audit, Risk and Compliance Committee and the Social, Ethics and Transformation Committee on page 52;
- The remuneration report from page 60 in the IAR;
- The directors' interest in shares on page 72 in the IAR.

The Integrated Annual Report, and the consolidated audited Annual Financial Statements, are published on the Group's website, www.boxerinvestor.co.za, or can be requested from the Company Secretary at companysecretary@boxer.co.za.

B. Material changes

Other than the facts and developments reported in terms hereof and in the Integrated Annual Report, there are no material changes to the Group's financial or trading position, nor are there any material legal or arbitration proceedings (pending or threatened) that may affect the financial position of the Group between the 2025 financial period-end and 30 June 2025.

C. Directors' responsibility statement

The directors, whose names are given in the Board of directors' section in the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information provided and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the Integrated Annual Report and this document contain all information required by law and the JSE Listings Requirements.

D. Major shareholders

Shareholders are referred to page 84 of the IAR for details of major shareholders.

E. Share capital

Shareholders are referred to page 83 in the AFS for details of the Company's share capital.

F. Entitlement to participate in and vote at the AGM in person or by proxy

All shareholders (including both Ordinary and B shareholders) are entitled to participate in and vote at the AGM and are encouraged to do so.

The Company is pleased to offer shareholders or their duly appointed proxies an online voting facility during the AGM via the Lumi platform at www.smartagm.co.za.

If you hold certificated shares (i.e. have not dematerialised your shares in the Company) or are registered as an "own name dematerialised shareholder" (i.e. have specifically instructed your Central Securities Depository Participant (CSDP) to hold your shares in your own name in the Company sub-register) then:

- you may participate in and vote at the AGM; alternatively
- you may appoint an individual as a proxy (who need not be a shareholder of the Company) to participate in and vote in your place at the AGM by completing the attached form of proxy. It is recommended for administrative reasons that the proxy form be returned to the transfer secretaries, Computershare Investor Services Proprietary Limited (Computershare), the details of which are set out in note 5 of the form of proxy (attached), by no later than 08:30 on Friday, 25 July 2025.

Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Should the proxy form not be received by the time stipulated above, the form of proxy may still be delivered to the transfer secretaries, Computershare, via email at proxy@computershare.co.za before the proxy exercises any shareholder rights at the AGM.

Unless revoked before then, a signed proxy form shall remain valid at any adjournment or postponement of the AGM and the proxy so appointed shall be entitled to vote, as indicated on the proxy form, on any resolution (including any resolution which is amended or modified) at such AGM or any adjournment or postponement thereof.

Please note that:

- any shareholder of the Company that is a company may authorise a person to act as proxy at the AGM. Please also note that section 63(1) of the Companies Act requires that persons wishing to participate in the AGM (including a company's representative) must provide reasonably satisfactory identification before they may participate; and
- if you are the owner of dematerialised shares (i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE's electronic settlement system, Strate) held through a CSDP or broker (or their nominee) and are not registered as an "own name dematerialised shareholder", then you are not a registered shareholder, but your CSDP or broker (or their nominee) would be. You must provide your CSDP or broker with your voting instructions in the manner and at the time stipulated in your custody agreement. Alternatively, if you wish to participate in the AGM in person, you will need to request your CSDP or broker to provide you with the necessary authority in terms of your custody agreement.

CSDPs, brokers or their nominees recorded in the Company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to participate in and vote at the AGM or by completing the attached form of proxy in accordance with the instructions thereon. For administrative purposes, it is recommended that the proxy form be returned to the transfer secretaries, Computershare, the details of which are set out below under the heading "Electronic Participation" by no later than 08:30 on Friday, 25 July 2025.

In order to allow the voting preferences of all shareholders to be taken into account, voting will be conducted via poll and shareholders will have one vote in respect of each share held.

G. Identification

In terms of section 63(1) of the Companies Act, all AGM participants are required to provide identification to the reasonable satisfaction of the Transfer Secretary, as follows:

- Participants who register to participate in the AGM using the online registration method, by uploading the relevant documentation via the online registration portal; or
- Participants who register to participate in the AGM via email, by submitting the relevant documentation by email to proxy@computershare.co.za.

The Transfer Secretary must be reasonably satisfied that the right of that person to participate in and vote at the AGM as a shareholder or a proxy or representative of a shareholder has been reasonably verified. Acceptable forms of identification include valid South African driver's licences, green barcoded identity documents or barcoded identification smart cards issued by the South African Department of Home Affairs, and passports.

H. Electronic participation

Shareholders or their duly appointed proxies who wish to participate in the AGM via electronic communication (participants) must follow the instructions for registration, attendance and participation set out below. The electronic participation form can be found as an insert in this Notice of Annual General Meeting.

a. Registration to attend the AGM

(i) Register online by no later than 08:30 on Friday, 25 July 2025 using the online registration portal at www.smartagm.co.za to, among other things, allow the Transfer Secretary to arrange the participation of the shareholder at the AGM.

(ii) Register via email by no later than 08:30 on Friday, 25 July 2025 by making a written application to participate via electronic communication, by email to proxy@computershare.co.za, in order for the Transfer Secretary to, among other things, arrange such participation for the shareholder at the AGM.

(iii) Apply to Computershare by delivering the duly completed participation form to:

- First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196;
- Posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the participant); or
- Emailing it to: proxy@computershare.co.za

so as to be received by Computershare by no later than 08:30 on Friday, 25 July 2025.

NOTE: Shareholders wishing to participate in and/or vote at the AGM and who register after 08:30 on 25 July 2025, may still register after this time provided, however, that for those shareholders to participate in and/or vote at the AGM, those shareholders must be verified and registered (as required in terms of section 63(1) of the Companies Act) by uploading their relevant verification documentation as more fully set out above under Identification before the commencement of the AGM.

b. Computershare will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act. If the request is validated, further details will be provided on using the electronic communication facility to participate electronically in the AGM.

c. The meeting facilitators will, by email, inform participants who duly notified Computershare by no later than 17:00 on 28 July 2025 of the relevant details through which participants can participate electronically.

d. The cost of electronic participation in the AGM is for the expense of the participant and will be billed separately by the participant's own service provider.

e. The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.

f. The Company cannot guarantee there will not be a break in electronic communication that is beyond its control.

By order of the Board

Vaughan Pierce
Company Secretary
Boxer Retail Limited

30 June 2025

FORM OF PROXY

FOR COMPLETION BY SHAREHOLDERS WHO HAVE NOT YET DEMATERIALISED THEIR SHARES OR WHO HAVE DEMATERIALISED THEIR SHARES WITH "OWN NAME" REGISTRATION ONLY

For use at the Annual General Meeting (**AGM**) of shareholders of Boxer Retail Limited (**the Company, alternatively Boxer**) to be conducted entirely by electronic communication as permitted by the Companies Act, No 71 of 2008, as amended, and by the Company's Memorandum of Incorporation at 08:30 on Tuesday, 29 July 2025 and at any adjournment or postponement thereof.

All terms defined in the Notice of AGM to which this form of proxy is attached shall bear the same meanings herein.

Note: If your dematerialised shares in Boxer are held through a Central Securities Depository Participant (CSDP) or broker, and you have not provided the nominee with a general mandate to act on your behalf at shareholder meetings, and you want to participate in the electronic AGM in person, please contact your CSDP or broker.

Note: voting will be performed by way of a poll so each validated participant will be entitled to vote.

I/We (block letters)

(the registered shareholder)

I/We (block letters)

(the beneficial shareholder – insert details of beneficial shareholder only if different to the registered shareholder)

of (address)

Telephone: Work ( ) Telephone: Mobile ( )

being the holder/s of (insert number of shares) ordinary shares in the Company,

hereby appoint (refer to note 1)

1. or failing him/her,

2. or failing him/her,

3. the Chair of the AGM,

as my/our proxy to act for me/us and on my/our behalf at the AGM which will be held for the purpose of considering and, if deemed fit, passing the resolutions to be proposed thereat and at any adjournment or postponement thereof, and to vote for or against the resolutions and/or abstain from voting, in respect of the ordinary shares in Boxer registered in my/our name/s in accordance with the instructions set out below.

Please indicate the instructions to your proxy with an "X" in the spaces provided below. In the absence of such indication, the proxy will be entitled to exercise his/her discretion in voting.

If you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares held in respect of which you wish to vote (see note 3).

		Number of votes (one vote per ordinary share)		
Resolution	**Description**	**In favour of**	**Against**	**Abstain**
Ordinary resolution number 1	Appointment of external auditors			
Ordinary resolution number 2.1	Election of Marek Masojada as an executive director			
Ordinary resolution number 2.2	Election of David Wayne as an executive director			
Ordinary resolution number 2.3	Election of James Formby as a non-executive director			
Ordinary resolution number 2.4	Election of Sean Summers as a non-executive director			
Ordinary resolution number 2.5	Election of Jesmane Boggenpoel as an independent non-executive director			
Ordinary resolution number 2.6	Election of Leon Lourens as an independent non-executive director			
Ordinary resolution number 2.7	Election of Charlotte Maponya as an independent non-executive director			
Ordinary resolution number 2.8	Election of Dineo Molefe as an independent non-executive director			
Ordinary resolution number 2.9	Election of Cindy Robertson as an independent non-executive director			
Ordinary resolution number 3.1	Appointment of Cindy Robertson as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.2	Appointment of Jesmane Boggenpoel as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.3	Appointment of Leon Lourens as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 4.1	Appointment of Jesmane Boggenpoel as a member of the Social, Ethics and Transformation Committee			
Ordinary resolution number 4.2	Appointment of Charlotte Maponya as a member of the Social, Ethics and Transformation Committee			
Ordinary resolution number 4.3	Appointment of Dineo Molefe as a member of the Social, Ethics and Transformation Committee			
Advisory vote number 1	Endorsement of the remuneration policy			
Advisory vote number 2	Endorsement of the implementation of the remuneration policy			
Special resolution number 1	Directors' fees for the 2026 and 2027 annual financial periods			
Special resolution number 2	General approval to repurchase Company shares			

I give permission to my CSDP to disclose to the Company how my votes have been cast, should the Company request such information from my CSDP. **Yes** ☐

Please note: if an X is not inserted into the box, it will be taken that permission has been declined and that the CSDP will not be permitted to disclose to the Company how the votes have been cast.

Signed at on 2025

Signature

(Authority of signatory to be attached if applicable – see note 7)

Assisted by me (where applicable – see note 9) Telephone: ( )

Please also read the notes overleaf.

Summary of shareholders' rights in respect of proxy appointments

Please note that in terms of section 58 of the Companies Act:

- this proxy form must be dated and signed by the shareholder appointing the proxy;
- you may appoint an individual as a proxy, including an individual who is not a shareholder of the Company, to participate in and speak and vote at a shareholders' meeting on your behalf;
- your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this proxy form;
- this proxy form must be delivered to the Company, or to the transfer secretaries of the Company, namely Computershare Investor Services Proprietary Limited, before your proxy exercises any of your rights as a shareholder at the AGM;
- the appointment of your proxy will be suspended at any time to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the AGM;
- the appointment of your proxy is revocable unless you expressly state otherwise in this proxy form;
- as the appointment of your proxy is revocable, you may revoke the proxy appointment by (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the transfer secretaries of the Company. Please note that the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the Company and the proxy as aforesaid;
- if this proxy form has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to you will be delivered by the transfer secretaries of the Company to you or your proxy, if you have directed the Company to do so, in writing and paid any reasonable fee charged by the Company for doing so;
- your proxy is entitled to exercise, or abstain from exercising, any voting right of yours at the AGM, but only as directed by you on this proxy form;
- the appointment of your proxy remains valid only until the end of the AGM or any adjournment or postponement thereof or for a period of 6 (six) months, whichever is shortest, unless it is revoked by you before then on the basis set out above.

The proxy form shall be valid and shall apply to any adjournment or postponement of the AGM to which it relates and shall apply to any resolution proposed at the AGM to which it relates and to such resolution as modified or amended, including any such modified or amended resolution to be voted on at any adjourned or postponed meeting of the AGM to which the proxy relates, unless the proxy is revoked before the adjourned or postponed meeting.

Notes

1. The person whose name stands first on the proxy form and who is present at the AGM will be entitled to act as a proxy to the exclusion of those whose names follow thereafter.
2. If no proxy is inserted in the spaces provided, then the Chair shall be deemed to be appointed as the proxy to vote or abstain as the Chair deems fit.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. If there is no clear indication as to the voting instructions to the proxy, the proxy form will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all of the shareholder's votes exercisable at the AGM.
4. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy. A proxy shall be entitled to demand that voting take place on a poll.
5. Proxy forms must be lodged at the registered office of the Company, 41 The Boulevard, Westend Office Park, Westville, or posted to the Company Secretary at PO Box 370, Westville, 3630, or lodged with or posted to the transfer secretaries, Computershare Investor Services Proprietary Limited, First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, or Private Bag X9000, Saxonwold 2132 or email: proxy@computershare.co.za.
6. For administrative purposes, it is recommended that proxy forms be received or lodged by no later than 08:30 on Friday, 25 July 2025, being 2 (two) business days before the AGM to be held at 08:30 on Tuesday, 29 July 2025. Proxy forms must be lodged before the commencement of the AGM.
7. Documentary evidence establishing the authority of a person signing this proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the Company Secretary or waived by the Chair of the AGM if he/she is reasonably satisfied that the right of the representative to participate and vote has been reasonably verified. CSDPs or brokers registered in the Company's sub-register voting on instructions from beneficial owners of shares registered in the Company's sub-register, are requested that they identify the beneficial owner in the sub-register on whose behalf they are voting and return a copy of the instruction from such owner to the Company Secretary or to the transfer secretaries, Computershare Investor Services Proprietary Limited, First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, or Private Bag X9000, Saxonwold 2132, together with this form of proxy.
8. Any alteration or correction made to this proxy form must be initialled by the signatory/ies but will only be validly made if such alteration or correction is accepted by the Chair of the AGM.
9. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company Secretary.

Participation in the AGM via electronic communication

Shareholders or their duly appointed proxies who wish to participate in the AGM via electronic communication (participants) must follow the instructions for registration, attendance and participation set out below. The electronic participation form can be found as an insert in this Notice of AGM.

a. Registration to attend the AGM

(i) Register online by no later than 08:30 on Friday, 25 July 2025 using the online registration portal at www.smartagm.co.za to, among other things, allow the Transfer Secretary to arrange the participation of the shareholder at the AGM.

(ii) Register via email by no later than 08:30 on Friday, 25 July 2025 by making a written application to participate via electronic communication, by email to proxy@computershare.co.za in order for the Transfer Secretary to, among other things, arrange such participation for the shareholder at the AGM.

(iii) Apply to Computershare by delivering the duly completed participation form to:

a. First Floor, Rosebank towers, 15 Biermann Avenue, Rosebank 2196;

b. Posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the participant); or

c. Email to: proxy@computershare.co.za

so as to be received by Computershare by no later than 08:30 on Friday, 25 July 2025.

NOTE: Shareholders wishing to participate in and/or vote at the AGM and who register after 08:30 on Friday, 25 July 2025 may still register after this time provided, however, that for those shareholders to participate in and/or vote at the AGM, those shareholders must be verified and registered (as required in terms of section 63(1) of the Companies Act) by uploading their relevant verification documentation, as more fully set out in the Notice of AGM under section G Identification, before the commencement of the AGM.

b. Computershare will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act. If the request is validated, further details will be provided on using the electronic communication facility to participate electronically in the AGM.

Important notice

The service provider shall, by no later than 17:00 on Monday, 28 July 2025, notify participants who have delivered valid notices as per this form by email of the relevant details through which the participants can participate electronically.

The application to participate in the AGM electronically will only be deemed successful if this application form has been completed fully and signed by the participant.

Application form

Full name of participant:
ID number:
Email address:
Mobile number:
Telephone number:
Name of CSDP or broker (dematerialised shares):
Contact number of CSDP or broker:
Contact person at CSDP or broker:
Number of share certificates (certificated shares):
Signature:
Date:

Terms and conditions for participation in the AGM via electronic communication

The cost of electronic participation in the AGM is for the expense of the participant and will be billed separately by the participant's own service provider.

The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.

Boxer Retail Limited cannot guarantee there will not be a break in electronic communication that is beyond its control.

Participant's name:

Signature: Date:

CORPORATE INFORMATION

Shareholders' diary

February

Trading update

Annual financial period-end

May

Publication of annual financial results

Annual financial results roadshow

June

Publication of Integrated Annual Report

July

Trading update

Annual General Meeting

August

Interim financial period-end

October

Publication of interim financial results

Interim financial results roadshow

Please consult our website
www.boxerinvestor.co.za
for the latest published dates.

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

James Formby (Chair)
Sean Summers

Independent non-executive

Charlotte Maponya (Lead)
Cindy Robertson
Dineo Molefe
Jesmane Boggenpoel
Leon Lourens

Registered office

41 The Boulevard
Westend Office Park
Westville, 3630

PO Box 370
Westville, 3630
South Africa

Registrar

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)
First Floor, Rosebank Towers
15 Bierman Avenue
Rosebank, Johannesburg, 2196
South Africa
(Private Bag X9000, Saxonwold, 2132, South Africa)

JSE Limited sponsor

Rand Merchant Bank

(a division of FirstRand Bank Limited)
(Registration number 1929/001225/06)
1 Merchant Place
Corner Rivonia Road and Fredman Drive
Sandton, 2196
South Africa
(PO Box 786273, Sandton, 2146, South Africa)

Independent auditors

Ernst & Young Inc.

(Registration number 2005/002308/21)
1 Pencarrow Crescent
PO Box 859
Durban, 4000
South Africa

Principal bankers

Absa Limited
Rand Merchant Bank
(a division of FirstRand Bank Limited)

Company Secretary

Vaughan Pierce
companysecretary@boxer.co.za

Website

www.boxer.co.za

Investor relations

Stephen Carrott
stephencarrott@boxer.co.za
www.boxerinvestor.co.za

Customer careline

Tel: +27 860 02 69 37
Email: customercare@boxer.co.za

Connect with us

Never pay more than the BOXER price

Boxer Head Office
PO Box 370 | Westville | KwaZulu-Natal | 3630
companysecretary@boxer.co.za
www.boxer.co.za