



**FY26 Full Year  
Results**

**52 weeks ended  
1 March 2026**





# FY26 Full Year Results

52 weeks ended  
1 March 2026

Introduction

Sean Summers

Results Overview

Lerena Olivier

CEO Update

Sean Summers



# INTRODUCTION



- Pleased with the steady recovery in topline growth since FY25 – recognising more work to be done
- Customer focused initiatives gaining traction – supported by our new “Come home to PnP” campaign
- We control the controllables – the implementation of our Corporate Plan initiatives continue at pace
- Macro volatility and uncertainty remain the environment we operate in
- Capital discipline remains a core focus to protect liquidity and shareholder value



**Pick n Play**

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# GROUP KEY METRICS

Turnover*	GP margin	Total expenses	Trading profit
<b>R120.3bn</b> 3.4% (LfL 3.6%)	<b>18.8%</b> +50bps	<b>4.1%</b> growth	<b>R1.7bn</b> declined R74m

EBITDA**	Profit before tax & capital items	Headline loss	Net cash
<b>R1.6bn</b> declined R0.2bn	<b>R0.4bn</b> improved R0.6bn	<b>-R0.4bn</b> improved 5.4%	<b>R3.1bn</b> down R1.1bn on FY25

\*Turnover growths presented on a proforma (52/52w) basis. All other growths presented on a 52/53w basis, unless stated otherwise.

\*\* EBITDA (pre-IFRS 16): Refer to Appendix of Group AFS

# TURNOVER GROWTH BY SEGMENT

Turnover (Rbn)	FY26 52 wks	FY25 52 wks	% change	LfL* % change
Pick n Pay	73.6	74.8	(1.6)	3.1
South Africa	70.4	71.4	(1.4)	2.8
Rest of Africa	3.2	3.4	(6.3)	10.6
Boxer	46.7	41.6	12.3	4.5
<b>Group</b>	<b>120.3</b>	<b>116.3</b>	<b>3.4</b>	<b>3.6</b>

Pick n Pay SA Supers LfL* sales growth %	FY25 52 wks	FY26 <sup>1</sup> H1	FY26 H2	FY26 52 wks
Company-owned	3.3	4.8	3.0	3.9
Franchise	(0.1)	1.8	(0.2)	0.9
<b>Pick n Pay SA Supers<sup>^</sup></b>	<b>2.0</b>	<b>3.7</b>	<b>1.9</b>	<b>2.8</b>

- Pick n Pay SA Supers LfL sales 2.8%
  - Company-owned LfL 3.9%
  - Franchise LfL 0.9%
- Positive H2 trajectory except for November
- Online on-demand sales 37.6%
- Pick n Pay Clothing 5.3% (LfL 0.7%)
- Boxer market leading 12.3% (LfL 4.5%)
- Internal selling inflation below CPI food 4.4%
  - PnP SA 1.9%, LfL volume 0.9%
  - Boxer -1.2%, LfL volume 5.7%

<sup>1</sup>FY26 H1 restated for impact of amended franchise model

\* Like-for-like: Refer to Appendix of Group AFS

<sup>^</sup> Pick n Pay SA Supermarkets includes Hypermarkets, excludes clothing standalone stores

# TRADING PROFIT SEGMENTATION

Rbn	FY26 (52 wks)			FY25 (53 wks)		
	Group	Pick n Pay	Boxer	Group	Pick n Pay	Boxer
Turnover	120.3	73.6	46.7	119.0	76.5	42.6
<b>Trading profit/(loss)</b>	<b>1.7</b>	<b>(1.0)</b>	<b>2.6</b>	<b>1.8</b>	<b>(0.5)</b>	<b>2.3</b>
Trading profit/(loss) margin	1.4%	(1.3%)	5.7%	1.5%	(0.7%)	5.4%
<b>Trading result after leases*</b>	<b>0.1</b>	<b>(2.0)</b>	<b>2.2</b>	<b>0.2</b>	<b>(1.7)</b>	<b>1.9</b>
Trading result after leases* margin	0.1%	(2.8%)	4.6%	0.2%	(2.2%)	4.5%

- Boxer trading profit growth exceptional (despite listed entity expenses)
  - Trading margin improved 30bpts
- Pick n Pay trading loss increased by R404m
  - GP margin improvement more than offset by trading expenses

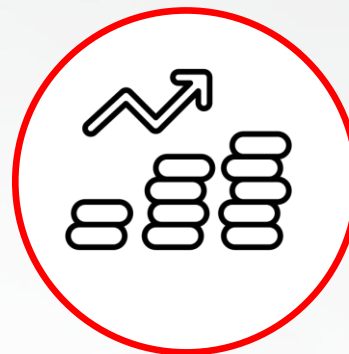
\*Lease finance expense less lease finance income. Refer to Appendix of Group AFS



# BOXER | FINANCIAL ACHIEVEMENTS



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



**Trading profit +17.3%**  
*(52/52w basis)*



**Trading margin @ 5.7%**  
**+0.3% vs. FY25**



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



**ROIC @ 26.0%**  
*(66.7% excluding IFRS 16)*



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

# PICK N PAY KEY METRICS

Turnover*	GP margin	Total expenses	Trading profit after leases**
<b>R73.6bn</b> -1.6% (LfL 3.1%)	<b>17.0%</b> +40bps	<b>1.1%</b> (LfL 6.7%)	<b>-R2.0bn</b> down R0.3bn

EBITDA**	Net funding interest received	Loss before capital items	Net cash
<b>-R1.4bn</b> down R0.5bn	<b>R0.2bn</b> improved R0.7bn	<b>-R1.8bn</b> improved R0.4bn	<b>R2.4bn</b> down R2.0bn

\* Turnover growths presented on a proforma (52/52w) basis. All other growths presented on a 52/53w basis, unless stated otherwise.

\*\* EBITDA (pre-IFRS 16) and Trading loss after lease interest (TPAL): Refer to Appendix of Group AFS

# PICK N PAY TRADING RESULT OVERVIEW

Rbn	FY26 52 wks	FY25 <sup>1</sup> 53 wks	% change
Turnover	73.6	76.5	(3.7)
Gross profit	12.5	12.7	(1.3)
Other income	2.5	2.5	(2.4)
Trading expenses	16.0	15.8	1.1
<b>Trading loss</b>	<b>(1.0)</b>	<b>(0.5)</b>	<b>73.6</b>
Net lease finance expense	(1.0)	(1.1)	(5.3)
<b>Trading loss after leases*</b>	<b>(2.0)</b>	<b>(1.7)</b>	<b>20.3</b>
Gross profit margin	17.0	16.6	+0.4
Expenses as % of turnover	21.7	20.7	+1.0
Trading loss margin	(1.3)	(0.7)	(0.6)

- Trading loss increased to R953m
- GP margin improvement not sufficient to offset increased expenses as % of turnover
- Other income impacted by reduced property portfolio and franchise closures
- LfL expenses +6.7% ahead of LfL sales +3.1%
  - Investment in employee costs
  - Investment in marketing
- Lease benefits of R260m largely offset once-off restructuring costs R235m
- Diesel FY26 spend R625m (0.8% of turnover)
  - Primarily recorded in COGS, also in trading expenses relating to store generators

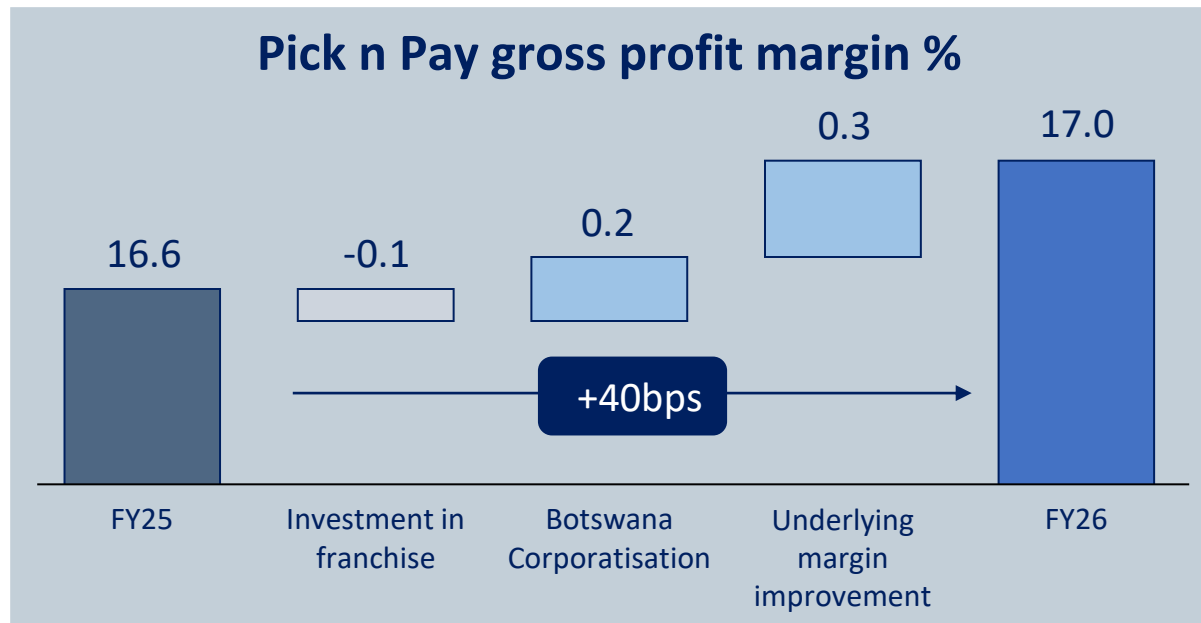
\*Trading loss after lease interest (TPAL) and EBITDA (pre-IFRS16): Refer to Appendix of Group AFS

<sup>1</sup> FY25 restated to correct for turnover related to certain products, previously recorded in cost of sales or trading expenses

# GROSS PROFIT MARGIN ANALYSIS

Gross profit	FY26 Rbn	% change	Margin %	Margin % change
Pick n Pay	12.5	(1.3)	17.0	+40bps
Boxer	10.1	11.3	21.6	+30bps
<b>Group</b>	<b>22.6</b>	<b>3.9</b>	<b>18.8</b>	<b>+50bps</b>

- Pick n Pay GP margin +40bps to 17.0%
- Investment in franchise
- Botswana acquisition
- 0.3% underlying GP margin improvement
  - Better category management
  - Waste reduction - Fresh category



# TRADING EXPENSES ANALYSIS

	FY26	FY25	%
Trading expenses (Rbn)	52 wks	53 wks	change
Pick n Pay	16.0	15.8	1.1
Boxer	7.8	7.1	10.9
<b>Group</b>	<b>23.8</b>	<b>22.8</b>	<b>4.1</b>

Pick n Pay trading expenses	FY26	%	% LfL
	Rbn	change	change
Employee costs	6.6	2.6	6.0
Occupancy costs	2.2	(5.0)	5.1
Operations costs	4.1	(1.3)	4.2
Merchandise & admin	2.9	5.6	13.8
Expected credit loss allowance	0.2	12.7	
<b>Total trading expenses</b>	<b>16.0</b>	<b>1.1</b>	<b>6.7</b>

- Pick n Pay trading expenses +1.1%
  - Successful Store Estate Reset
  - Occupancy costs excl. lease profits +0.4%
- Pick n Pay LfL expenses ahead of LfL sales
  - Above-inflation store wage increases
  - Investment in-store execution
  - Brand investment



# PICK N PAY NET FINANCE COSTS

Pick n Pay (Rm)	FY26 52 wks	FY25 53 wks	Rbn change
Net funding interest	0.2	(0.5)	0.7
Net lease interest	(1.1)	(1.1)	Flat
<b>Net finance costs</b>	<b>(0.9)</b>	<b>(1.6)</b>	<b>0.7</b>

- Pick n Pay net funding interest income
  - Net funding interest positive swing +R0.7bn
  - Reflects recapitalisation benefits
- Net lease interest at R1.1bn
  - Reflects completion of Store Estate Reset



# GROUP EARNINGS PER SHARE

Group Earnings	FY26 52 wks	FY25 53 wks	% change
Loss attributable to PIK (Rm)	(728)	(736)	1.1
Headline adjustments (Rm)	342	328	4.3
Headline loss (Rm)	(386)	(408)	5.4
HEPS (cps)	(52.58)	(61.54)	14.6
EPS (cps)	(99.17)	(111.01)	10.7
WANOS* (millions)	734	663	10.7

- Headline loss R386m, improved 5.4%
  - Boxer trading profit after leases +R259m; Pick n Pay -R343m
  - Net funding interest benefit R681m
- Effective tax rate
  - Pick n Pay 20.3%; Boxer 26.3%
- Boxer 34.4% NCI since Nov 2024
- WANOS up 10.7%, impacted by PIK Rights Offer

\*WANOS: weighted average number of ordinary shares



# WORKING CAPITAL MANAGEMENT

Net working capital cashflow movement* (Rbn)	FY26 52 wks	FY25 53 wks
Pick n Pay	0.0	(0.5)
Boxer	(0.4)	(0.1)
<b>Group liquidity absorption</b>	<b>(0.4)</b>	<b>(0.6)</b>

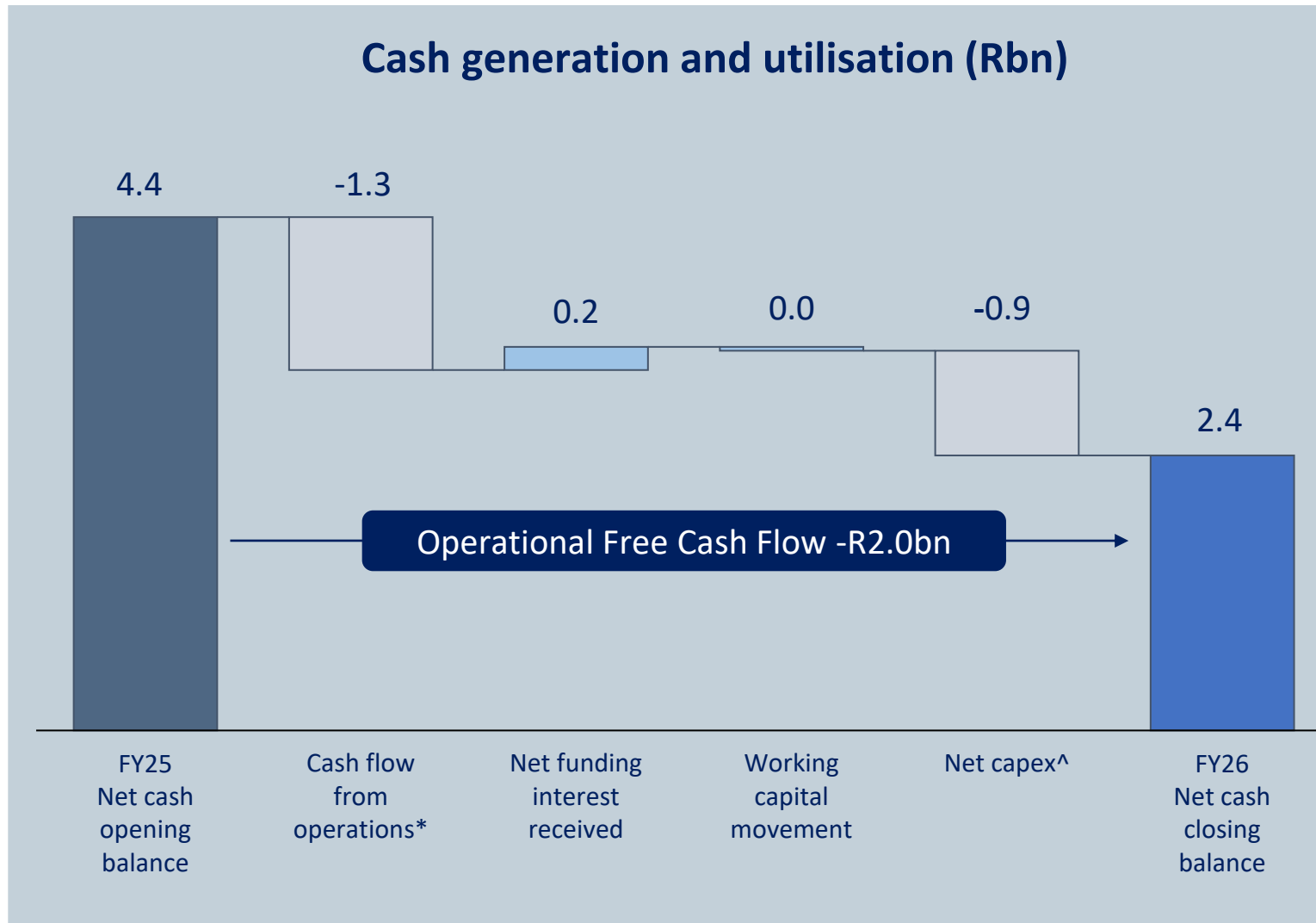
- Group working capital absorbed R0.4bn liquidity
- Pick n Pay working capital absorbed no liquidity
  - Notwithstanding inventory range investment
- Boxer utilised R0.4bn liquidity
  - Reflects inventory investments

Pick n Pay working capital balances (Rbn)	FY26 52 wks	FY25 53 wks	Change
Inventory	7.5	7.2	(0.3)
Trade and other receivables	3.4	3.9	0.5
Trade and other payables	(10.1)	(10.3)	(0.2)
<b>Net working capital</b>	<b>0.8</b>	<b>0.8</b>	<b>in line</b>



\*Excludes non-cash items

# PICK N PAY FREE CASH FLOW PROFILE



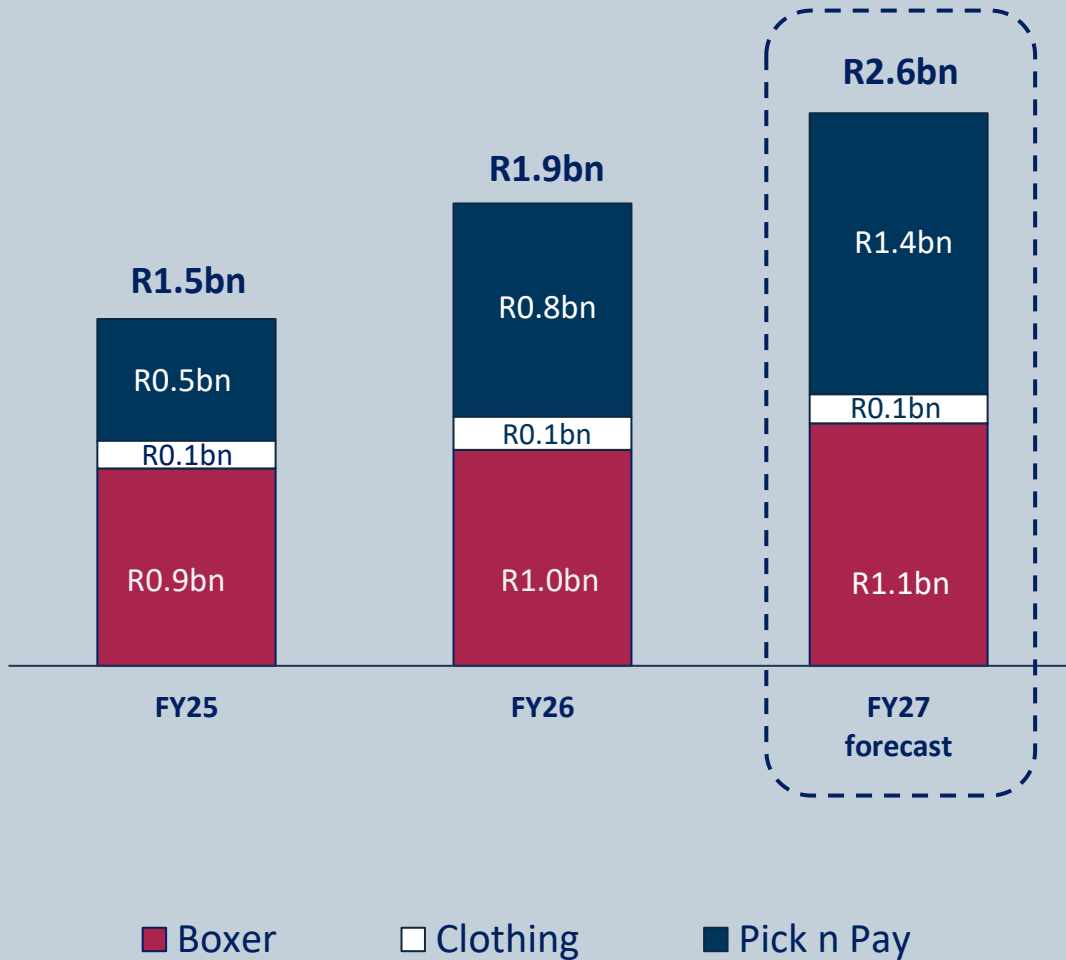
\*Cash flow from operations includes lease payments

^Capex net of all asset disposal proceeds



# CAPEX INVESTMENT

## Net capital investment\* (Rbn)



- Group gross capex R2.1bn (R1.9bn net of disposal proceeds)
- Pick n Pay capex R0.9bn, +41.2%
  - Improving store estate
- Pick n Pay FY27 gross capex forecast R1.7bn (R1.5bn net of disposal proceeds)
  - Investment to drive turnaround



\*Capex net of all asset disposal proceeds

# NET FUNDING

Rm	FY26 52 wks	FY25 53 wks
Gross debt (excl. leases)	(200)	(1 150)
Cash & cash equivalents	3 277	5 328
<b>Group net cash</b>	<b>3 077</b>	<b>4 178</b>
Pick n Pay net cash	2 368	4 358
Boxer net cash/(debt)	709	(180)

- Group net cash reduced R1.1bn year-on-year
  - +R0.9bn generated by Boxer
  - Pick n Pay -R2.0bn cash utilisation
- Post balance sheet date Boxer sale
  - Pick n Pay raised R4.7bn gross proceeds
  - Shareholding reduced - 65.6% to 53.1%
  - **Pick n Pay net cash now c.R2.4bn plus R4.7bn gross**





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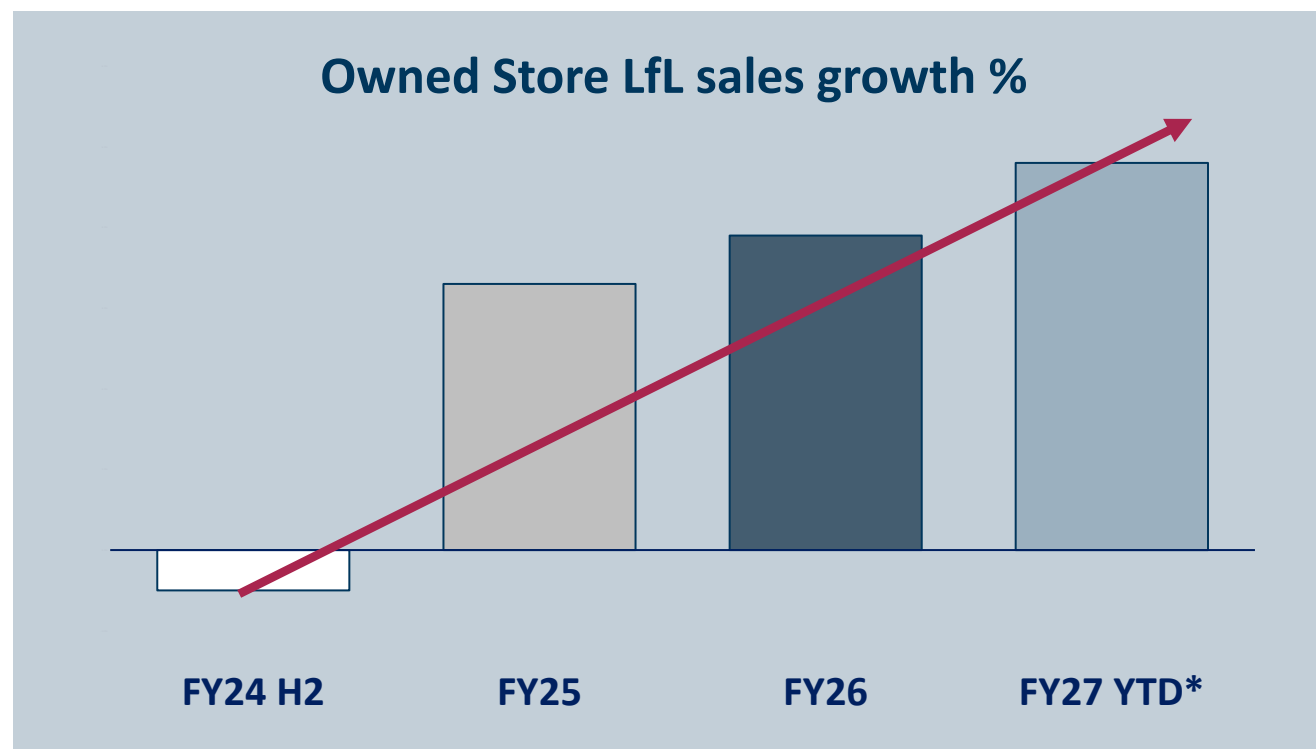
CEO Update

Sean Summers



# TOPLINE MOMENTUM CONTINUES

- Momentum continues through steady improvement in LfL sales growth
- Encouraged by accelerated customer growth over the last 2 years
- Our improved offer and focus on operational execution bearing fruit



Come home to  
**Pick n Play**



**+5.9%**

LfL customer growth FY26

**+3.7%**

LfL customer growth FY25

**+2.6%**

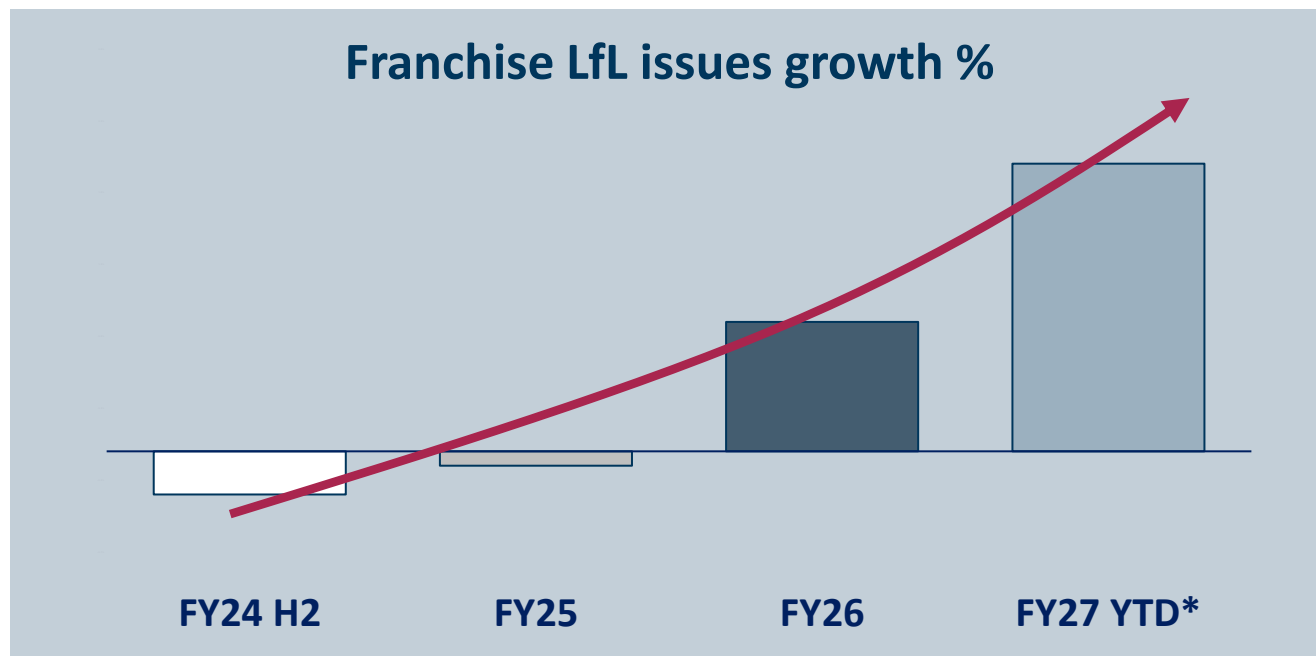
LfL customer growth FY25 H1

\* FY27 week 10 YTD

# FRANCHISE GAINING TRACTION



- Underlying Franchise industry undergoing an evolution
- We have a strong relationship with our Franchise community
- Topline performance of our franchise partners advancing
- More consistent range execution a key focus
- Multiple ASAP opportunities being pursued

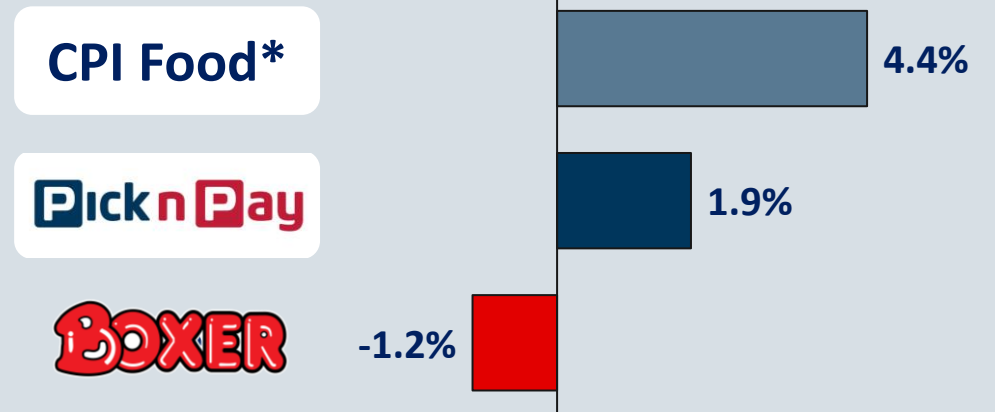


\* FY27 week 10 YTD

# HELPING KEEP PRICES LOWER FOR CUSTOMERS

- PnP SA internal selling price inflation at 1.9% - well below CPI food inflation of 4.4%
- Customers benefitting from lower prices across key grocery and household staples - reducing pressure on household baskets
- Inflation persisted in certain protein and produce categories, reflecting external supply pressures (foot-and-mouth and weather affecting harvests)
- Heightened Middle East tensions have introduced uncertainty into the outlook for fuel and broader price inflation – scale and duration remain unclear

## Internal inflation versus CPI Food\*



## Lower pricing across multiple household staples



**-20% YoY**

vs equivalent basket of 10 items a year ago

Maize Meal	Soft Drinks
White Rice	Washing Powder
Cooking Oil	Dishwashing liquid
Instant Soup	All-purpose Cleaner
Biscuits	Toilet Paper

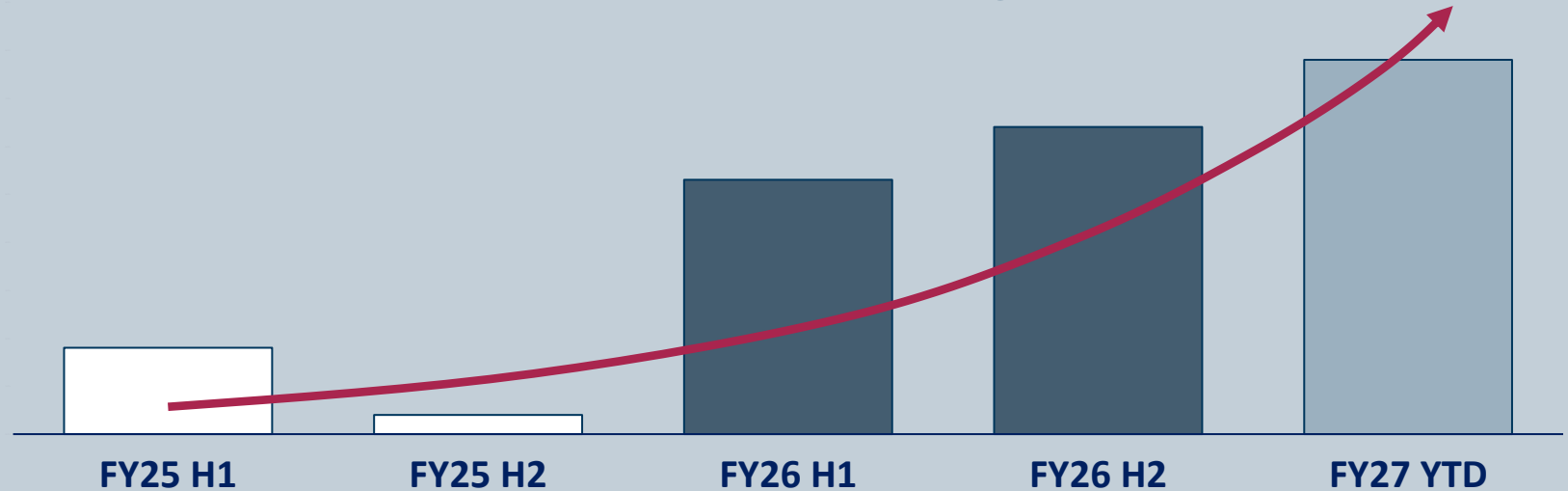
\* Note: CPI Food incl. NAB

# IMPROVED FRESH OFFER



- Focus and investment in our Fresh offer gaining clear traction
- Fresh delivering category-leading growth in our business
- Improved planning, EDLP execution and impactful promotional mechanics
- Continued focus on people capability and training
- Renewed commitment and support of local farmers

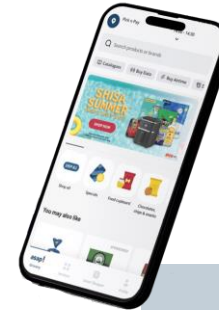
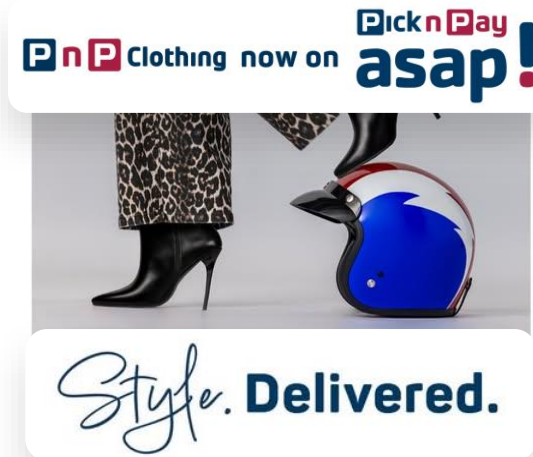
Owned Store Fresh LfL sales growth %



# ASAP! LEADING IN OMNICHANNEL INTEGRATION

PnP ASAP! is the only app in South Africa that fully integrates on-demand groceries, store selection, loyalty, clothing, airtime/data and bill payments in one seamless platform

- FY26 a step-change year - now able to do more, faster:
  - Technology ecosystem fully integrated
  - Improved driver availability, coverage and branding
  - Strengthened picking capacity
  - AI-powered customer service
- Clothing now live on ASAP! >>>
- Profitable on fully costed basis
- PnP on MrD continues strong incremental growth



Growth after app relaunch

>> **+131%**  
more first-time buyers

**7X**  
Sales by FY26

FY22 FY23 FY24 FY25 FY26



# SMART SHOPPER DRIVING VALUE AND GROWTH

## Differentiated Value Proposition

- >2 million new Smart Shopper registrations in FY26
- Only grocery retailer offering both instant savings and reward points
- Participation across ~80% of sales in Supers and Hypers



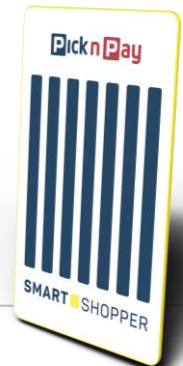
## Omnichannel Enablement

- Smart Shopper and ASAP! now fully integrated into a single seamless app
- Sign-up and swipe virtually via the app, with full benefits accessible without needing physical card
- Digital earn and burn with visibility of savings, points and personal deals



## Celebrating 15<sup>th</sup> birthday

- 15 years of value to customers
- Best Retail Loyalty Programme in Africa and Best Partnership Programme in Africa (jointly with BP Rewards)
- Multiple SA loyalty awards



## Retail Media and Data Monetization

- GIG Retail appointed as new Retail Media partner
- New analytics platform (NIQ active), providing industry leading data access & insights
- Jointly driving incremental revenue off a growing loyalty database



# DELIVERING SUPPLY CHAIN EFFICIENCY GAINS

- DP World partnership strengthened cost and service levels
- **Meaningful efficiency gains delivered in FY26**
  - Grocery km's per trip reduced by ~14% and Perishables by ~16% through a combination of improved route planning and truck utilisation
  - Distribution cost per case improved by 4%
  - On-time dispatch and deliveries improved to >95%
  - DC picking productivity increased by >12%
- DP World sub-letting excess space at Eastport DC
- Solid platform established for further optimisation in FY27



# STORE LABOUR MODEL REVIEW

- This is an important part of the turnaround journey
- Aligning our store labour model with market realities and our operational requirements is critical
- Over the years, store labour arrangements have become increasingly complex and costly – limiting our ability to respond to evolving customer demands
- Focus on improving labour flexibility, efficiency and costs in stores
  - Employee costs totals >40% of FY26 trading expenses
  - Support office employee costs were addressed in FY26 (and continued to be) with restructuring and salary freeze
- Our intent is to build a sustainable model and ultimately protect jobs
- Following a fair and transparent process, in full compliance with labour legislation



# CLOTHING HIGHLIGHTS IN FY26

## Driving Growth

- Market share gains continue\* driven by Boys, Kids, Baby and Menswear, with highest share growth in Schoolwear
- Clothing on ASAP! live from 2 March, delivering strong growth

## Disciplined Investment and Execution

- Opened 32 new Clothing stores and revamped 20 stores in FY26
- Continued investment in local manufacturing, with ongoing compliance oversight

## Delivering Customer Value

- Lay-by launched in 200+ stores to support customers
- Positive customer response to ASAP! Clothing and store revamps



*Style.* **Delivered.**

**P n P** Clothing now on **pick n pay** asap!



# PARTNERSHIPS FOR GROWTH

*Delivering value through integrated loyalty, banking and digital services  
with two of South Africa's leading financial institutions*



- Up to 30% back in eBucks at Pick n Pay (incl. Clothing)
- Benefits reaching ~6 million FNB eBucks customers
- Banking services in 31 dedicated in-store branches
- Burger Friday with >5 million burgers sold
- 99c baked bread weekly with >5 million vouchers issued



- Up to 30% real cash back via Absa Rewards
- Benefits reaching >2.7 million Absa Rewards customers
- 55+ year partnership (banking, retail, digital services)
- Primary POS transaction processor and commercial payment solutions (suppliers and payroll)
- SA's most cost-effective domestic money transfers

# SPRINGBOK PARTNERSHIP



- Two iconic and trusted South African brands united with deep national resonance
- Reinforces “*Come Home to PnP*”, rooted in shared pride, unity and belonging
- Commercial activations driving national brand visibility and increased customer engagement
- Deep community reach across women’s rugby, schools and grassroots programmes



# DOING GOOD IS GOOD BUSINESS

## Schools Club



- 23-year track record
- Supporting >2.3 million learners
- Across >3,300 registered schools

## Feed the Nation



- 46 million meals provided over the last 6 years
- Includes support for child-headed families and schools

## Disaster Relief



- Food and essentials during emergencies
- Across Limpopo, Mpumalanga, Western Cape, Eastern Cape

## Beach Cleanups



- Nationwide beach and community cleanups
- Several million tons of waste collected

# BOXER | FY26 HIGHLIGHTS



## Strong operational momentum

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

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

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

## Executed on key strategic initiatives

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

# MEANINGFUL PROGRESS ACROSS STRATEGIC PRIORITIES



## Completed initiatives:

- Successful recapitalization of the business
- Leadership structures re-established and succession plans in place across senior leadership roles
- Store estate reset plan (targeting loss-making stores) successfully executed

## In-progress initiatives:

- Topline momentum continues through steady improvement in LfL sales growth
- Strengthening partnerships delivering mutual growth
- Significant progress across several Future Fit priorities incl. Shortage, Support Office and Supply Chain – our Store Labour Model review is the next critical priority

# OUTLOOK

- Turnover
  - Post-period LfL sales growth for the first 9 weeks shows further improvement on FY26
  - Inflation expected to gradually rise over remainder of the year
- Trading margin
  - Increased diesel spend has the potential to pressurise gross margin
  - We will use all available levers to carefully manage margin
- Medium-term PnP segment break-even guidance
  - Trading profit after lease interest break-even target moved to FY29 (previously FY28)
  - This reflects the challenges facing the South African retail market and the phasing of various elements of our turnaround plan
  - Our confidence that the turnaround objectives will ultimately be achieved is undiminished



# KEY TAKEAWAYS

- Break-even for the PnP segment is absolutely on-track
  - PIK now has the capital resources necessary to take PnP through to break-even (post the Boxer ABB) aided by the strength of our balance sheet
  - The turnaround requires successful execution on all of our initiatives
  - Importantly, PnP cannot achieve break-even (and secure futures for PnP employees) without a successful conclusion of our s.189 process
- Despite increased FY26 PnP segment trading loss, PnP is a fundamentally stronger business today
  - Much improved customer experience
  - Full benefits of in-flight initiatives will come through in FY27, FY28 and FY29
- Boxer is SA's best performing retailer in terms of growth and ROIC and we own 53.1%





## Q&A SESSION



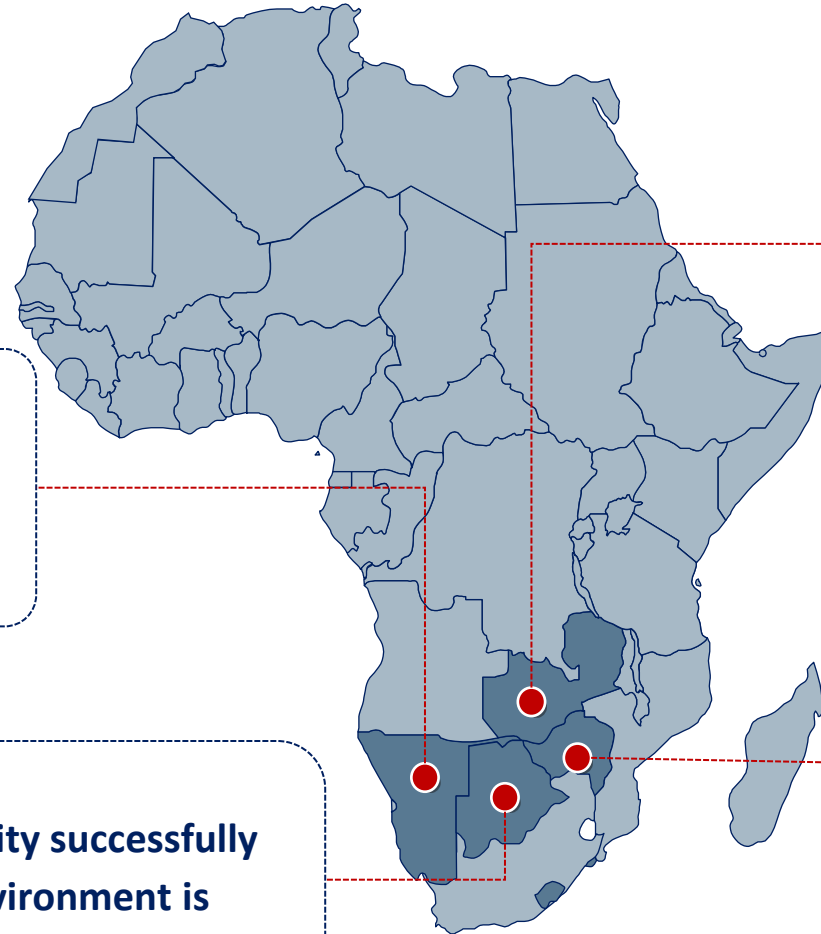
# Appendices

GREENGROCER'S  
• PROMISE •

PERFECTLY FRESH  
whatever it takes

GREENGROCER'S  
• PROMISE •  
PERFECTLY FRESH  
whatever it takes

# KEY DEVELOPMENTS | REST OF AFRICA



## Namibia

Pick n Pay ceased trading in Namibia on 30<sup>th</sup> June after Franchise agreement terminated

## Botswana

Franchise conversion to a corporate entity successfully completed end of July 2025. Trading environment is challenging due to the wider economy slowing.

## Zambia

Robust sales growth during FY26 despite loadshedding, which is currently subsiding as hydroelectricity generation improves

## Zimbabwe

TM PnP have been trading in a stable environment for last six months supported by a resilient management team. Investment remains fully impaired