



Pick n Play

Unaudited Group
Condensed Interim
Financial Statements

For the 26 weeks ended 31 August 2025

H1 FY
'26



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Review of operations

Financial results for the 26 weeks ended 31 August 2025

Key Group financial indicators	26 weeks to 31 August 2025 H1 FY26	26 weeks to 25 August 2024 H1 FY25	% improvement
Turnover	R58.8 billion	R56.1 billion	4.9
Trading profit	R310 million	R83 million	273.5
Trading profit margin	0.5%	0.1%	
Loss before tax and capital items	(R317 million)	(R1 052 million)	69.9
Headline loss	(R439 million)	(R803 million)	45.3
Headline loss per share (HEPS)	(59.77 cents)	(136.60 cents)	56.2

H1 FY26 Group highlights

H1 FY26 saw the Group's return to a full execution focus, following the completion of the recapitalisation in November 2024. Achievements during the period include:

- **Further Pick n Pay SA Supermarkets like-for like sales acceleration:** like-for-like sales momentum increased to 4.8% for company-owned supermarkets and 1.7% for franchise supermarkets as customers increasingly turned to Pick n Pay as their supermarket of choice;
- **Pick n Pay segment gross profit margin recovery:** Pick n Pay gross profit margin improved by 0.4%, demonstrating that the like-for-like sales growth was driven by a considerably strengthened customer offer;
- **Another strong performance from Boxer:** Boxer's market leading 13.9% turnover growth (5.3% like-for-like) is testament to its position as South Africa's leading grocery discounter;
- **Group profit recovery:** The Group reduced its interim headline loss by 45.3% to R439 million.

Group result summary

H1 FY26 saw the Group successfully execute on several of its strategic initiatives, while also reporting a meaningful improvement to profitability. The Group delivered a 45.3% headline loss reduction to R439 million, vs. a loss of R803 million in H1 FY25. The improved result was driven by a R227 million trading profit increase, in conjunction with a R537 million positive net funding interest swing, as the full benefit of the FY25 recapitalisation was realised in Group earnings.

Group turnover increased 4.9%, with 13.9% growth from Boxer and 0.1% growth (4.4% like-for-like) from the Pick n Pay segment. Gross profit margin expanded 0.3% to 18.2%, driven by a recovery in the Pick n Pay segment gross profit margin. Other income grew 4.5%. Trading expenses increased by 4.8%, driven by the Boxer store rollout. Group trading profit improved by 273.5% year-on-year to R310 million, reflecting a R931 million Boxer trading profit (+16.2%) and a R621 million Pick n Pay trading loss (13.5% improvement).

Group net finance costs decreased 44.8% to R627 million, which was the net impact of the positive funding interest swing and a 3.9% increase in net lease interest, where Boxer's relatively high lease interest growth, driven by the store rollout, was offset by a reduction in Pick n Pay.

The Group loss before tax and capital items reduced 69.9% to R317 million, vs. a loss of R1.1 billion in H1 FY25. After accounting for capital items and the 34.4% Boxer non-controlling interest, the attributable loss after tax recovered 40.0% to a loss of R496 million from a loss of R827 million in H1 FY25.

Turnover (Rm)	H1 FY26	H1 FY25	% change
Boxer	22 518	19 774	13.9
Pick n Pay*	36 300	36 278	0.1
South Africa	34 788	34 665	0.4
Rest of Africa	1 512	1 613	(6.3)
Group	58 818	56 052	4.9

* Pick n Pay turnover growth impacted by a net reduction of the store estate of 59 company-owned and franchise supermarkets year-on-year.

Boxer segment operational performance

Boxer, the Group's 65.6% owned subsidiary (following the 28 November 2024 Boxer IPO) reported a strong H1 FY26 performance. As consolidated by the Group, Boxer turnover grew 13.9% year-on-year to R22.5 billion, and trading profit grew 16.2% year-on-year to R931 million. The full H1 FY26 Boxer results, as published by Boxer Retail Limited Group on 13 October 2025, can be found on the Boxer website at <https://boxerinvestor.co.za/>.

Pick n Pay segment operational performance

Pick n Pay (PnP) segment turnover

Pick n Pay continued to make pleasing progress on its turnover objective of driving improved like-for-like sales growth in profitable stores while closing or converting those stores with limited prospect for a profitable recovery. Pick n Pay continued to build traction on both of these strategic initiatives over the interim period.

Pick n Pay turnover grew 0.1% in H1 FY26, with Pick n Pay South Africa increasing 0.4% and Rest of Africa declining 6.3% as the impact of the termination of the Namibian franchise agreement from July 2025 was felt.

Like-for-like turnover growth

	26 weeks H2 FY24	26 weeks H1 FY25	26 weeks H2 FY25	26 weeks H1 FY26
PnP South Africa	0.0%	1.1%	3.1%	4.3%
PnP SA supermarkets	(0.2%)	1.3%	2.7%	3.8%
PnP SA company-owned supermarkets	(0.5%)	3.1%	3.6%	4.8%
PnP SA franchise supermarkets	(0.3%)	(1.4%)	1.1%	1.7%
PnP Clothing standalone stores	10.7%	0.2%	3.8%	7.5%

Note: 1) PnP SA Supermarkets includes Hypermarkets. 2) Franchise sales refers to wholesale sales from Pick n Pay to franchisees.

Pick n Pay Online

Pick n Pay's online business continues to grow at pace, with H1 FY26 turnover increasing 34.4%. Turnover of the on-demand online grocery platforms, asap! and PnP groceries on the Mr D app, grew 44% year-on-year. Online continues to see strong growth from company-owned supermarkets, with franchise supermarkets now also making a significant contribution to online turnover growth. A next-generation asap! app was launched in April 2025, which integrated Smart Shopper rewards, value-added services, and a completely redesigned, intuitive interface. This launch drove a 131% growth in first time buyers, 78% of which originated from the new app. The platform now lists over 35 000 items, covers 620+ stores nationwide, and is supported by more than 2 500 drivers, ensuring faster, more reliable deliveries than ever before.

Pick n Pay Clothing

Pick n Pay Clothing continued to deliver strong growth in the first half of FY26. Clothing turnover growth in standalone stores (reported within the Pick n Pay segment) was 12.0% (7.5% like-for-like). Clothing momentum moderated in the last two months of the period as the earlier softness in the base normalised.

Pick n Pay Clothing opened net 9 stores during H1 FY26 to bring the total estate to 424 stores, consisting of 406 company-owned and 18 franchise stores.

Internal selling price inflation for the period was 2.1%, in line with the 2.1% reported for FY25, and well below Statistics SA Food CPI of 4.6%, as Pick n Pay maintained its commitment to deliver low prices to customers.

South African company-owned and franchise supermarkets

H1 FY26 like-for-like sales for company-owned supermarkets grew 4.8% year-on-year, representing the 3rd consecutive period of upward momentum as an improved customer offering translated into increased customer visits.

Franchise like-for-like sales growth increased to 1.7% as the Group's efforts to improve the franchise offering to drive sales and profitability for Pick n Pay and our franchisee partners began to bear fruit.

Further progress was made on the closure and conversion of loss-making stores. 14 underperforming Pick n Pay company-owned supermarkets were closed or converted to other formats during H1 FY26, taking the total number of company-owned supermarkets closed or converted under this strategy over the past 18 months to 54. During the period, three Pick n Pay South Africa franchise supermarkets were converted to company-owned stores, with another 13 franchise supermarkets converted to company-owned supermarkets in Botswana.

Pick n Pay segment gross profit

Pick n Pay's H1 FY26 gross profit increased 2.2%, with gross profit margin expansion of 0.4% year-on-year to 16.9%. The improved gross profit margin was due to the combined impacts of reduced waste especially within the Fresh category, better category management, and logistics efficiencies, all of which were partially offset by a reduced margin on sales to franchisees in line with Pick n Pay's efforts to improve the profitability of its franchise partners.

Pick n Pay segment trading expenses

H1 FY26 trading expenses grew 0.9% year-on-year to R8.0 billion. Total trading expenses growth was well contained as a result of the store closures and conversions. On a like-for-like basis however, trading expenses increased by 6.2% year-on-year, ahead of the 4.8% company-owned supermarkets sales growth. The relatively high like-for-like trading expense growth was driven by employee costs, as operational and customer facing capacity was built, and merchandise and administration costs, due to increased advertising spend.

Employee costs – increased 3.3% to R3.3 billion. The slight increase in employee costs, despite the positive impact of the closed or converted company-owned supermarkets, was the result of selective hiring of key skills in stores and regional offices to improve in-store execution and drive like-for-like sales, together with above-inflation store level wage increases.

Occupancy costs – declined 10.8% to R1.1 billion. Occupancy costs benefitted from a R126 million IFRS16 profit on lease termination (R20 million in H1 FY25), which arose from store closures and conversions. The profit on lease termination was partially offset by some once-off costs relating to the Store Estate Reset programme. Excluding IFRS16 profit on lease terminations from both periods, occupancy costs declined 1.8% year-on-year reflecting the impact of the planned store closures and conversions.

Operations costs – increased 0.6% to R2.1 billion. Increased energy and utility costs, driven by price increases, exerted upward pressure on operations costs when measured on a like-for-like basis. PPE depreciation and amortisation declined during the period as a result of store closures and conversions.

Merchandising and administration costs – increased 6.3% to R1.6 billion as a result of increased advertising costs as Pick n Pay invested in the brand to drive turnover growth.

Expected credit loss allowance – the charge declined 17.4% from R86 million to R71 million.

Pick n Pay segment trading profit

Pick n Pay H1 FY26 trading loss reduced to R621 million (-1.7% trading margin) from R718 million (-2.0% trading margin) in H1 FY25. The improvement was driven by an improved gross profit margin, which was able to offset the slight increase in trading expenses as a percentage of turnover.

Rm	H1 FY26	H1 FY25	% change
Turnover	36 300	36 278	0.1
Gross profit	6 132	6 000	2.2
Other income	1 296	1 262	2.7
Trading expenses	(8 049)	(7 980)	0.9
Employee costs	(3 320)	(3 214)	3.3
Occupancy costs	(1 050)	(1 177)	(10.8)
Operations costs	(2 050)	(2 038)	0.6
Merchandise and admin	(1 558)	(1 465)	6.3
Expected credit loss allowance	(71)	(86)	(17.4)
Trading loss	(621)	(718)	(13.5)
Gross profit margin	16.9%	16.5%	
Trading expenses as % of turnover	22.2%	22.0%	
Trading loss margin	(1.7%)	(2.0%)	

Group trading profit segmentation

Rm	H1 FY26			H1 FY25		
	Pick n Pay	Boxer	Group	Pick n Pay	Boxer	Group
Turnover	36 300	22 518	58 818	36 278	19 774	56 052
Trading loss/(profit)	(621)	931	310	(718)	801	83
Trading profit/(loss) margin	(1.7%)	4.1%	0.5%	(2.0%)	4.1%	0.1%
Net lease finance expense*	(543)	(229)	(772)	(555)	(188)	(743)
Trading (loss)/profit after lease interest*	(1 164)	702	(462)	(1 273)	613	(660)
Trading (loss)/profit after lease interest margin	(3.2%)	3.1%	(0.8%)	(3.5%)	3.1%	(1.2%)

* As per the Statement of Comprehensive Income. Lease finance expense less lease finance income, which is income received from franchise sub-leases where the Group holds head leases.

* Refer to Appendix 1, Pro forma financial information note 3.

Group net finance costs

Group net finance costs, including implied interest charges under IFRS 16, declined 44.8% year-on-year to R627 million. Pick n Pay segment net finance costs declined 60.6% year-on-year to R396 million (due to the recapitalisation and the Store Estate Reset programme), while Boxer net finance costs increased 79.1% year-on-year to R231 million (due to debt taken on prior to the IPO and store estate growth).

Funding interest – Group net funding interest swung from a R392 million net expense in H1 FY25 to R145 million net income in H1 FY26. The was driven by the Pick n Pay segment, where the R451 million H1 FY25 net expense swung to R147 million net income in H1 FY26, which was the result of the H2 FY25 debt paydown on conclusion of the recapitalisation programme.

Lease interest – Implied net interest charges under IFRS 16 increased 3.9% year-on-year to R772 million. The increase was primarily driven by the store rollout in Boxer (lease interest up 21.8% year-on-year), with net lease interest in the Pick n Pay segment declining by 2.2%, reflecting the progress of the Store Estate Reset programme.

Net finance costs (Rm)	H1 FY26	H1 FY25	% change
Group	(627)	(1 135)	(44.8)
Net funding interest ¹	145	(392)	(137.0)
Net lease interest ²	(772)	(743)	3.9
Pick n Pay	(396)	(1 006)	(60.6)
Net funding interest ¹	147	(451)	(132.6)
Net lease interest	(543)	(555)	(2.2)
Boxer	(231)	(129)	79.1
Net funding interest	(2)	59	(103.4)
Net lease interest	(229)	(188)	21.8

¹ Net funding interest includes interest received on trade and other receivables of R36 million and R45 million in H1 FY26 and H1 FY25 respectively, which is primarily interest income on overdue franchise receivables within the Pick n Pay segment.

² As per the Statement of Comprehensive Income. Lease liability finance costs less net investment in lease receivables finance income, which is income received from sub-leases where the Group holds head leases.

Group capital items

The Group recorded an H1 FY26 capital loss of R84 million, compared with R31 million in H1 FY25. Of this, R64 million came from within the Pick n Pay segment, and R20 million from Boxer. The R84 million total loss reflected a R45 million asset impairment and a R39 million net loss on disposal of assets.

Group tax

The Group's effective tax rate of 19.5% reflects the losses incurred in the Pick n Pay segment. The Group does not expect to pay tax in the Pick n Pay segment for the foreseeable future, given the current deferred tax asset and the anticipation of further losses within this segment.

Earnings per share

The headline loss reduced by 45.3% to R439 million, vs. a loss of R803 million in H1 FY25. Per share earnings metrics were impacted by the August 2024 PIK Rights Offer, which resulted in the weighted average number of ordinary shares in issue, net of treasury shares, (WANOS) increasing by 25% from 587.54 million for H1 FY25 to 734.53 million for H1 FY26.

On a full year FY26 basis, the Group's WANOS will increase by c. 10.8% year-on-year to c. 734 million on account of the above-mentioned PIK Rights Offer. The Group also notes that the 34.4% Boxer non-controlling interest, which was consolidated for three months within FY25, will be consolidated for the full year FY26.

Headline earnings per share (HEPS) – The headline loss per share reduced by 56.2% to a loss of 59.77 cents per share. All impairment losses and other capital items are excluded from the calculation of headline earnings.

Earnings per share (EPS) – The loss per share reduced by 52.0% to a loss of 67.53 cents per share, and includes all items of a capital nature.

Detailed review of Group financial position

Funding

Group net cash (excluding leases) at period-end was R5.1 billion, including R3.9 billion of net cash within Pick n Pay. The Group net cash position improved by R885 million since FY25 year-end, reflecting a R1.3 billion positive swing within Boxer, and a R421 million cash utilisation within Pick n Pay.

The Pick n Pay segment has R3.0 billion of short-term working capital facilities in place to fund intra-month working capital requirements where necessary. This facility is unsecured and is not guaranteed by Boxer Retail Limited.

Funding (Rm)	H1 FY26	FY25	H1 FY25
Group gross debt	(650)	(1 150)	(7 246)
Group cash and cash equivalents	5 713	5 328	4 951
Group net cash/(debt)	5 063	4 178	(2 295)
Pick n Pay net cash	3 937	4 358	
Boxer net cash/(debt)	1 126	(180)	

Working capital

Working capital released R1.8 billion of Group liquidity in H1 FY26. This included a R712 million liquidity release within Pick n Pay and a R1.0 billion release within Boxer. The H1 FY26 liquidity release is attributed to the following:

- Normal seasonality, where both Pick n Pay and Boxer ordinarily release liquidity in H1 and absorb liquidity in H2;
- A payables cut-off impact at the beginning and end of the period for both Pick n Pay and Boxer.

Net working capital movement (Rm)	H1 FY26	H1 FY25
Pick n Pay	712	578
Boxer	1 040	244
Group liquidity release	1 752	822

Group capital investment

The Group invested R1.0 billion in capital projects in H1 FY26, a 64.0% increase on the R0.6 billion invested in H1 FY25. Net capital investment (i.e. net of proceeds from asset disposals) totalled R0.9 billion, a 68.3% increase on the R0.5 billion invested in H1 FY25.

Increased H1 FY26 capital investment was driven by both Pick n Pay, where the conclusion of the recapitalisation facilitated increased investment, and Boxer, which sustained its store rollout and infrastructure build projects.

Group gross capital investment for the FY26 financial year is likely to be approximately R2.2 billion, including R1.1 billion for each of Pick n Pay and Boxer.

Net capital investment (Rbn)	H1 FY26	H1 FY25	% change
Pick n Pay	0.4	0.2	54.0
Boxer	0.5	0.3	79.0
Group	0.9	0.5	68.3

Shareholder distribution

As a result of the headline loss incurred, the PIK Board has not declared an interim dividend. While the Group is now well capitalised following the successful completion of the two-step recapitalisation plan, the PIK Board does not expect to declare any dividends until the Group has returned to sustainable profitability.

Group strategic plan and outlook

H1 FY26 saw steady progress in the Group's profit recovery. Boxer's strong H1 FY26 performance was the result of outstanding operational execution, and Boxer will continue to drive its store rollout as it captures its substantial long-term structural growth opportunity.

Within Pick n Pay, much has been achieved. Accelerated like-for-like sales growth shows that customers are once again choosing Pick n Pay, and the gross profit margin recovery demonstrates that this is a sustainable recovery. The project to exit unprofitable stores has been successfully executed on, with 65 loss-making company-owned supermarkets expected to have been closed or converted by the end of FY26. This, taken together with stores that have become profitable, or have good prospects of becoming so, means that this leg of the strategic plan will largely be concluded by the end of the financial year.

However, Pick n Pay continues to be loss-making at the trading profit level, with company-owned supermarket like-for-like sales growth lagging slightly behind like-for-like operating cost growth in the reporting period. The multi-year journey of returning Pick n Pay to a profitable and future-fit business continues to be tackled in a purposeful and methodical manner.

On a full-year FY26 basis, the Group expects the Pick n Pay segment trading loss to be broadly in line with FY25. This is because Pick n Pay continues to invest in critical skills to rebuild retail excellence to facilitate the achievement of the trading profit after lease interest break-even target.

In the 6 weeks post period-end, the Pick n Pay segment's South African supermarket like-for-like sales growth was approximately in line with that achieved in H1 FY26.

We thank all Boxer and Pick n Pay colleagues, and our valued franchise partners, for their commitment and contribution as we rebuild and re-energise the Group for a prosperous future.

James Formby
Chair

27 October 2025

Sean Summers
Chief Executive Officer



Group statement of comprehensive income

for the period ended

	Note	Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
Revenue	2	60 599	57 762	122 124
Turnover	2	58 818	56 052	118 610
Cost of merchandise sold		(48 106)	(46 044)	(96 846)
Gross profit		10 712	10 008	21 764
Other income		1 489	1 425	2 949
Franchise fee income	2	582	590	1 244
Operating lease income	2	56	53	111
Commissions and other income	2	851	782	1 594
Trading expenses		(11 891)	(11 350)	(22 954)
Employee costs		(5 006)	(4 714)	(9 516)
Occupancy costs		(1 684)	(1 740)	(3 460)
Operations costs		(3 200)	(3 026)	(6 217)
Merchandising and administration costs		(1 930)	(1 784)	(3 557)
Expected credit loss allowance		(71)	(86)	(204)
Trading profit		310	83	1 759
Finance income	2	292	285	565
Funding finance income		191	182	349
Leases finance income		101	103	216
Finance costs	3	(919)	(1 420)	(2 561)
Funding finance expense		(46)	(574)	(792)
Leases finance expense		(873)	(846)	(1 769)
Loss before tax before capital items		(317)	(1 052)	(237)
Loss on capital items		(84)	(31)	(388)
Net loss on disposal of assets		(39)	(9)	(94)
Loss from impairments of assets		(45)	(22)	(294)
Loss before tax		(401)	(1 083)	(625)
Tax		78	256	(26)
Loss for the period		(323)	(827)	(651)
Attributable to:				
Equity holders of the parent		(496)	(827)	(736)
Non-controlling interest		173	-	85
Other comprehensive income, net of tax				
Items that will not be reclassified to profit or loss		4	2	2
Remeasurement in retirement scheme assets		6	2	3
Tax on items that will not be reclassified to profit or loss		(2)	-	(1)
Items that may be reclassified to profit or loss		2	(20)	(9)
Foreign currency translations		4	(12)	(8)
Movement in cash flow hedge		(2)	(8)	(1)
Total comprehensive loss for the period		(317)	(845)	(658)
Attributable to:				
Equity holders of the parent		(490)	(845)	(743)
Non-controlling interest		173	-	85
Earnings per share		Cents	Cents	Cents
Basic loss per share	4	(67.53)	(140.83)	(111.01)
Diluted loss per share	4	(67.53)	(140.67)	(111.01)

Group statement of financial position

		Unaudited As at 31 August 2025 Rm	Restated* Unaudited As at 25 August 2024 Rm	Audited As at 2 March 2025 Rm
	Note			
ASSETS				
Non-current assets				
Intangible assets		1 333	1 065	1 067
Property, plant and equipment		8 808	8 952	8 675
Right-of-use assets		10 831	11 155	11 043
Net investment in lease receivables		1 834	1 948	2 017
Deferred tax assets		3 092	2 686	2 749
Loans		130	147	143
Retirement scheme assets		65	55	60
Investment in insurance cell captive	9	93	74	72
Operating lease assets		4	6	5
Trade and other receivables		18	1	8
		26 208	26 089	25 839
Current assets				
Inventory		10 729	10 550	10 598
Trade and other receivables		4 220	4 289	4 366
Cash and cash equivalents		5 713	4 951	5 328
Net investment in lease receivables		356	375	388
Right-of-return assets		24	23	24
Loans		15	–	13
Derivative financial instruments	9	–	–	1
		21 057	20 188	20 718
Non-current assets held for sale	12	122	25	250
Total assets		47 387	46 302	46 807
EQUITY AND LIABILITIES				
Equity				
Share capital	5	3 883	3 866	3 883
Treasury shares	6	(585)	(496)	(496)
Retained earnings		6 830	(191)	7 301
Other reserves		(2)	(8)	6
Foreign currency translation reserve		(393)	(401)	(397)
Equity attributable to equity holders of the parent		9 733	2 770	10 297
Non-controlling interest		835	–	668
Total equity		10 568	2 770	10 965
Non-current liabilities				
Lease liabilities		15 930	16 551	16 379
Borrowings		650	4 500	850
Deferred tax liabilities	10	78	–	–
		16 658	21 051	17 229
Current liabilities				
Trade and other payables		16 705	16 235	15 036
Lease liabilities		2 687	2 546	2 741
Deferred revenue		527	477	300
Bank overdraft and overnight borrowings		–	1 253	300
Borrowings		–	1 493	–
Current tax liabilities		134	354	140
Provisions		107	117	96
Derivative financial instruments	9	1	6	–
		20 161	22 481	18 613
Total equity and liabilities		47 387	46 302	46 807
Number of ordinary shares in issue – thousands	5.1	745 657	745 657	745 657
Weighted average number of ordinary shares in issue – thousands	4.2	734 526	587 535	663 018
Diluted weighted average number of ordinary shares in issue – thousands	4.2	734 526	588 189	663 018

* Restated, refer to note 15.

Group statement of changes in equity

for the period ended

Unaudited	Note	Share capital Rm	Treasury shares Rm	Retained earnings Rm	Other reserves Rm	Foreign currency translation reserve Rm	Equity attributable to equity holders of the parent Rm	Non-controlling interest Rm	Total equity Rm
At 25 February 2024*		6	(557)	646	1	(389)	(293)	-	(293)
Total comprehensive loss for the period		-	-	(825)	(8)	(12)	(845)	-	(845)
Loss for the period		-	-	(827)	-	-	(827)	-	(827)
Foreign currency translations		-	-	-	-	(12)	(12)	-	(12)
Movement in cash flow hedge		-	-	-	(8)	-	(8)	-	(8)
Retirement scheme asset remeasurements		-	-	2	-	-	2	-	2
Other reserve movements		-	-	-	(1)	-	(1)	-	(1)
Transactions with owners		3 860	61	(12)	-	-	3 909	-	3 909
Share issue – rights offer		3 860	-	-	-	-	3 860	-	3 860
Proceeds on sale of rights attached to treasury shares, pursuant to rights offer	6	-	17	-	-	-	17	-	17
Net effect of settlement of employee share awards	6	-	44	(44)	-	-	-	-	-
Share-based payments		-	-	32	-	-	32	-	32
Restated at 25 August 2024**		3 866	(496)	(191)	(8)	(401)	2 770	-	2 770
Total comprehensive income for the period		-	-	91	7	4	102	85	187
Profit for the period		-	-	91	-	-	91	85	176
Foreign currency translations		-	-	-	-	4	4	-	4
Movement in cash flow hedge		-	-	-	7	-	7	-	7
Other reserve movements		-	-	-	7	-	7	-	7
Transactions with owners		17	-	7 401	-	-	7 418	583	8 001
Share issue costs		17	-	-	-	-	17	-	17
Net proceeds from change of ownership interest in subsidiary		-	-	7 369	-	-	7 369	576	7 945
Share-based payments		-	-	32	-	-	32	7	39
At 2 March 2025		3 883	(496)	7 301	6	(397)	10 297	668	10 965
Total comprehensive loss for the period		-	-	(492)	(2)	4	(490)	173	(317)
(Loss)/profit for the period		-	-	(496)	-	-	(496)	173	(323)
Foreign currency translations		-	-	-	-	4	4	-	4
Movement in cash flow hedge		-	-	-	(2)	-	(2)	-	(2)
Retirement scheme asset remeasurements		-	-	4	-	-	4	-	4
Other reserve movements		-	-	-	(6)	-	(6)	-	(6)
Transactions with owners		-	(89)	21	-	-	(68)	(6)	(74)
Shares purchased during the period	6	-	(101)	-	-	-	(101)	-	(101)
Purchase of non-controlling interest#		-	-	(39)	-	-	(39)	(21)	(60)
Net effect of settlement of employee share awards	6	-	12	(12)	-	-	-	-	-
Share-based payments		-	-	72	-	-	72	15	87
At 31 August 2025		3 883	(585)	6 830	(2)	(393)	9 733	835	10 568

* Restated, in accordance with restatements published in the audited Group annual financial statements for the 53 weeks ended 2 March 2025.

** Restated, refer to note 15.

Purchase of non-controlling interest shares by Boxer Retail Limited Group ("Boxer") for Long Term Incentive Plan ("LTIP").

Group statement of cash flows

for the period ended

	Note	Unaudited 26 weeks to 31 August 2025 Rm	Restated* Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
Cash flows from operating activities				
Trading profit		310	83	1 759
Adjusted for non-cash items		1 838	1 888	3 731
Depreciation of property, plant and equipment		729	719	1 436
Depreciation of right-of-use assets		1 130	1 102	2 253
Amortisation of intangible assets		61	57	127
Share-based payments		87	32	71
Profit on termination of leases**		(139)	(34)	(178)
Other lease adjustments**		(9)	-	34
Movement in operating lease assets		1	-	1
Movement in retirement scheme assets		-	(2)	(6)
Fair value and foreign exchange adjustments		(22)	14	(7)
Cash generated before movements in working capital		2 148	1 971	5 490
Movements in working capital		1 752	822	(583)
Movements in trade and other payables, provisions and deferred revenue*		1 801	1 049	(229)
Movements in inventory and right-of-return assets		(34)	(363)	(386)
Movements in trade and other receivables*		(15)	136	32
Cash generated from trading activities		3 900	2 793	4 907
Funding interest received		187	178	350
Funding interest paid		(46)	(575)	(900)
Interest received on net investment in lease receivables		113	97	210
Interest paid on lease liabilities		(955)	(843)	(1 681)
Cash generated from operations		3 199	1 650	2 886
Tax paid		(272)	(184)	(744)
Cash generated from operating activities		2 927	1 466	2 142
Cash flows from investing activities				
Investment in intangible assets		(47)	(46)	(164)
Investment in property, plant and equipment		(897)	(571)	(1 513)
Purchase of operations	10	(81)	(8)	(48)
Proceeds on disposal of intangible assets		9	-	13
Proceeds on disposal of property, plant and equipment		134	101	142
Principal net investment in lease receipts		184	198	377
Lease incentives received		68	47	116
Loans repaid		22	31	73
Loans advanced		(5)	(2)	(59)
Cash utilised in investing activities		(613)	(250)	(1 063)
Cash flows from financing activities				
Principal lease liability payments		(1 263)	(1 315)	(2 679)
Borrowings raised		-	1 937	3 235
Repayment of borrowings		(200)	(2 211)	(8 651)
Purchase of shares		(101)	-	-
Proceeds for change in ownership interest as a result of Boxer IPO		-	-	7 945
Net proceeds on rights offer		-	3 860	3 877
Proceeds on sale of rights attached to treasury shares, pursuant to rights offer		-	17	17
Purchase of non-controlling interest shares by Boxer for LTIP		(60)	-	-
Cash (utilised)/generated from financing activities		(1 624)	2 288	3 744
Net increase in cash and cash equivalents		690	3 504	4 823
Net cash and cash equivalents at beginning of period		5 028	204	204
Foreign currency translations		(5)	(10)	1
Net cash and cash equivalents at end of period		5 713	3 698	5 028
Consisting of:				
Cash and cash equivalents		5 713	4 951	5 328
Bank overdraft and overnight borrowings		-	(1 253)	(300)

* Restated, refer to note 15.

** In accordance with additional disclosures provided in the audited Group annual financial statements for the 53 weeks ended 2 March 2025, the disclosures for the current and previous interim reporting periods have been expanded.

Notes to the financial information

for the period ended 31 August 2025

1 Basis of preparation and accounting policies

The Group condensed interim financial statements for the period ended 31 August 2025 are prepared in accordance with the requirements of the JSE Listings Requirements for condensed reports, and the requirements of the Companies Act, as applicable to summarised financial statements. The Listings Requirements require condensed reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS Accounting Standards), as issued by the International Accounting Standards Board, and the financial pronouncements, as issued by the Financial Reporting Standards Council and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The Group condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited Group annual financial statements for the 53 weeks ended 2 March 2025.

The accounting policies applied in the preparation of the Group condensed interim financial statements are in terms of IFRS Accounting Standards and are consistent with those applied in the annual financial statements for the 53 weeks ended 2 March 2025, with the exception of the adoption of new, revised and amended accounting pronouncements as issued by the International Accounting Standards Board (IASB) which were effective for the Group from 2 March 2025. The new, revised and amended standards did not have a material impact on the Group condensed interim financial statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. In addition, decimal points have been removed from presentation during the current year, and as such the prior year numbers have been aligned to the current year rounding.

These Group condensed interim financial statements have been prepared by the Finance Division under the supervision of the Chief Finance Officer, Lerena Olivier CA(SA), and have not been audited or reviewed by the Group's external auditors, Ernst & Young Inc.

2 Revenue

Revenue from contracts with customers

Turnover

Franchise fee income

Commissions and other income

Operating lease income

Finance income

Bank balances and investments

Trade receivables and other

Net investment in lease receivables

Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
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60 251 57 424 121 448

58 818 56 052 118 610

582 590 1 244

851 782 1 594

56 53 111

292 285 565

155 137 271

36 45 78

101 103 216

60 599 57 762 122 124

3 Finance costs

Lease liabilities

Borrowings and other

873 846 1 769

46 574 792

919 1 420 2 561

	Unaudited 26 weeks to 31 August 2025 Cents per share	Unaudited 26 weeks to 25 August 2024 Cents per share	Audited 53 weeks to 2 March 2025 Cents per share
4 Basic, headline and diluted earnings per share			
Basic loss per share	(67.53)	(140.83)	(111.01)
Diluted loss per share	(67.53)	(140.67)	(111.01)
Headline loss per share	(59.77)	(136.60)	(61.54)
Diluted headline loss per share	(59.77)	(136.44)	(61.54)
	Rm	Rm	Rm
4.1 Reconciliation between basic and headline earnings			
Loss for the period attributable to equity holders of the parent – basic loss for the period	(496)	(827)	(736)
Adjustments:	57	24	328
Net loss on disposal of assets	39	9	94
Tax effect of loss on disposal of assets	(10)	(2)	(18)
Loss from impairments of assets	45	22	294
Tax effect of loss from impairments of assets	(11)	(5)	(38)
Non-controlling interest	(6)	–	(4)
Headline loss for the period	(439)	(803)	(408)
	000's	000's	000's
4.2 Number of ordinary shares			
Number of ordinary shares in issue	745 657	745 657	745 657
Weighted average number of ordinary shares in issue (excluding treasury shares)	734 526	587 535	663 018
Diluted weighted average number of ordinary shares in issue	734 526	588 189	663 018
Reconciliation of weighted average number of ordinary shares to diluted weighted average number of ordinary shares:			
Weighted average number of ordinary shares in issue (excluding treasury shares)	734 526	587 535	663 018
Dilutive effect of share awards	–	654	–
Diluted weighted average number of ordinary shares in issue	734 526	588 189	663 018

Any outstanding PIK shares, granted in terms of the Group's Restricted Share Plan that have not yet met required performance hurdles, have no dilutive impact on the weighted average number of shares in issue.

Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
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5 Share capital

5.1 Ordinary share capital

Issued

745 657 130 (2 March 2025: 745 657 130) (25 August 2024: 745 657 130) ordinary shares of no par value

3 883 3 866 3 883

000's 000's 000's

The number of shares in issue is made up as follows:

Treasury shares (note 6)

13 273 9 945 9 945

Shares held outside the Group

732 384 735 712 735 712

Total shares in issue at end of period

745 657 745 657 745 657

Authorised no par value shares

828 500 10 000 000 828 500

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

Certain ordinary shares are stapled to B shares and are subject to restrictions upon disposal. Refer to note 5.2.

The Company can issue new shares to settle the Group's obligations under its employee share schemes, but issues in this regard are limited to 24 672 516 (2024: 24 672 516) shares. To date 15 743 000 (2024: 15 743 000) shares have been issued, resulting in 8 929 516 (2024: 8 929 516) shares remaining for this purpose.

During the prior financial year, the Group concluded a rights offer as part of its recapitalisation plan. The rights offer resulted in changes to both authorised and issued share capital over the course of the prior financial year. For further detail, refer to the 2025 audited Group annual financial statements.

Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
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5.2 B Share capital

Issued

325 426 164 (2 March 2025: 325 426 164) (25 August 2024: 325 426 164) unlisted, non-convertible, non-participating, no par value B shares

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000's 000's 000's

Authorised unlisted, non-convertible, non-participating, no par value shares

361 500 5 300 000 361 500

The holders of B shares are entitled to the same voting rights as holders of ordinary shares, but are not entitled to any rights to distributions by the Company or any other economic benefits. Refer to note 5.1.

B shares are stapled to certain ordinary shares, constituting a B-share ratio for every one stapled ordinary Share. B shares cannot be traded separately from stapled ordinary shares, and together are subject to restrictions upon disposal.

During the prior financial year, the Group concluded a rights offer as part of its recapitalisation plan. As part of this process, B shareholders agreed to reduce the B share issue ratio from 1.98061 to 1.64254 B shares for every one stapled ordinary share. This resulted in the previous controlling shareholder's voting rights reducing from 52% to 49%.

Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
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6 Treasury shares

At beginning of period	496	557	557
Shares purchased during the period*	101	–	–
Settlement of employee share awards	(12)	(44)	(44)
Proceeds on sale of rights attached to treasury shares, pursuant to rights offer	–	(17)	(17)
At end of period	585	496	496

000's 000's 000's

The movement in the number of treasury shares held is as follows:

At beginning of period	9 945	10 796	10 796
Shares purchased during the period*	3 822	–	–
Shares delivered to participants of share options scheme	–	(1)	(1)
Shares delivered to participants of Restricted Share Plan	(494)	(850)	(850)
At end of period	13 273	9 945	9 945

* During the current period, the Group purchased shares from the market for purposes of issuing awards under its Restricted Share Plan.

7 Operating segments*

Operating segments are identified based on financial information regularly reviewed by the Chief Operating Decision Maker (CODM) of the Group, for performance assessments and resource allocations. The Group annually performs a detailed review of the executive, or group of executives, that could be considered the appropriate and relevant CODM of the Group. During the current and prior periods under review, the CODM of the Group consisted of the Group executive directors, which comprised of the Chief Executive Officer and Chief Finance Officer.

Reportable segments	Pick n Pay Rm	Boxer Rm	Group Rm
Unaudited			
26 weeks to 31 August 2025			
Financial performance			
Revenue	37 845	22 754	60 599
Turnover	36 300	22 518	58 818
Cost of merchandise sold	(30 168)	(17 938)	(48 106)
Gross profit	6 132	4 580	10 712
Other income	1 296	193	1 489
Franchise fee income	582	-	582
Operating lease income	51	5	56
Commissions and other income	663	188	851
Trading expenses	(8 049)	(3 842)	(11 891)
Employee costs	(3 320)	(1 686)	(5 006)
Occupancy costs	(1 050)	(634)	(1 684)
Operations costs	(2 050)	(1 150)	(3 200)
Merchandise and administration costs	(1 558)	(372)	(1 930)
Expected credit loss allowance	(71)	-	(71)
Trading (loss)/profit**	(621)	931	310
Finance income	249	43	292
Funding finance income	148	43	191
Leases finance income	101	-	101
Finance costs	(645)	(274)	(919)
Funding finance expense	(1)	(45)	(46)
Leases finance expense	(644)	(229)	(873)
(Loss)/profit before tax before capital items	(1 017)	700	(317)
Loss on capital items	(64)	(20)	(84)
Net loss on disposal of assets	(24)	(15)	(39)
Loss from impairments of assets	(40)	(5)	(45)
(Loss)/profit before tax	(1 081)	680	(401)
Included in (loss)/profit before tax is the following:			
Depreciation and amortisation	(1 244)	(676)	(1 920)
Net funding finance income/(expense)	147	(2)	145
Net leases finance expense	(543)	(229)	(772)
Financial position			
Total assets	32 927	14 460	47 387
Total liabilities	24 787	12 032	36 819

Geographical information	South Africa Rm	Rest of Africa Rm	Group Rm
Financial performance			
Turnover	56 988	1 830	58 818
Pick n Pay	34 788	1 512	36 300
Boxer	22 200	318	22 518
Franchise fee income	575	7	582
Operating lease income	56	-	56
Commissions and other income	846	5	851
Finance income	280	12	292
Revenue	58 745	1 854	60 599
Financial position			
Total non-current assets	25 948	382	26 330

* The structure of the operating segments note has been adjusted to allow for comparison to the Group statement of comprehensive income. The comparative structure has been amended accordingly.

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

7 Operating segments *continued*

Reportable segments	Pick n Pay Rm	Boxer Rm	Group Rm
Unaudited			
26 weeks to 25 August 2024			
Financial performance			
Revenue	37 760	20 002	57 762
Turnover	36 278	19 774	56 052
Cost of merchandise sold	(30 278)	(15 766)	(46 044)
Gross profit	6 000	4 008	10 008
Other income	1 262	163	1 425
Franchise fee income	590	–	590
Operating lease income	48	5	53
Commissions and other income	624	158	782
Trading expenses	(7 980)	(3 370)	(11 350)
Employee costs	(3 214)	(1 500)	(4 714)
Occupancy costs	(1 177)	(563)	(1 740)
Operations costs	(2 038)	(988)	(3 026)
Merchandise and administration costs	(1 465)	(319)	(1 784)
Expected credit loss allowance	(86)	–	(86)
Trading (loss)/profit*	(718)	801	83
Finance income	220	65	285
Funding finance income	117	65	182
Leases finance income	103	–	103
Finance costs	(1 226)	(194)	(1 420)
Funding finance expense	(568)	(6)	(574)
Leases finance expense	(658)	(188)	(846)
(Loss)/profit before tax before capital items	(1 724)	672	(1 052)
Loss on capital items	(30)	(1)	(31)
Net loss on disposal of assets	(8)	(1)	(9)
Loss from impairments of assets	(22)	–	(22)
(Loss)/profit before tax	(1 754)	671	(1 083)
Included in (loss)/profit before tax is the following:			
Depreciation and amortisation	(1 274)	(604)	(1 878)
Net funding finance (expense)/income	(451)	59	(392)
Net leases finance expense	(555)	(188)	(743)
	Restated** Pick n Pay Rm	Boxer Rm	Restated** Group Rm
Financial position			
Total assets	34 793	11 509	46 302
Total liabilities	33 751	9 781	43 532
	South Africa Rm	Rest of Africa Rm	Group Rm
Geographical information			
Financial performance			
Turnover	54 144	1 908	56 052
Pick n Pay	34 665	1 613	36 278
Boxer	19 479	295	19 774
Franchise fee income	582	8	590
Operating lease income	52	1	53
Commissions and other income	782	–	782
Finance income	270	15	285
Revenue	55 830	1 932	57 762
	Restated** South Africa Rm	Rest of Africa Rm	Restated** Group Rm
Financial position			
Total non-current assets	25 881	233	26 114

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

** Restated, refer to note 15.

8 Related party transactions and balances

During the period under review, in the ordinary course of business, certain companies within the Group entered into transactions with each other. These intragroup transactions and related balances are eliminated on consolidation, including R346 million (2024: R225 million) owing to Boxer as a result of a shared payments system infrastructure, whereby payments are received by the Group and fully settled to Boxer the following day. Intragroup transactions are similar to those in the prior year and related parties remain unchanged from those reported at 2 March 2025, except for the NTS Holdings Proprietary Limited Group which became a wholly-owned subsidiary during the period under review (refer to note 10).

For further information, refer to note 31 of the 2025 audited Group annual financial statements and note 8 of the 2025 audited Company annual financial statements.

9 Financial instruments

All financial instruments held by the Group are measured at amortised cost, with the exception of financial instruments at fair value through profit or loss and derivatives designated as hedging instruments, as set out below:

	Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
Financial instruments at fair value through profit or loss			
Investment in insurance cell captive – Level 2	93	74	72
Derivative financial instruments (designated as hedging instruments)			
Forward exchange contract (liabilities)/assets – Level 2	(1)	(6)	1

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques consistent with those disclosed in the 2025 audited Group annual financial statements. These valuation techniques maximise the use of observable market data, where it is available, and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The carrying value of all other financial instruments held at amortised cost approximate their fair value.

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

10 Purchase of operations

10.1 Acquisition of stores

During the period under review, as part of the Group's Store Estate Reset programme, the Group acquired three franchise stores (25 August 2024: one) which were not individually material. These acquisitions had no significant impact on the Group's results. Any goodwill arising from these acquisitions represents the value creation that the Group expects to realise in the future.

	Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
The net assets arising from acquisitions were as follows:			
Identifiable net assets			
Property, plant and equipment	8	7	28
Inventory	34	–	19
Total identifiable net assets at fair value	42	7	47
Goodwill			
Purchase price of acquisitions at fair value	137	8	67
Less: total identifiable net assets at fair value	(42)	(7)	(47)
Goodwill acquired	95	1	20
Net cash paid in respect of acquisitions			
Purchase price of acquisitions at fair value	137	8	67
Less: amounts net settled against trade and other receivables	(69)	–	(19)
Net cash paid	68	8	48

10 Purchase of operations *continued*

10.2 Purchase of Botswana franchisees

On 28 July 2025 the Group acquired the Pick n Pay franchise operations in Botswana through the purchase of 100% of the share capital of NTS Holdings Proprietary Limited for a cash consideration of R36 million. The Botswana franchise operations consisted of 13 supermarkets and 6 liquor stores, the majority of which are situated in southern Botswana. The goodwill arising from this acquisition represents the value creation that the Group expects to realise in the future.

As a former franchisee of the Group, the NTS Holdings Proprietary Limited Group ("NTS") was party to contractual relationships with the Group prior to its acquisition. These contractual relationships were:

- Leases where the Group holds head leases on property with landlords and NTS subleases these properties from the Group, and
- Trade payables owing to the Group, relating to inventory purchases from the Group when NTS was a franchisee.

In accordance with IFRS 3 *Business Combinations*, these pre-existing contractual relationships were treated as effectively settled at the acquisition date. The effective settlement amount of the leasing arrangements was measured at the present value of the remaining lease payments (as defined in IFRS 16 *Leases*) as if the acquired leases were new leases at the acquisition date. The effective settlement amount of the trade payables was determined using a discounted cash flow methodology. The effective settlement of these pre-existing relationships did not result in any gain or loss for the Group. Any reasonable change to assumptions in the valuations does not have a significant impact on the effective settlement amounts.

NTS contributed revenue of R70 million and profit for the period of R1 million to the Group statement of comprehensive income for the period under review. Had the acquisition of NTS been at the beginning of the reporting period, Group revenue would have been R60.9 billion and the Group loss for the period would have remained R0.3 billion.

**Unaudited
26 weeks to
31 August
2025
Rm**

The net assets arising from the acquisition were as follows:

Identifiable net assets at acquisition date

Property, plant and equipment	13
Right-of-use assets	114
Inventory	69
Trade and other receivables	6
Cash and cash equivalents	23
Trade and other payables	(106)
Deferred tax	(78)
Total identifiable net assets at fair value	41

Goodwill

Consideration for acquisitions at fair value	236
Cash purchase price	36
Effective settlement of pre-existing arrangements	200
Less: total identifiable net assets at fair value	(41)
Goodwill acquired	195

Net cash paid in respect of acquisitions

Cash purchase price	36
Less: cash acquired	(23)
Net cash paid	13

10.3 Goodwill

During the period under review, the Group's carrying value of Goodwill increased with a cost of R290 million (25 August 2024: R1 million), as a result of franchise store purchases, and decreased with a value of R5 million (25 August 2024: nil) for impairment losses recognised.

11 Commitments

	Unaudited 26 weeks to 31 August 2025 Rm	Unaudited 26 weeks to 25 August 2024 Rm	Audited 53 weeks to 2 March 2025 Rm
Authorised capital expenditure			
Contracted for	570	700	535
Not contracted for	600	600	1 715
Total commitments	1 170	1 300	2 250

12 Non-current assets held for sale

During the period, the Group sold a property, previously classified as a non-current asset held for sale as at 2 March 2025 with a carrying value of R128 million. A profit on disposal of R2 million was recorded in the capital items section of the statement of comprehensive income.

13 Subsequent events

Subsequent to the reporting date, the Group's Boxer segment repaid R450 million of borrowings.

14 Contingent liabilities

Amounts arising in the ordinary course of business relating to uncertain tax positions, from which it is anticipated that no material liabilities are probable, amounts to R135 million (2 March 2025: R114 million) (25 August 2024: nil). The contingent liability is primarily a result of additional tax assessments received from certain tax authorities where the Group trades, and the increase is a result of foreign exchange rate movements. Management has assessed the merits of each of these cases in close collaboration with the Group's external advisors and remain confident that those assessments leading to probable additional payments have been adequately provided for. Where these payments are considered not probable, these are disclosed as contingent liabilities.

15 Correction of prior period errors

In line with the restatements presented in the audited Group annual financial statements for the 53 weeks ended 2 March 2025, the Group condensed interim financial statements have also been restated for the following:

IFRS 16: Leases

As part of the financial statement close process for the 2025 financial year, the Group undertook a review of lease balances, income, expenses and cash flows. This process revealed errors relating to the measurement of a number of leases within the Pick n Pay segment. The number of leases were minimal in comparison to the overall lease portfolio of the Group.

Supplier payable and receivable balances

In addition, during the financial statement close process for the 2025 financial year, it was identified that a small number of suppliers in the Pick n Pay segment, who are also debtors of the Group, had their receivable and payable balances offset on the statement of financial position despite the Group not intending to net settle.

In terms of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the errors were corrected retrospectively with comparative periods being restated.

The effect of the restatements on the 26 weeks to 25 August 2024 is as follows:

26 weeks to 25 August 2024	Previously reported	Effect of change	Restated
Group statement of financial position	Rm	Rm	Rm
Right-of-use assets	11 049	106	11 155
Net investment in lease receivables (non-current)	1 889	59	1 948
Deferred tax assets	2 654	32	2 686
Trade and other receivables (current)	4 224	65	4 289
Net investment in lease receivables (current)	345	30	375
Retained earnings*	(81)	(110)	(191)
Lease liabilities (non-current)	16 148	403	16 551
Trade and other payables	16 170	65	16 235
Lease liabilities (current)	2 612	(66)	2 546
Group statement of cash flows	Rm	Rm	Rm
Movements in trade and other payables, provisions and deferred revenue	1 154	(105)	1 049
Movements in trade and other receivables	31	105	136

* The change to retained earnings is the result of the restatement to the statement of financial position for the 52 weeks ended 25 February 2024 as published in note 38 of the 2025 Group annual financial statements. This restatement had no impact on the Group's statement of comprehensive income for the 26 weeks to 25 August 2024.

Appendix 1

Pro forma financial information

Certain financial information presented in the Group condensed interim 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 financial position, 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 Pick n Pay Stores Limited are responsible for the pro forma financial information, which has been presented in accordance with the JSE Listings Requirements. The pro forma financial information has not been audited by the Group's external auditors.

1 Net cash/debt (excluding lease liabilities) and net cash/debt (including lease liabilities)

Net cash/debt (excluding lease liabilities) and net cash/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.

	26 weeks to 31 August 2025			26 weeks to 25 August 2024			53 weeks to 2 March 2025		
	Pick n Pay*	Boxer*	Group**	Pick n Pay*	Boxer*	Group**	Pick n Pay*	Boxer*	Group**
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Cash and cash equivalents	4 283	1 430	5 713	4 732	219	4 951	4 862	466	5 328
Intragroup receivable/(payable)	(346)	346	-	(225)	225	-	(204)	204	-
Borrowings	-	(650)	(650)	(5 993)	-	(5 993)	-	(850)	(850)
Bank overdraft and overnight borrowings	-	-	-	(1 253)	-	(1 253)	(300)	-	(300)
Net cash/(debt) excluding lease liabilities	3 937	1 126	5 063	(2 739)	444	(2 295)	4 358	(180)	4 178
Non-current lease liabilities	(11 604)	(4 326)	(15 930)	(12 731)	(3 820)	(16 551)	(12 229)	(4 150)	(16 379)
Current lease liabilities	(2 067)	(620)	(2 687)	(1 973)	(573)	(2 546)	(2 094)	(647)	(2 741)
Net debt (including lease liabilities)	(9 734)	(3 820)	(13 554)	(17 443)	(3 949)	(21 392)	(9 965)	(4 977)	(14 942)

* Information has been extracted, without adjustment, from the Group's accounting records.

** Information has been extracted, without adjustment, from the Group condensed interim financial statements of Pick n Pay Stores Limited for the 26 weeks ended 31 August 2025.

2 EBITDA and EBITDA (pre-IFRS 16)

The following presents a reconciliation from (loss)/profit for the period (computed in accordance with IFRS) to EBITDA and EBITDA (pre-IFRS 16) for the Group on a historical basis for each of the periods indicated.

	26 weeks to 31 August 2025			26 weeks to 25 August 2024 [#]			53 weeks to 2 March 2025		
	Pick n Pay [*]	Boxer [*]	Group ^{**}	Pick n Pay [*]	Boxer [*]	Group ^{**}	Pick n Pay [*]	Boxer [*]	Group ^{**}
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
(Loss)/profit for the period	(825)	502	(323)	(1 310)	483	(827)	(2 034)	1 383	(651)
Tax	(256)	178	(78)	(444)	188	(256)	(499)	525	26
Loss from impairment of assets	40	5	45	22	–	22	274	20	294
Net loss on disposal of assets	24	15	39	8	1	9	81	13	94
Finance costs	645	274	919	1 226	194	1 420	2 103	458	2 561
Finance income	(249)	(43)	(292)	(220)	(65)	(285)	(474)	(91)	(565)
Trading (loss)/profit	(621)	931	310	(718)	801	83	(549)	2 308	1 759
Depreciation on property, plant and equipment	402	327	729	432	287	719	845	591	1 436
Amortisation on intangible assets	52	9	61	49	8	57	113	14	127
Depreciation on right-of-use assets	790	340	1 130	793	309	1 102	1 600	653	2 253
Finance income – trade and other receivables	36	–	36	45	–	45	78	–	78
EBITDA	659	1 607	2 266	601	1 405	2 006	2 087	3 566	5 653
Profit on termination of leases	(126)	(13)	(139)	(20)	(14)	(34)	(136)	(42)	(178)
Lease incentives received	51	17	68	26	21	47	42	74	116
Principal lease liability payments	(1 009)	(254)	(1 263)	(1 039)	(276)	(1 315)	(2 066)	(613)	(2 679)
Interest paid on lease liabilities	(681)	(274)	(955)	(655)	(188)	(843)	(1 336)	(345)	(1 681)
Principal net investment in lease receipts	184	–	184	198	–	198	377	–	377
Interest received on net investment in lease receivables	113	–	113	97	–	97	210	–	210
EBITDA (pre-IFRS 16)	(809)	1 083	274	(792)	948	156	(822)	2 640	1 818

3 Trading profit after lease interest

The following presents a reconciliation from trading (loss)/profit (computed in accordance with section 2 above) to trading profit after lease interest for the Group on a historical basis for each of the periods indicated.

	26 weeks to 31 August 2025			26 weeks to 25 August 2024 [#]			53 weeks to 2 March 2025		
	Pick n Pay [*]	Boxer [*]	Group ^{**}	Pick n Pay [*]	Boxer [*]	Group ^{**}	Pick n Pay [*]	Boxer [*]	Group ^{**}
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Trading (loss)/profit	(621)	931	310	(718)	801	83	(549)	2 308	1 759
Leases finance expense	(644)	(229)	(873)	(658)	(188)	(846)	(1 357)	(412)	(1 769)
Leases finance income	101	–	101	103	–	103	216	–	216
Trading (loss)/profit after lease interest	(1 164)	702	(462)	(1 273)	613	(660)	(1 690)	1 896	206

* Information has been extracted, without adjustment, from the Group's accounting records.

** Information has been extracted, without adjustment, from the Group condensed interim financial statements of Pick n Pay Stores Limited for the 26 weeks ended 31 August 2025.

[#] The information presented for the 26 weeks to 25 August 2024 is equal to the Boxer operating segment of the Group. As detailed in appendix 3 of the Group interim condensed financial statements for the 26 weeks to 25 August 2024, the difference of R8 million between the trading profit of Boxer operating segment and Boxer condensed interim financial statements is the result of Group consolidation entries. For the 53 weeks ended 2 March 2025 and the current reporting period, there is no difference between trading profit of the Boxer operating segment of the Group and the trading profit of the Boxer Retail Limited Group.

Appendix 2

Additional information

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

1 Like-for-like turnover and expense growth comparisons

Like-for-like ("LfL") turnover growth comparisons relate to stores that have been open for at least 12 months, removing the impact of store openings, closures and conversions during the current and previous reporting period, as well as the impact of the wholesale sites closure in the current and previous reporting period. LfL turnover on new or closed adjacent liquor stores inherits the LfL indicator of the store that it is attached to, as this is the manner in which the Group manages its store base. This is not the case for new or closed stand-alone liquor and clothing stores.

LfL expense growth comparisons remove the impact of store openings, closures and conversions, and the movement in the ECL allowance, in the current and previous reporting periods.

2 Forward looking information

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



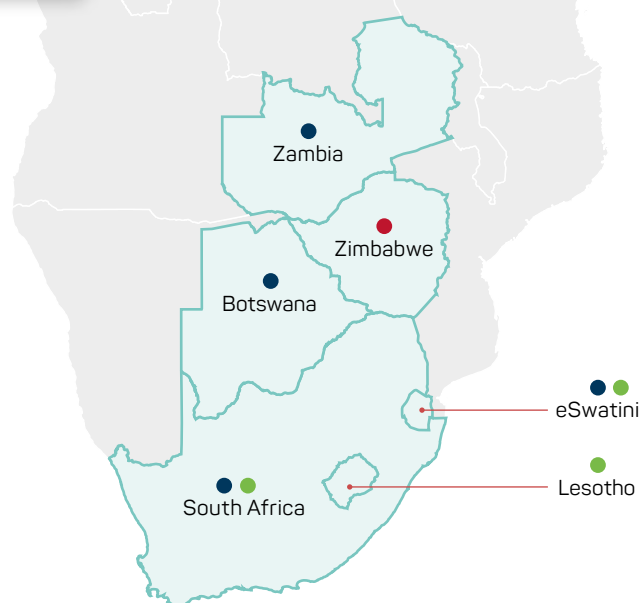
Overview of store estate

	Pick n Pay		Boxer	TM	Total
	Owned	Franchise	Owned	Associate	
Country:					
South Africa	942	606	537	–	2 085
eSwatini	–	21	10	–	31
Zambia	23	–	–	–	23
Botswana	19	–	–	–	19
Lesotho	–	4	–	–	4
Zimbabwe	–	–	–	76	76
	984	631	547	76	2 238
Formats:					
Supermarkets ¹	311	412	327	62	1 112
Clothing	406	18	–	–	424
Liquor	267	201	189	14	671
Build	–	–	31	–	31
	984	631	547	76	2 238

Geographic footprint

- Company-owned stores
- Franchise stores
- Business investment

South African store formats				
Supermarkets ¹	Clothing	Liquor	Build	Total South African stores
999	421	634	31	2 085



¹ Supermarkets includes Hypermarkets.

Number of stores

	2 March 2025	Opened	Closed	Converted openings	Converted closures	31 August 2025
Pick n Pay						
Company-owned						
Hypermarkets	21	–	–	1	–	22
Supermarkets	287	1	(10)	16	(5)	289
Clothing	396	14	(4)	–	–	406
Liquor	267	3	(7)	8	(4)	267
Total company-owned	971	18	(21)	25	(9)	984
Franchise						
Supermarkets	260	1	(28)	4	(16)	221
Market	7	–	–	–	–	7
Express	188	1	(5)	–	–	184
Clothing	19	–	(1)	–	–	18
Liquor	223	4	(22)	4	(8)	201
Total franchise	697	6	(56)	8	(24)	631
Boxer						
Company-owned						
Supermarkets	320	9	(2)	–	–	327
Liquor	175	15	(1)	–	–	189
Build	30	1	–	–	–	31
Total company-owned	525	25	(3)	–	–	547
TM Supermarkets						
Associate						
	74	2	–	–	–	76
Total Group stores	2 267	51	(80)	33	(33)	2 238
African footprint						
- included in total stores above	187	2	(36)	19	(19)	153
Pick n Pay company-owned	23	–	–	19	–	42
Boxer company-owned	10	–	–	–	–	10
Pick n Pay franchise	80	–	(36)	–	(19)	25
TM Supermarkets – associate	74	2	–	–	–	76
African footprint						
- by country	187	2	(36)	–	–	153
Botswana	19	–	–	–	–	19
Lesotho	4	–	–	–	–	4
Namibia	36	–	(36)	–	–	–
eSwatini	31	–	–	–	–	31
Zambia	23	–	–	–	–	23
Zimbabwe	74	2	–	–	–	76

Corporate information

Pick n Pay Stores Limited

Registration number: 1968/008034/06
JSE and A2X share code: PIK
ISIN: ZAE000005443

Board of directors

Executive

Sean Summers (CEO)
Lerena Olivier (CFO)

Independent non-executive

James Formby (Chair)¹
Haroon Borat
Aboubakar Jakoet
Audrey Mothupi-Palmstierna
Annamarie van der Merwe
Pooven Viranna²

Non-executive

Gareth Ackerman¹
Jonathan Ackerman
Suzanne Ackerman

Registered office

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Kenilworth
Cape Town 7708
Tel: +27 21 658 1000
Fax: +27 (0)86 675 1475

Postal address

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Claremont
Cape Town 7735

Registrar

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
Tel: +27 11 370 5000

Postal address

Private Bag X9000
Saxonwold 2132

JSE Limited sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton 2196

Auditors

Ernst & Young Inc.

Principal bankers

Absa Limited
Rand Merchant Bank (a division of FirstRand Bank Limited)

Corporate advisors

Rand Merchant Bank
(a division of FirstRand Bank Limited)

Company Secretary

Vaughan Pierce
Email address: CompanySecretary@pnp.co.za

Promotion of access to information act

InformationOfficer@pnp.co.za

Investor relations

Stephen Carrott
Email address: StephenCarrott@pnp.co.za

Pick n Pay

Customer website: www.pnp.co.za
Clothing website: www.picknpayclothing.co.za
Pick n Pay Investor Relations: www.picknpayinvestor.co.za
Tel: +27 860 30 30 30
Email address: customercare@pnp.co.za

Boxer

Customer website: www.boxer.co.za
Boxer investor relations: www.boxerinvestor.co.za
Tel: +27 860 02 69 37
Email address: customercare@boxer.co.za

 Pick n Pay
Online

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asap!

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Clothing

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¹ Gareth Ackerman retired as Chairman of Pick n Pay effective 5 August 2025. James Formby was appointed as Chairman on that date.

² Pooven Viranna was appointed as an independent non-executive director effective on 1 June 2025. David Friedland retired as independent non-executive director effective 5 August 2025.



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