mr price group limited

INTERIM RESULTS

30 March 2025 to 27 September 2025

SINCE 1985

FY2026

01

OPERATING ENVIRONMENT

By Mark Blair

02

GROUP PERFORMANCE

By Praneel Nundkumar

03

STRATEGY AND OUTLOOK

By Mark Blair

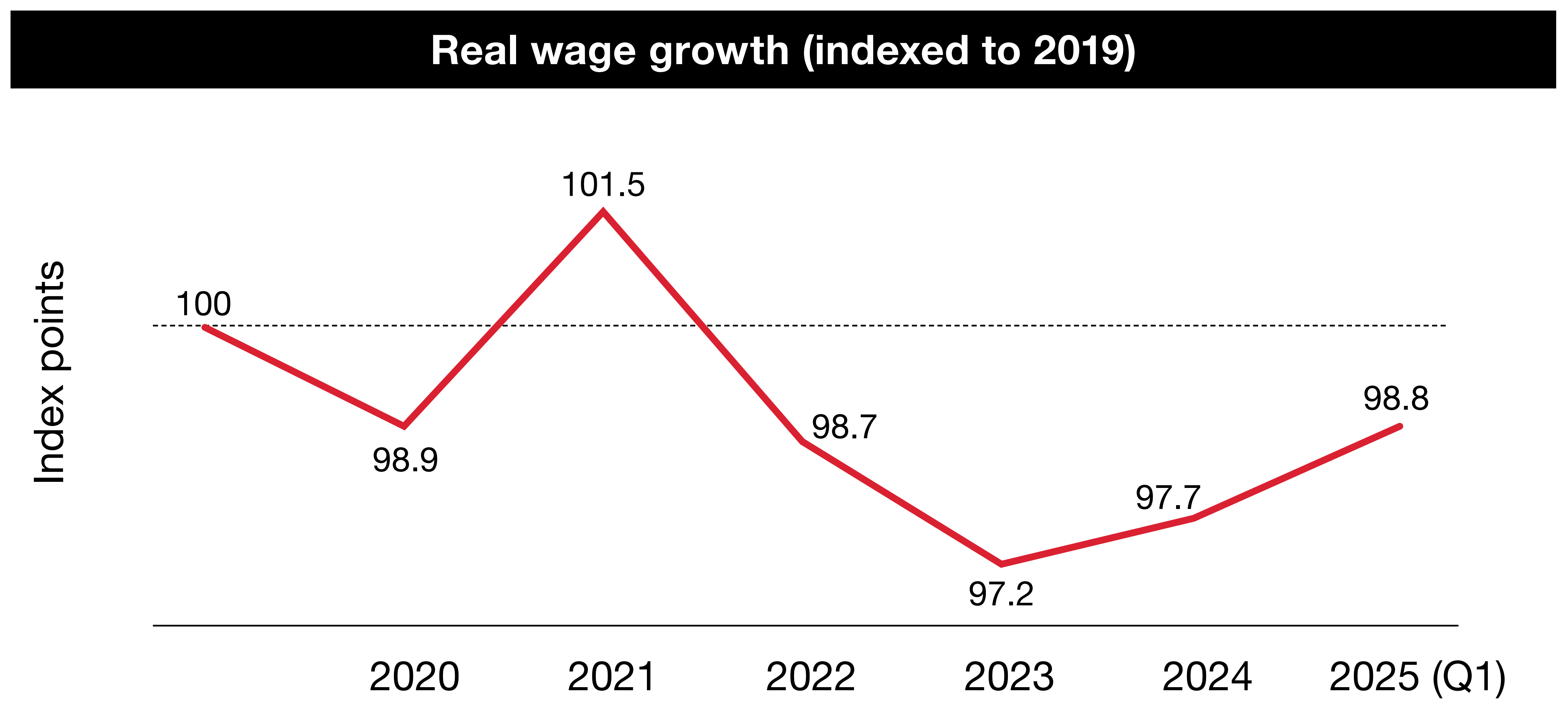
OPERATING ENVIRONMENT

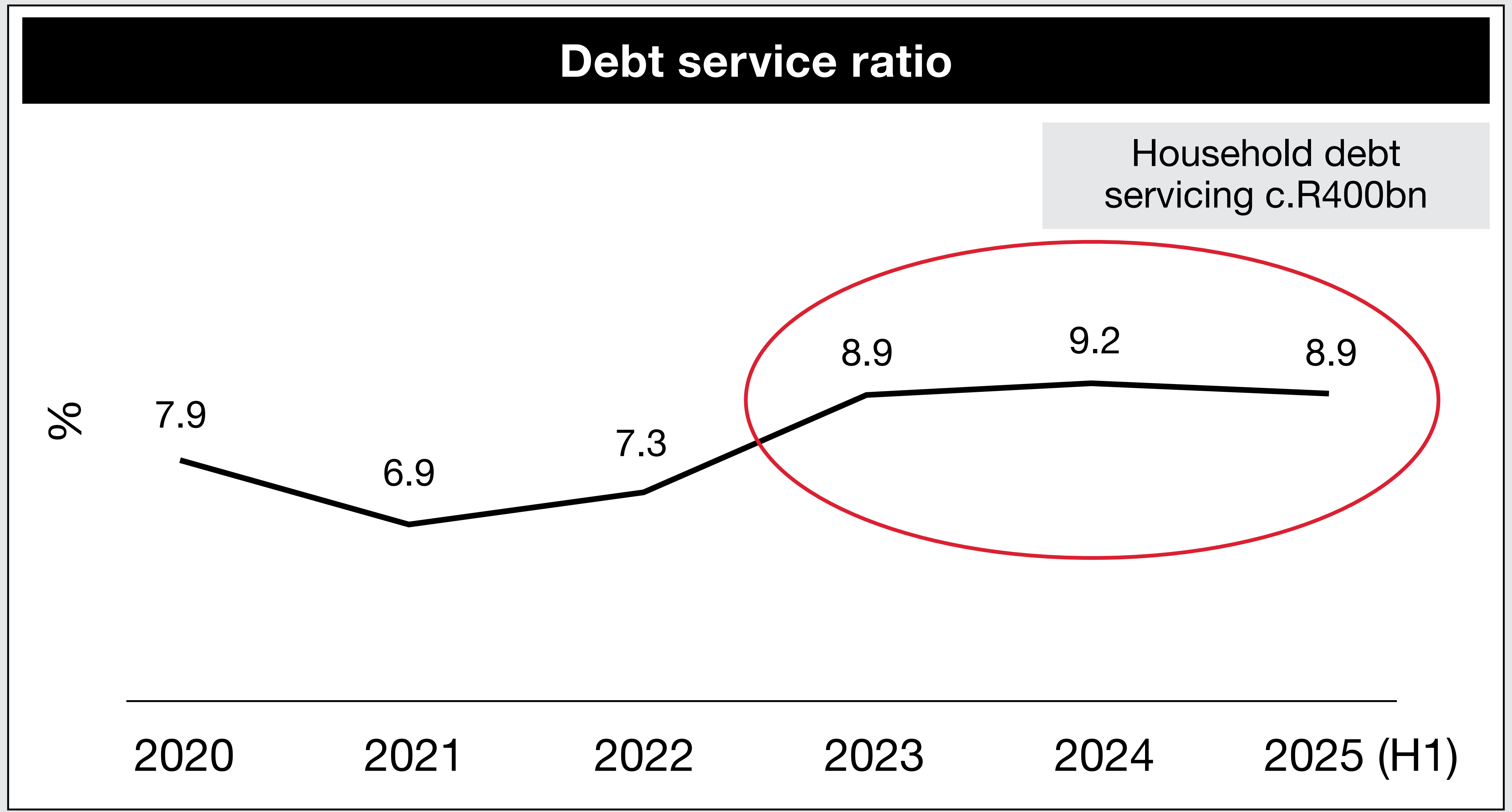
By Mark Blair - CEO

01

CONSUMER CONSTRAINT

- Since COVID-19, prolonged period of:
  - Negative real wage growth (2022 - 2023)
  - Rising debt servicing costs
  - High inflation impacting food, electricity and transport costs
- Consumer confidence remains negative and below pre-COVID-19 levels





5-year growth in general wages

+27%

5-year rise in cost of living:

Basic food basket	Fuel	Public transport	Electricity
+25%	**+32%**	**+35%**	**+43%**

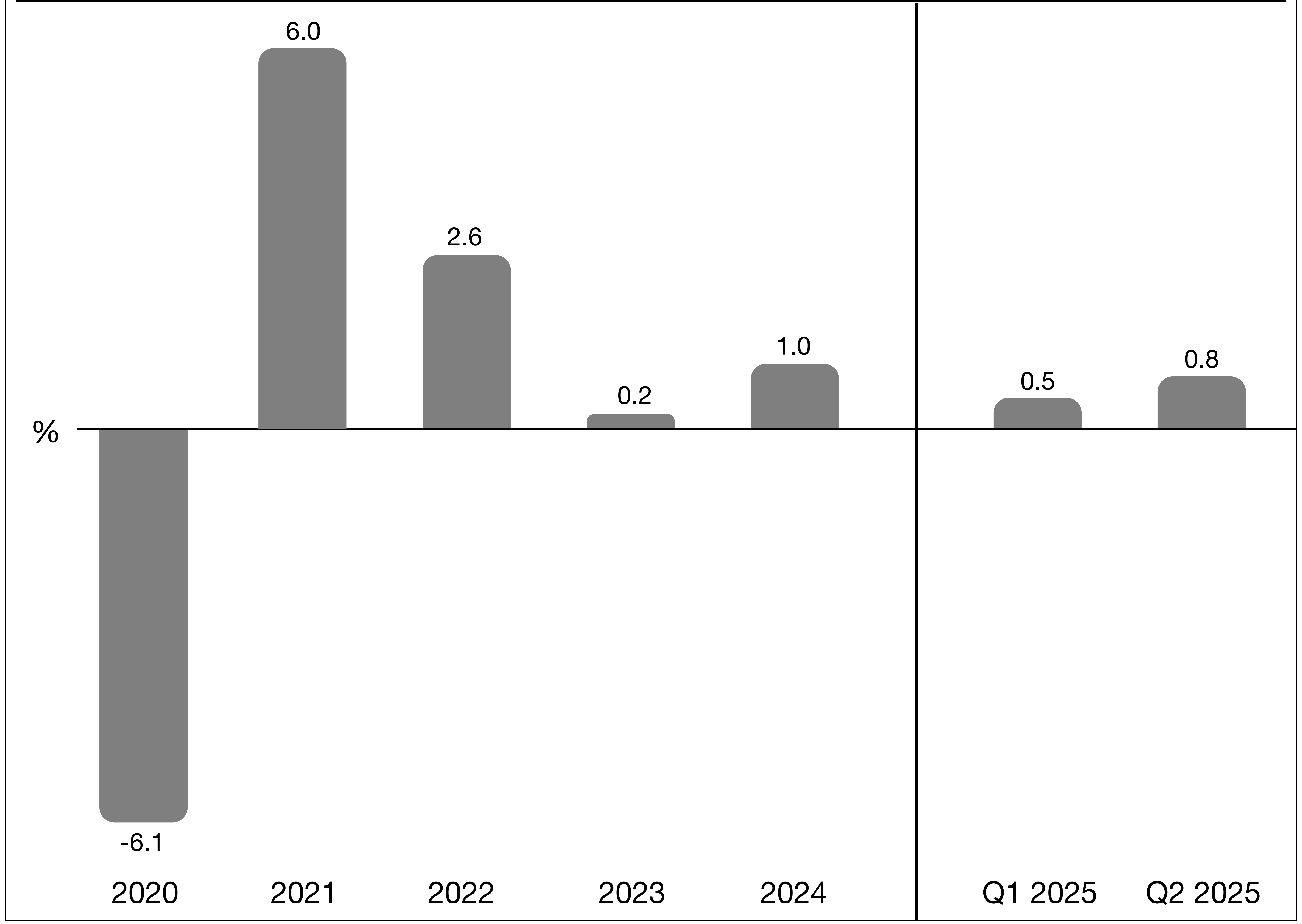
The above long-term impacts have continued to outweigh any short-term consumer relief experienced in 2024 and 2025

 Source: SARB, Stats SA, Competition Commission, PMBEJD Household Affordability Index, Automobile Association of South Africa, Eskom

IMPACT ON CONSUMER SPEND AND BEHAVIOUR

Extended period of consumer constraint has led to lower household expenditure and shifting shopping behaviour

Total household expenditure growth



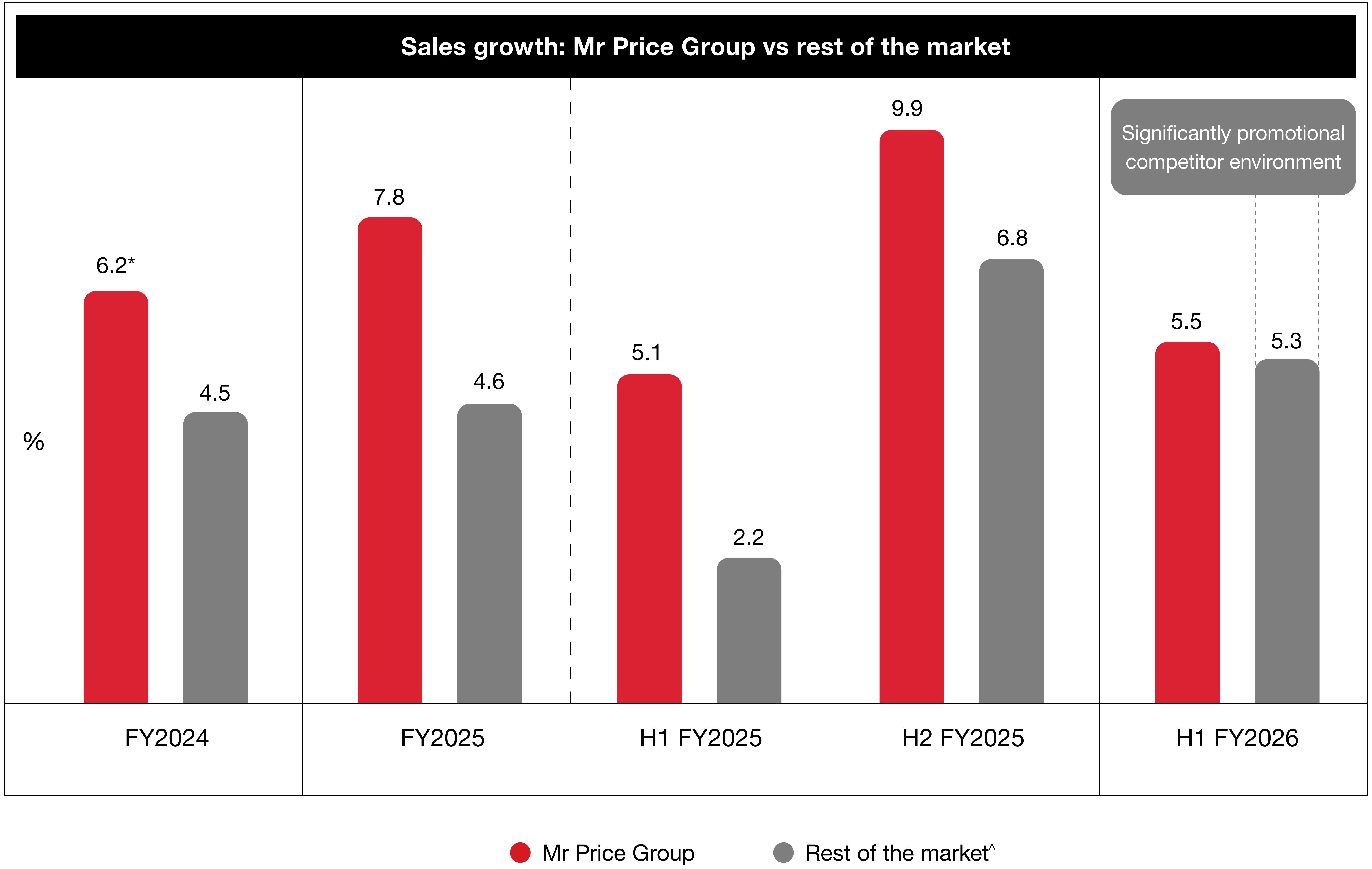
Changing shopping behaviours

- Erratic spending patterns - feast or famine
- High percentage of income (60%) spent within two days of pay day
- Spend diverted to international online retailers and online gambling

Several retail disruptions have occurred over the years - the group has navigated these and is focused on countering current threats

Source: Stats SA, RMB Quantium

SALES GROWTH

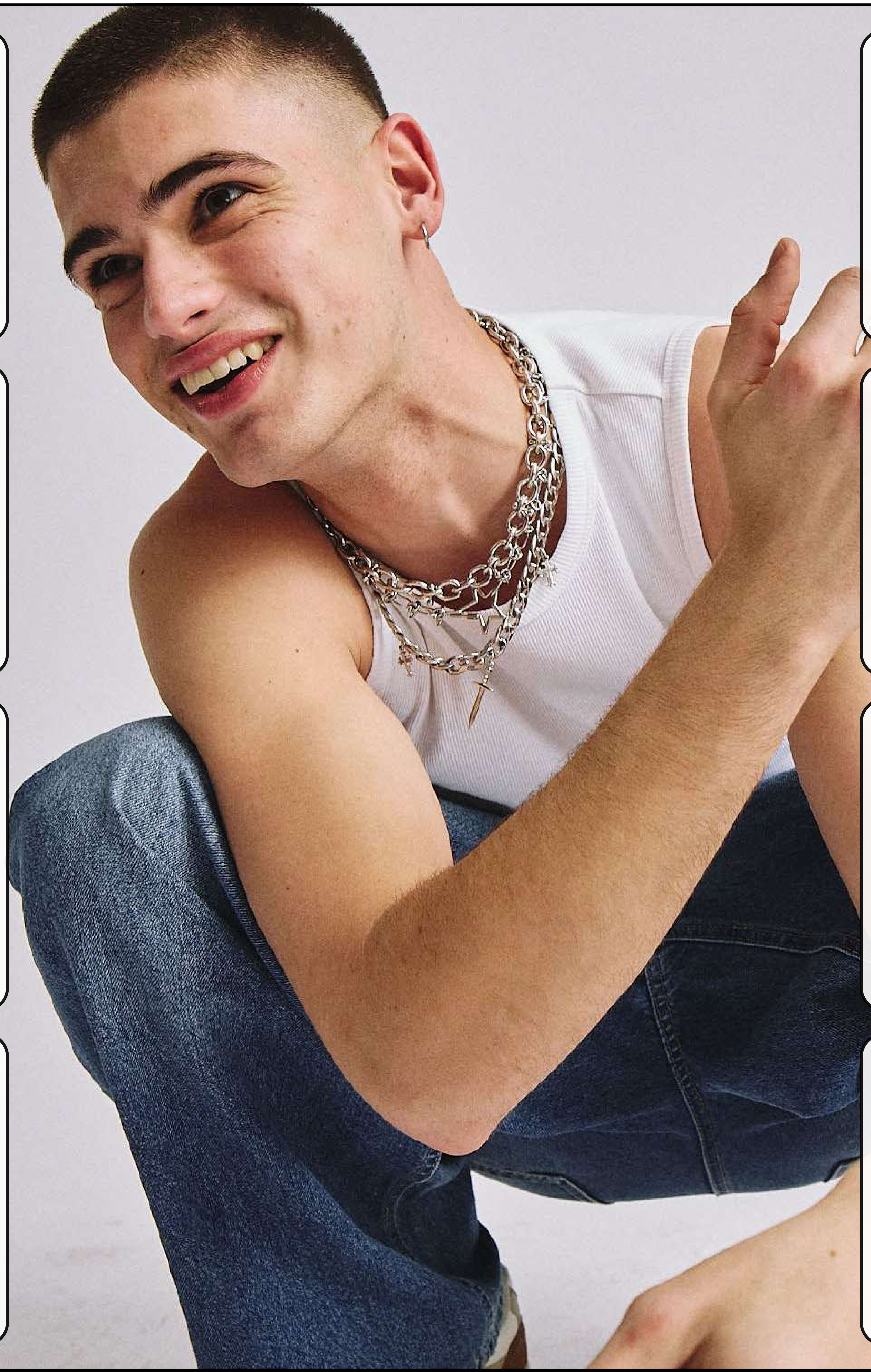


Insights

- Sector slow-down in H1 sales due to consumer constraint
- Group continues to outperform the market off a higher base despite highly promotional sector
- Continued focus on margin accretive gains - not market share at all costs
- Upcoming H2 against a strong base, consumer expenditure in the prior year was buoyed by:
  - Two-pot withdrawals
  - Lower inflation, interest rate cuts and improved sentiment

*Excluding Studio 88 | ^Retailers Liaison Committee

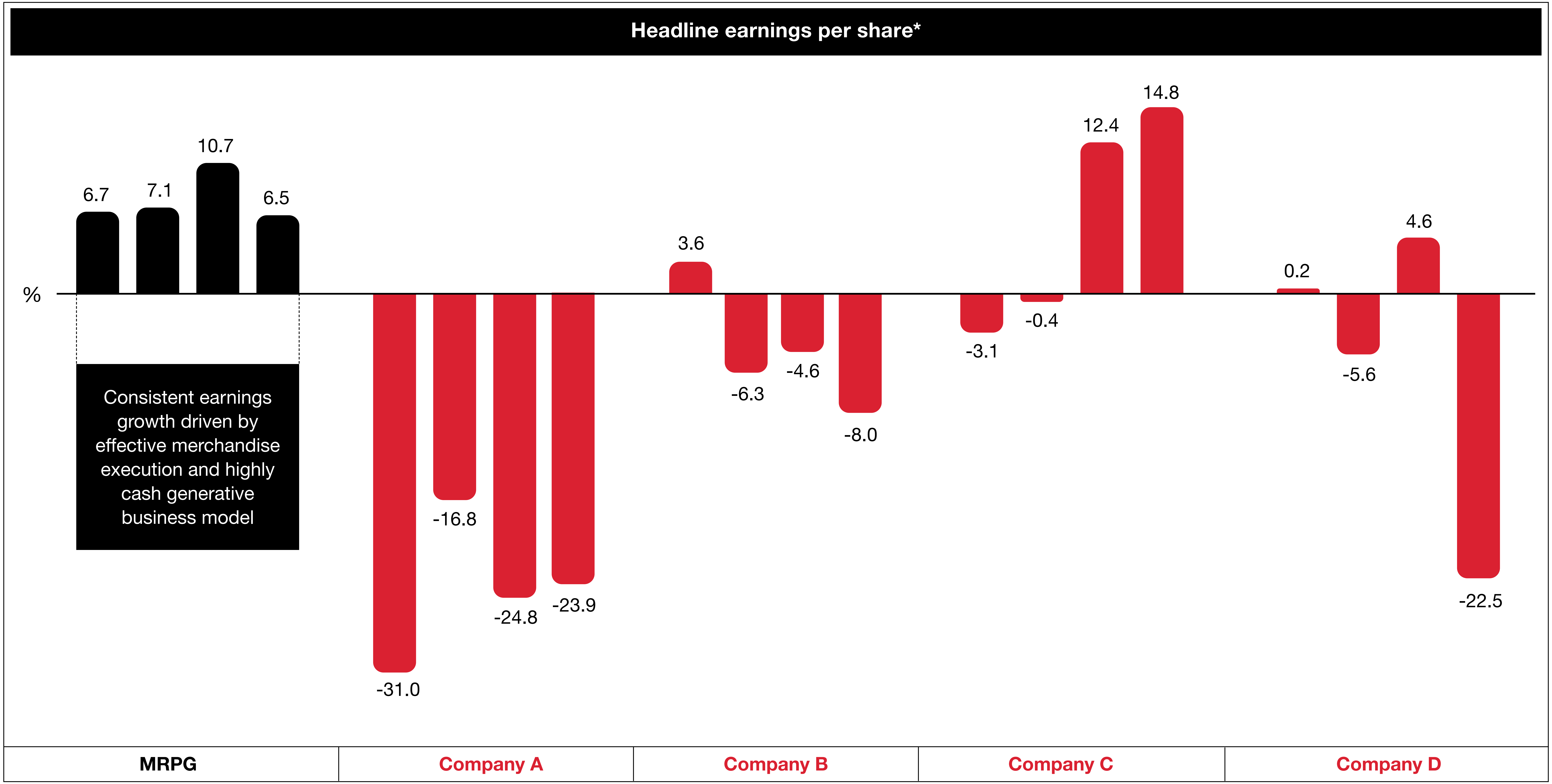
GROUP INTERIM RESULTS



Revenue	R18.6bn	+5.4%
Gross profit	R7.2bn	+6.3%
EBITDA*	R3.7bn	+5.5%
Operating profit	R2.1bn	+5.7%
HEPS#	513.0c	+6.5%
Diluted HEPS	497.9c	+6.4%
Dividend per share	323.2c	+6.5%
Cash reserves	R3.0bn	+37.7%

*EBITDA reconciliation on pg 41 | #HEPS reconciliation on pg 40

CONSISTENT EARNINGS GROWTH



*Per company financial statements, latest four reported periods

GROUP PERFORMANCE

By Praneel Nundkumar - CFO

02

GROUP INCOME STATEMENT

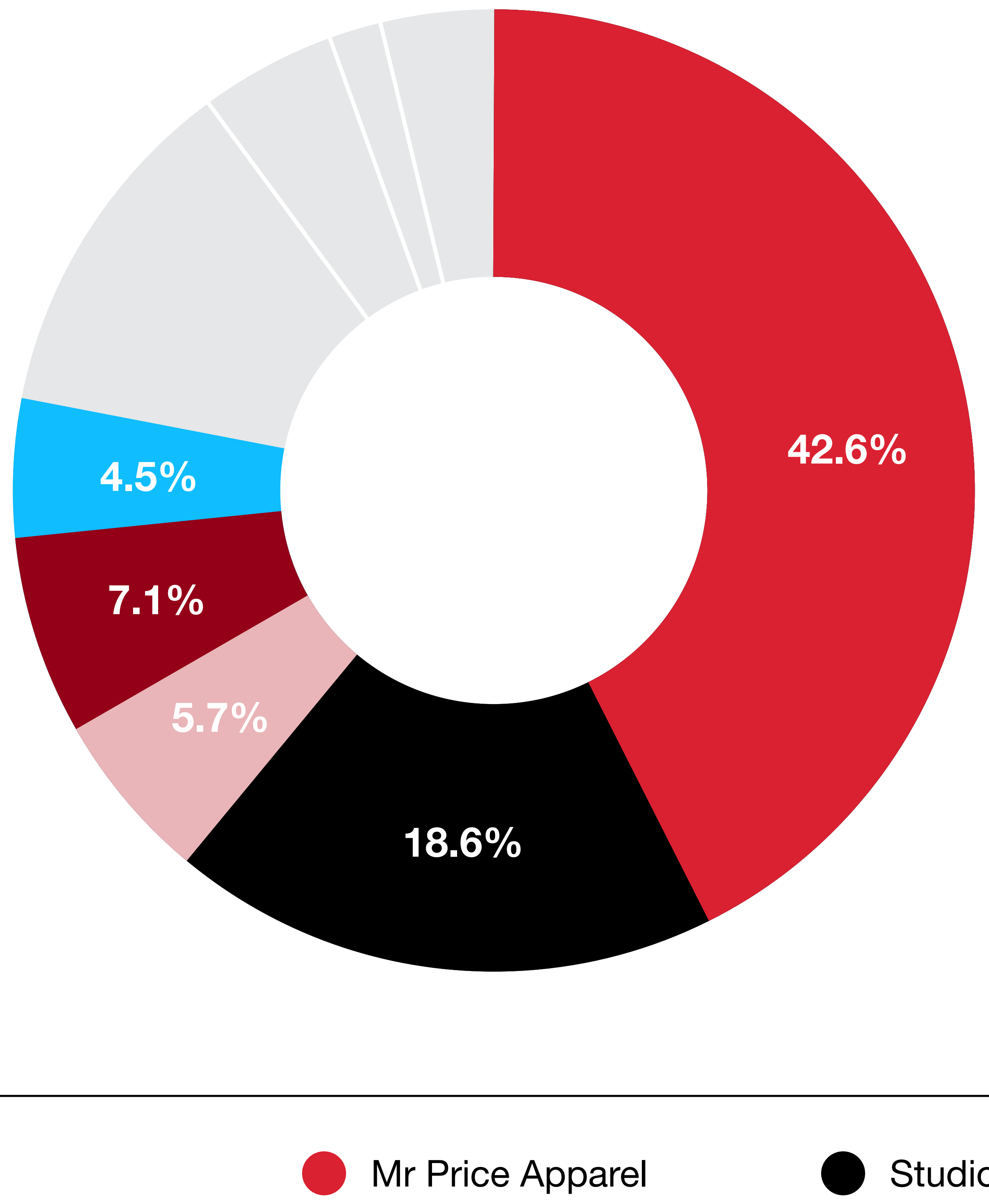
R'm	FY2026	FY2025	H1 % change
Revenue (pg 38)	18 574	17 629	5.4%
Gross profit (pg 14)	7 177	6 751	6.3%
Expenses (pg 15)	(5 593)	(5 298)	5.6%
Operating profit	2 115	2 000	5.7%
Net finance expense	(297)	(313)	(4.9%)
Profit before taxation	1 818	1 687	7.7%
Taxation	(491)	(451)	8.9%
Profit after taxation	1 327	1 236	7.3%
Profit attributable to non-controlling interests*	5	(3)	298.9%
Profit attributable to equity holders of parent	1 322	1 239	6.7%

Positive operating leverage through gross margin gains and strict cost control

*NCI share reduced from 30% to 24% between FY2024 and FY2025, and reduced to 15% in FY2026

SEGMENTAL PERFORMANCE | APPAREL

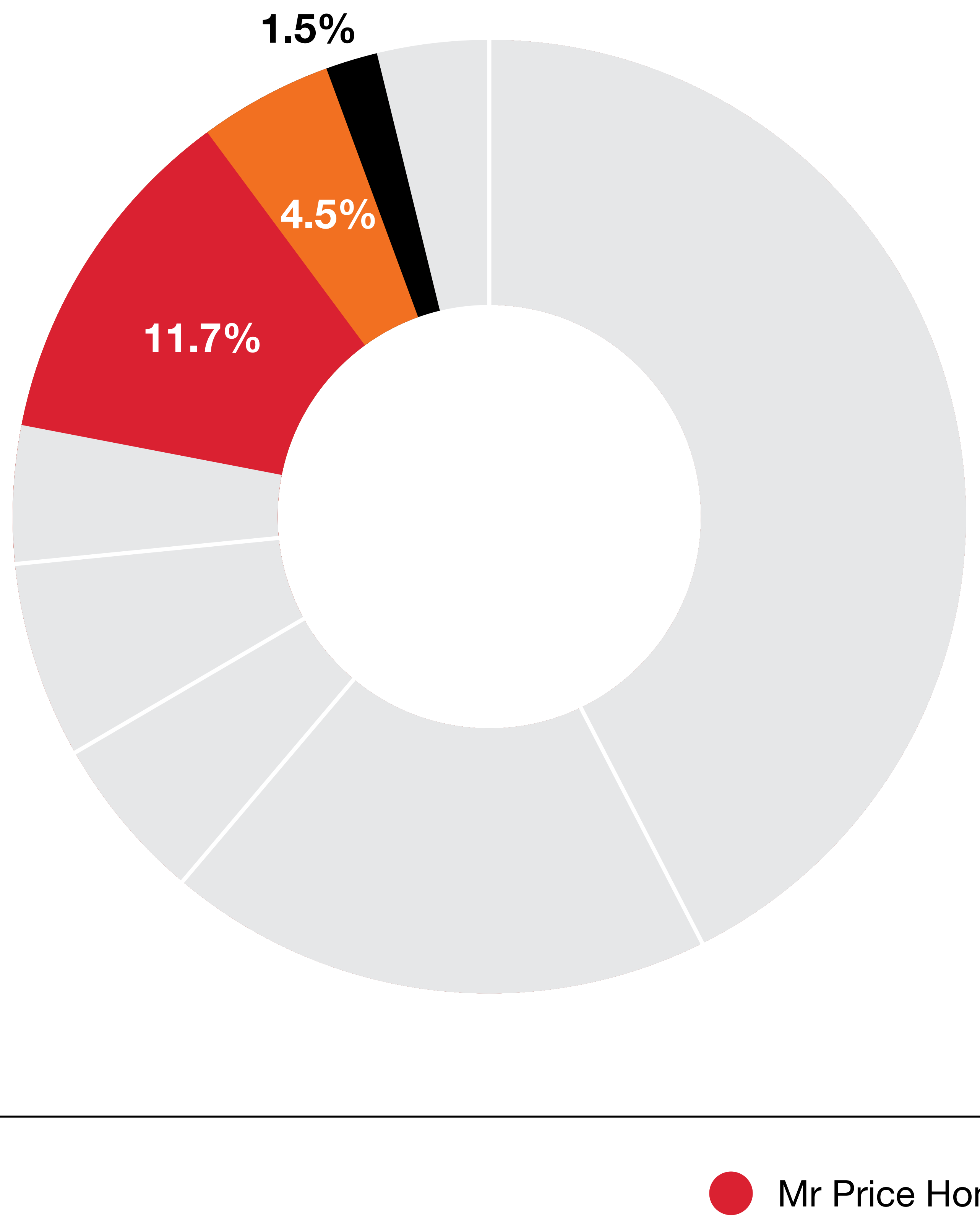
Retail sales: divisional contributions



Segmental sales contribution	78.5% (LY: 78.7%)
% change	**H1 FY2026**
Retail sales	+5.3%
Operating profit	+12.3%
Sales drivers	**H1 FY2026**
Comp sales growth	+1.7%
Unit growth	+2.4%
RSP inflation	+2.8%
Sales density	R37 808m²

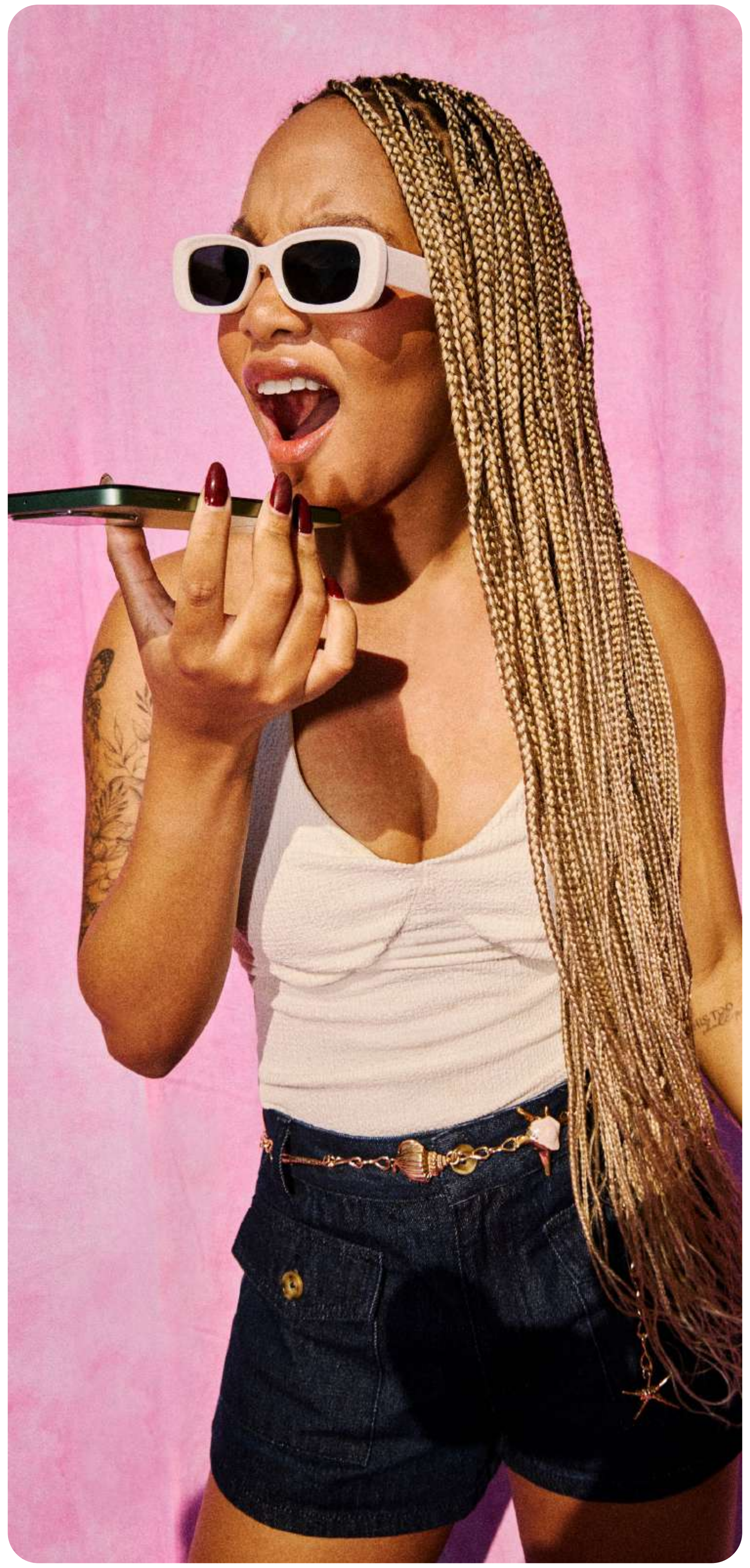
SEGMENTAL PERFORMANCE | HOMEWARE

Retail sales: divisional contributions

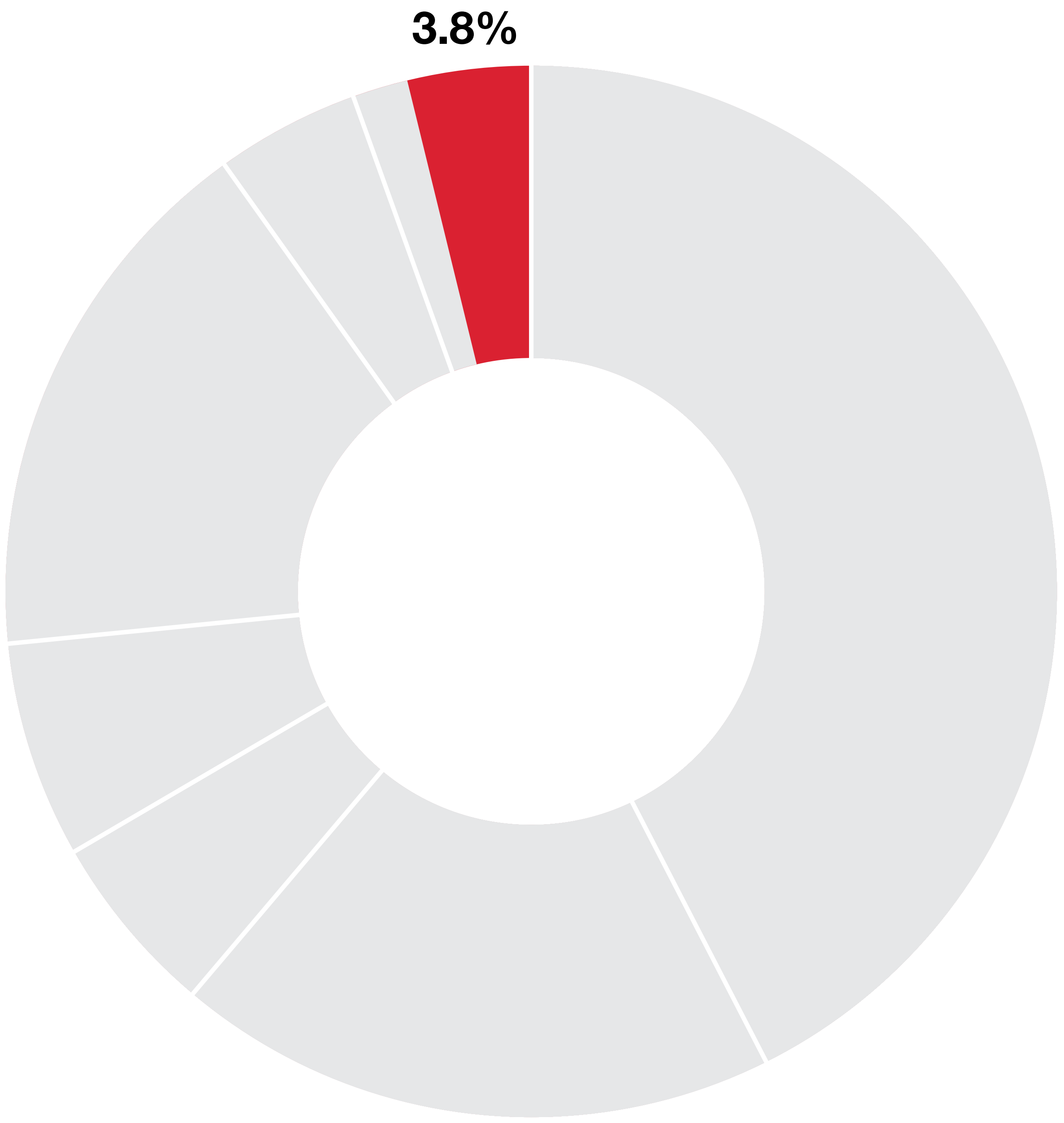


Segmental sales contribution	17.7% (LY: 17.7%)
% change	**H1 FY2026**
Retail sales	+5.1%
Operating profit	+12.0%
Sales drivers	**H1 FY2026**
Comp sales growth	+4.3%
Unit growth	+2.6%
RSP inflation	+2.4%
Sales density	R29 272m^2

SEGMENTAL PERFORMANCE | TELECOMS



Retail sales: divisional contributions



Segmental sales contribution	3.8% (LY: 3.6%)
% change	**H1 FY2026**
Retail sales	+12.4%
Operating profit	+16.8%
Sales drivers	**H1 FY2026**
Comp sales growth	(1.9%)
Unit growth	+4.3%
RSP inflation	+8.8%

SPACE GROWTH

3100 total group owned stores

Apparel segment	Total stores	New stores
Mr Price Apparel	635	9
Mr Price Kids	39	2 combo^
Miladys	268	4
Mr Price Sport	183	5
Power Fashion	335	11
Studio 88 (5 trading chains)	975	42
	2 435	71

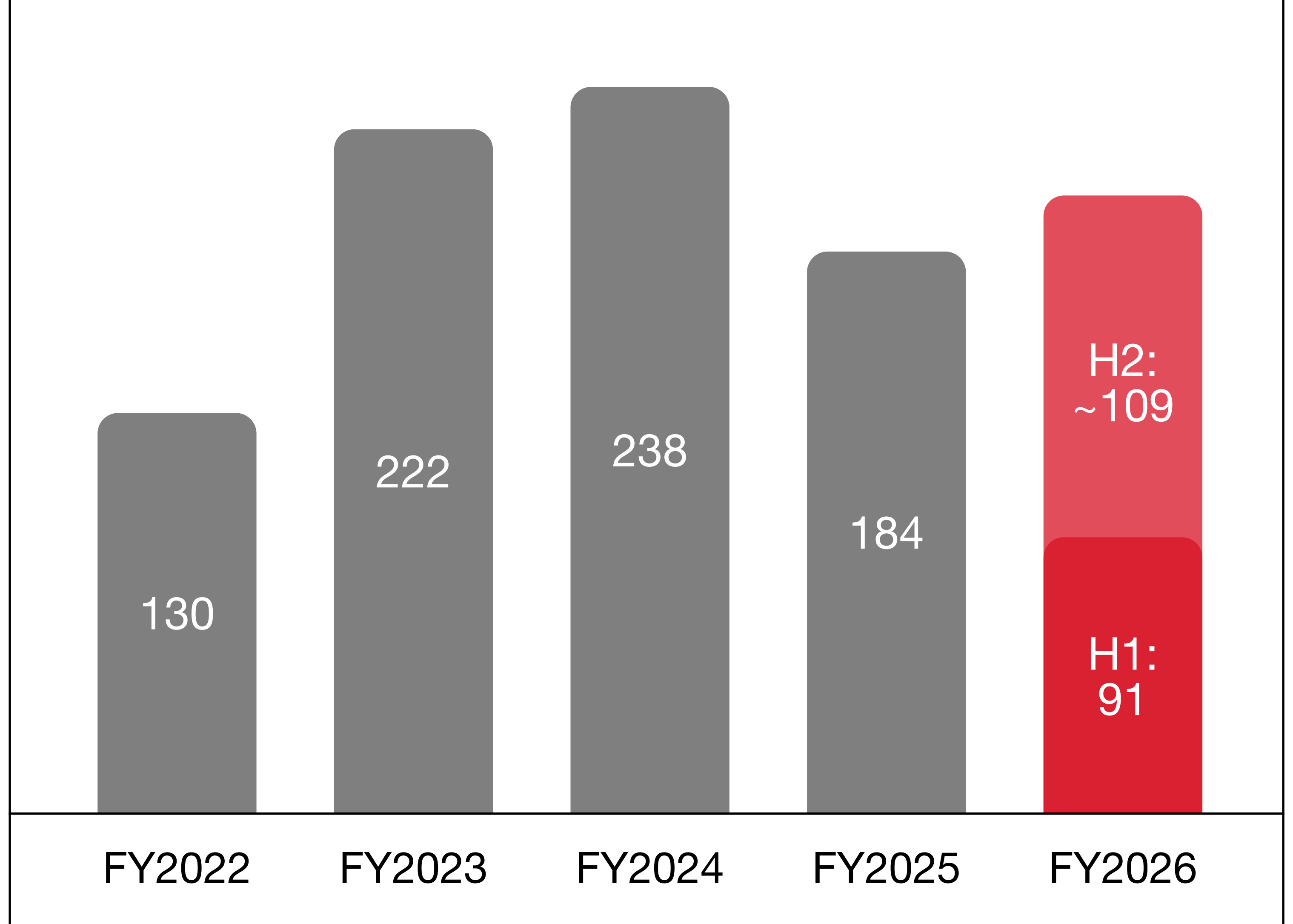
Homeware segment	Total stores	New stores
Mr Price Home	235	4
Sheet Street	334	2
Yuppiechef	23	2
	592	8

Cellular segment	Total stores	New stores
Mr Price Cellular (481 store-in-store locations)	73	12

Store and space growth insights*

- Weighted average space growth:
  - New: 4.2%
  - Net: 3.5%
- On average 194 new stores opened per year in the last 4 years
- New store returns continue to exceed internal thresholds

Number of new stores



 ^Accounted for under Mr Price Apparel stores | *Refer pg 39 for further detail

GROSS PROFIT ANALYSIS

	FY2026	FY2025	H1 variance
Group	40.0%	39.7%	+30bps
Apparel	40.5%	40.2%	+30bps
Homeware	42.4%	42.2%	+20bps
Telecoms	20.9%	20.3%	+60bps

GP margin performance

- Margin gains driven by all trading segments
  - Smooth transition out of winter into fresh spring/summer merchandise
- Apparel segment up 30bps, driven by the two largest divisions
- Further margin recovery in the homeware segment, on track to achieve annual medium-term target of 41% - 43%
- Telecoms margin gains across both cellular (handsets and accessories) and mobile
- Group on track to achieve annual medium-term target despite strong base in H2

OVERHEAD EXPENSES

Total expenses (R'm): Selling expenses 74.8%; Admin expenses 25.2%

	FY2026	FY2025	H1 % change
Depreciation* and amortisation	1 560	1 479	5.5%
Employment costs	2 283	2 054	11.1%
Occupancy costs	566	543	4.2%
Other operating costs	1 184	1 222	(3.1%)
Total expenses	5 593	5 298	5.6%

- Employment costs
  - Credit in the base from historical share schemes
  - Excluding credits in the base costs were up 8.6%
  - Opened 91 new stores
- Occupancy costs
  - Increase in month-to-month leases during process of renewal
  - W.avg net space growth of 3.5%
  - NERSA increase of 12.7%
- Other operating costs
  - Excluding impact of forex gain/losses, other operating expenses up 1.9%
  - Implementation of austerity measures effectively managed central overhead costs

*Includes right-of-use asset depreciation

OPERATING MARGIN

	FY2026	FY2025	H1 variance
Group	11.5%	11.4%	+10bps
Apparel	12.0%	11.3%	+70bps
Homeware	10.1%	9.4%	+70bps
Telecoms	10.6%	10.2%	+40bps

Operating margin performance

- Group margin gain of 10bps to 11.5%
  - Despite weaker consumer environment operating leverage achieved through efficient cost control
  - H1 margin is seasonally lower than H2
- All trading segments expanded operating margin

BALANCE SHEET ANALYSIS

Gross inventory **+4.5%**

- Clean exit of winter facilitated by efficient stock management
- Improved port operations reducing necessity for early stock arrivals

Trade and other receivables **+3.9%**

- Debtors' interest and charges subdued due to lower repo rates

Trade and other payables **+21.7%**

- Expansion of supply chain finance programme incorporating additional international suppliers

Net working capital inflow

R372m

Cash and cash equivalents

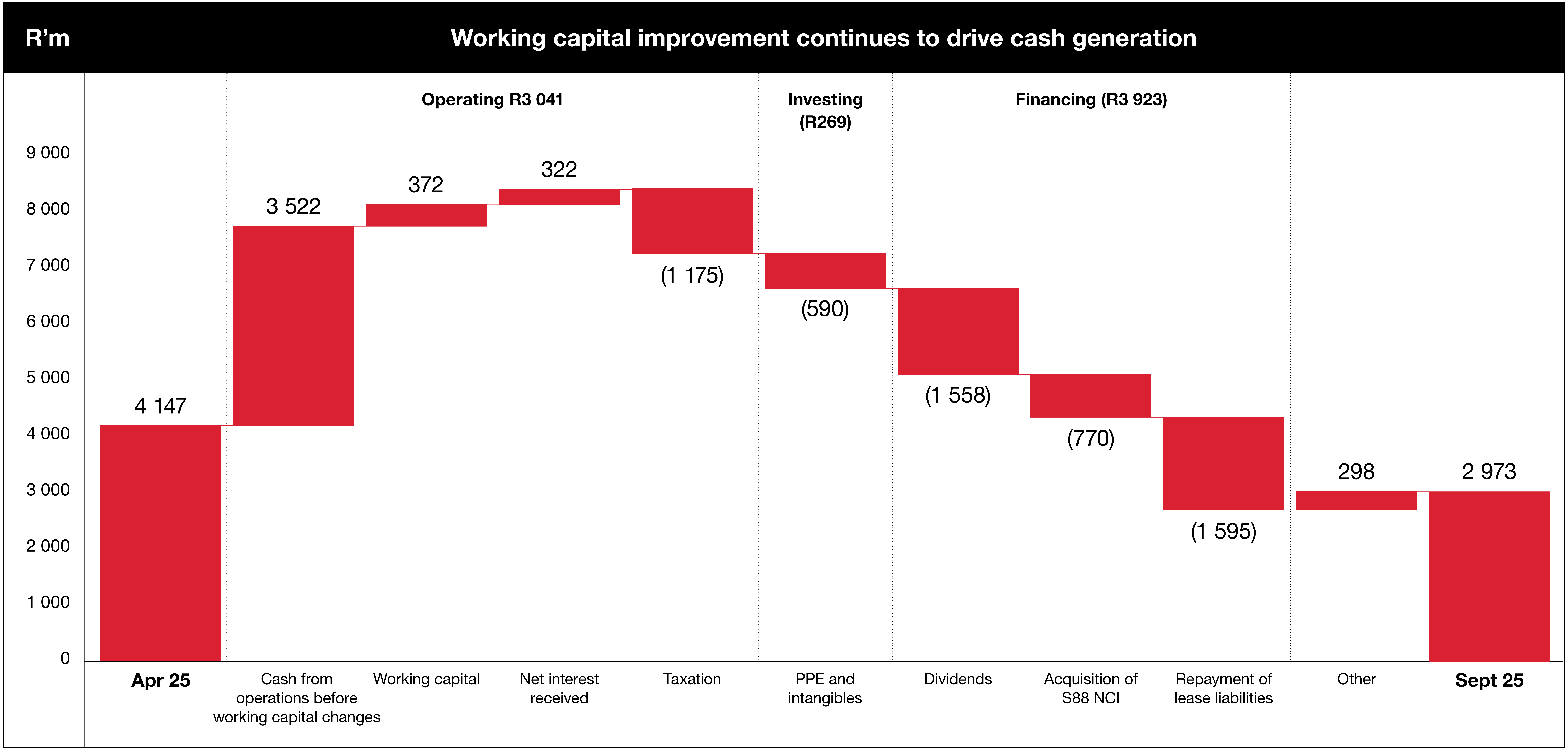
R3.0bn

Cash conversion ratio of 81.8%

Long-term debt

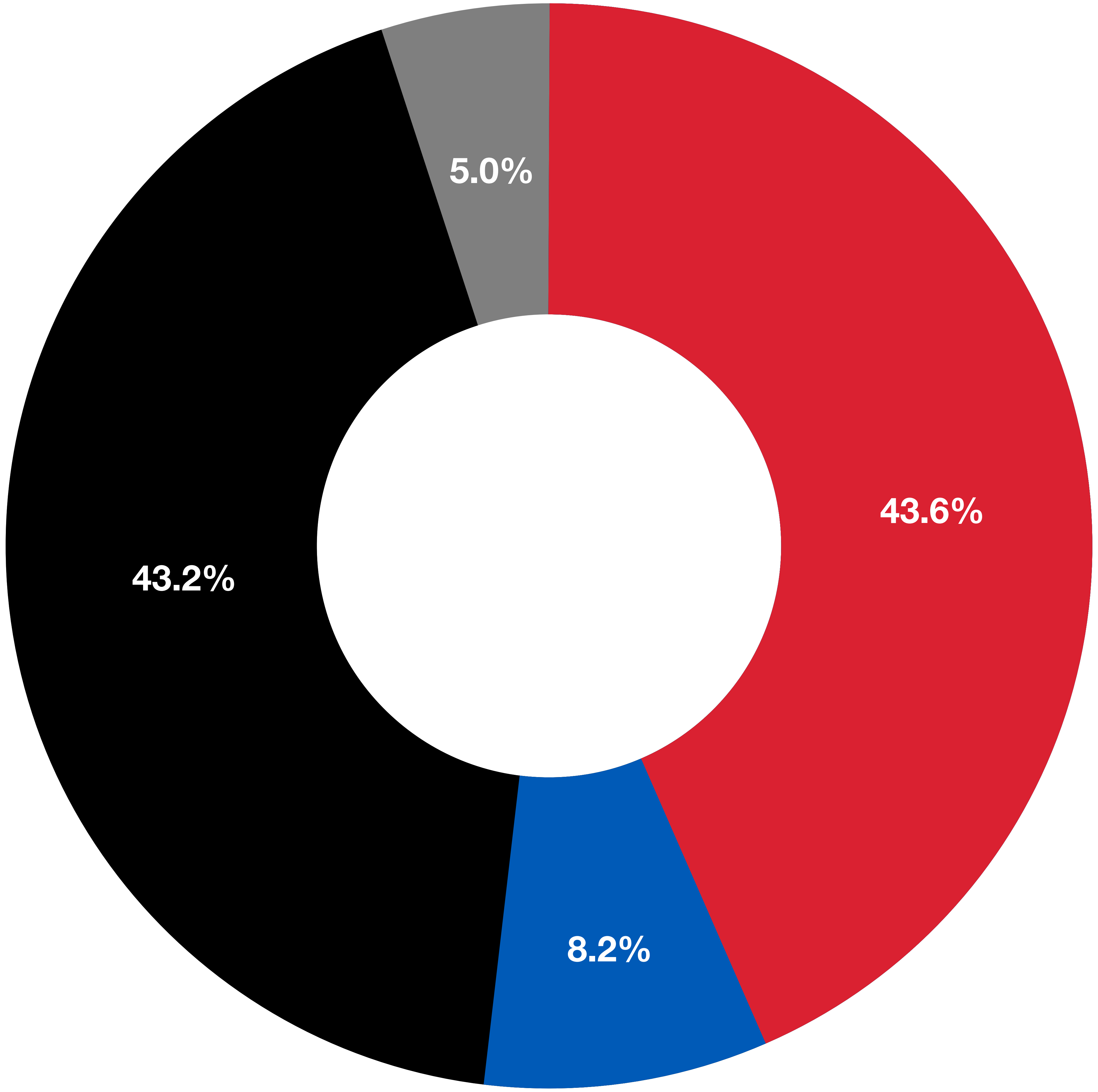
Zero

CASH FLOW MOVEMENTS



ALLOCATION OF CAPEX

Funded wholly from cash reserves



Capital expenditure H1 FY2026

R574m
+49.9%

- Annual capex forecast of R1.5bn
- Increase in total capex primarily driven by supply chain investment (Gosforth Park)
  - Completion of Gosforth Park facility on track for delivery within budget by September 2026
  - Investment to support sustainable growth while further mitigating risks through a multi-site strategy

Key				
	Stores	Technology	Logistics	Other

CREDIT GROWTH AND PERFORMANCE

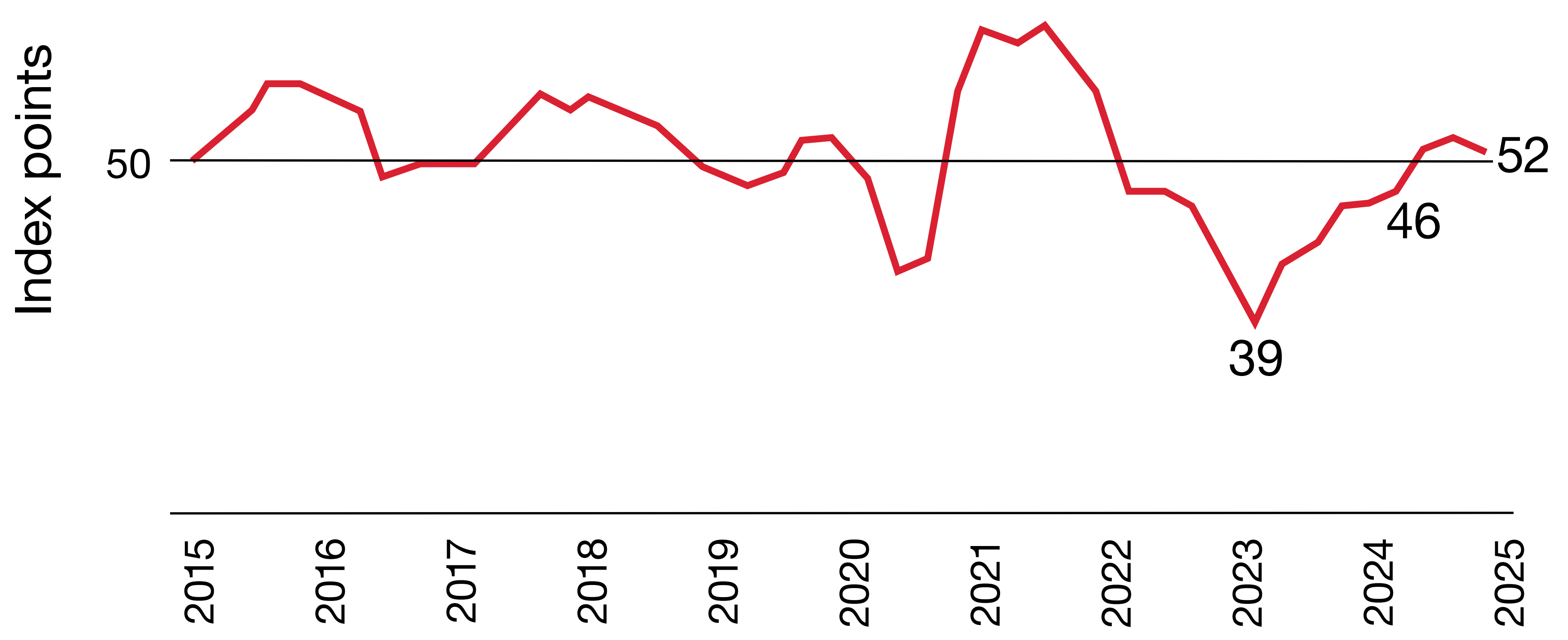
Credit sales

R2.1bn	11.8% of total sales	4.3% YoY growth

Credit environment

- Credit sales primarily driven by existing account holders
- Repo rate 100bps lower than prior year
- Increased approval rate to 22.6% (+360bps) supported by prudent scorecard

TransUnion South African Consumer Credit Index



- Noted recovery in consumer credit health since the interest rate highs (2023 - 2024)

Debtors' book

R'm	Sept 25	Mar 25	Sept 24	Sept/Mar	Sept/Sept
Debtors' book	3 007	3 006	2 851	0.0%	5.5%
NBD: book (excl collection costs)	8.9%	7.8%	1.0%		
Impairment provision	13.0%	13.2%	13.0%		

Net bad debt to book:

- Base impacted by re-assessment of write-off point suitability*
- Increase in bad debt write-off in H1 due to deteriorating consumer environment
- NBD: book remains low relative to the sector due to strict affordability criteria
- Impairment provision in line with prior year

*Refer to FY2024 presentation

STRATEGY AND OUTLOOK

By Mark Blair - CEO

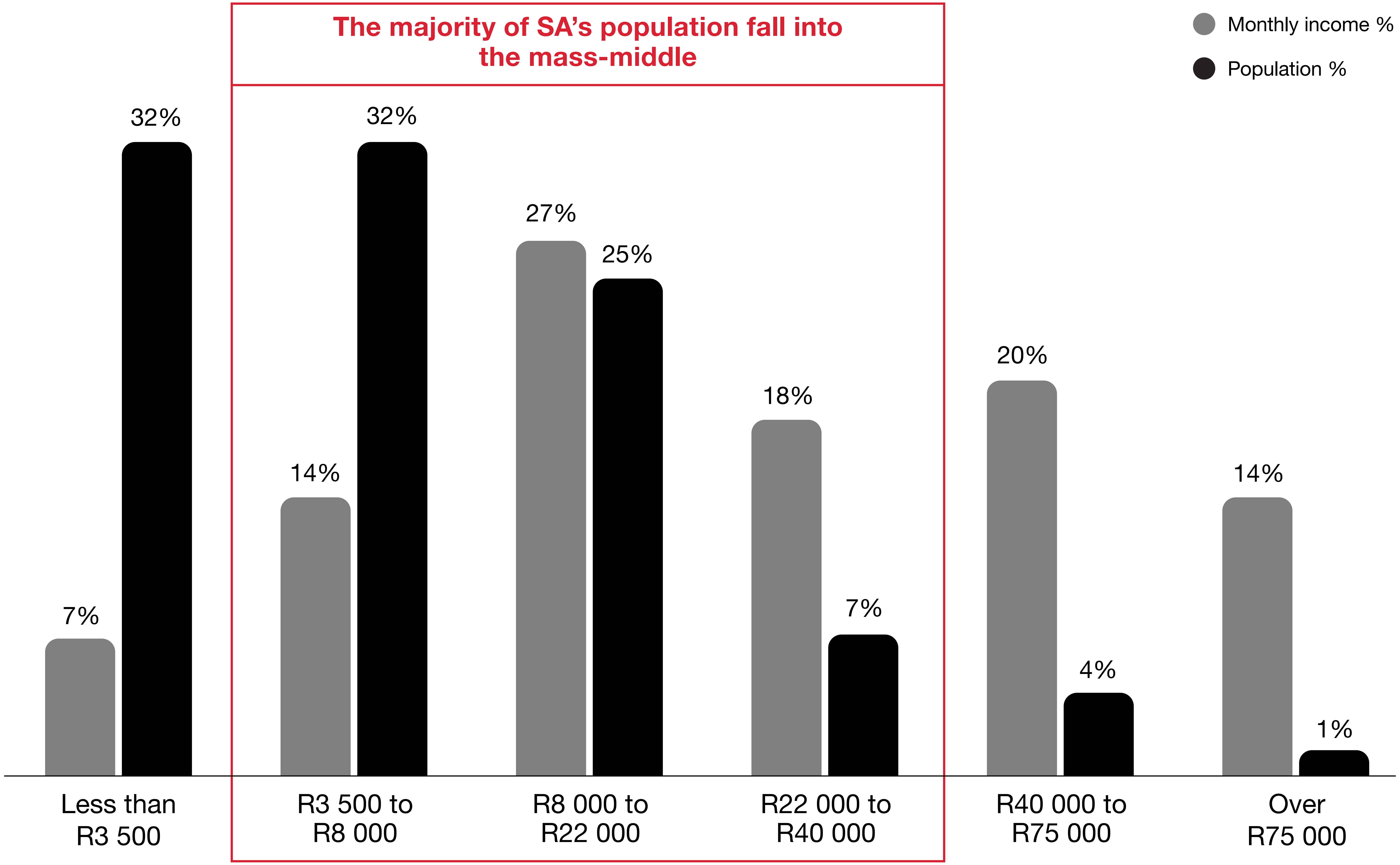
03

POSITIONED TO WIN THROUGH THE CYCLE

Consistent outperformance through business differentiation

1. DIVERSE PORTFOLIO OF BRANDS
2. DIFFERENTIATED FASHION-VALUE MERCHANDISE
3. A TRUSTED BRAND SINCE 1985
4. THE RED CAP CULTURE
5. TRIED AND TESTED PROCESSES
6. SUPPLY CHAIN AGILITY
7. A BUSINESS MODEL FIT-FOR-PURPOSE
8. TECHNOLOGY-ENABLED BUSINESS

SOUTH AFRICAN INCOME AND POPULATION DYNAMICS



Poor	Working poor	Working class	Middle class	Upper middle class	Top end

48%
of South Africa's income is held by 88% of the population

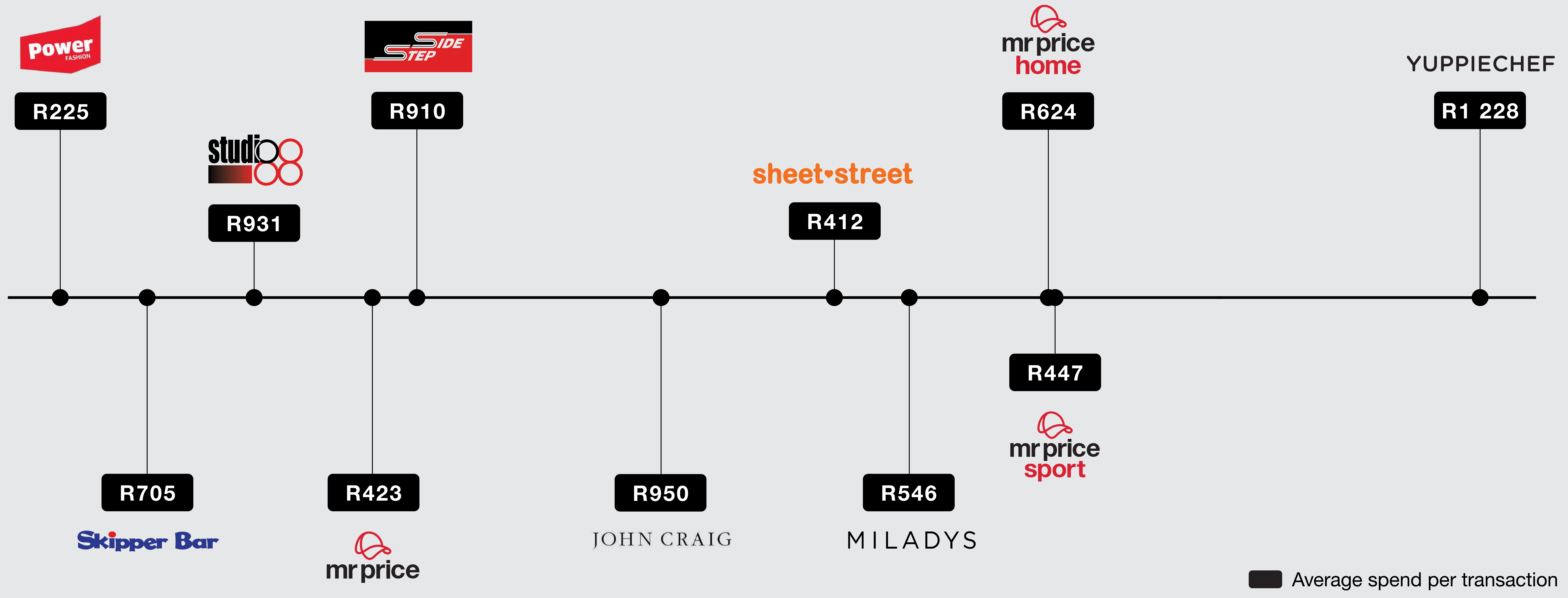
64%
of South Africans earn less than R8 000 per month

50%
of households are social grant beneficiaries

 Source: Lightstone, UCT Liberty Institute

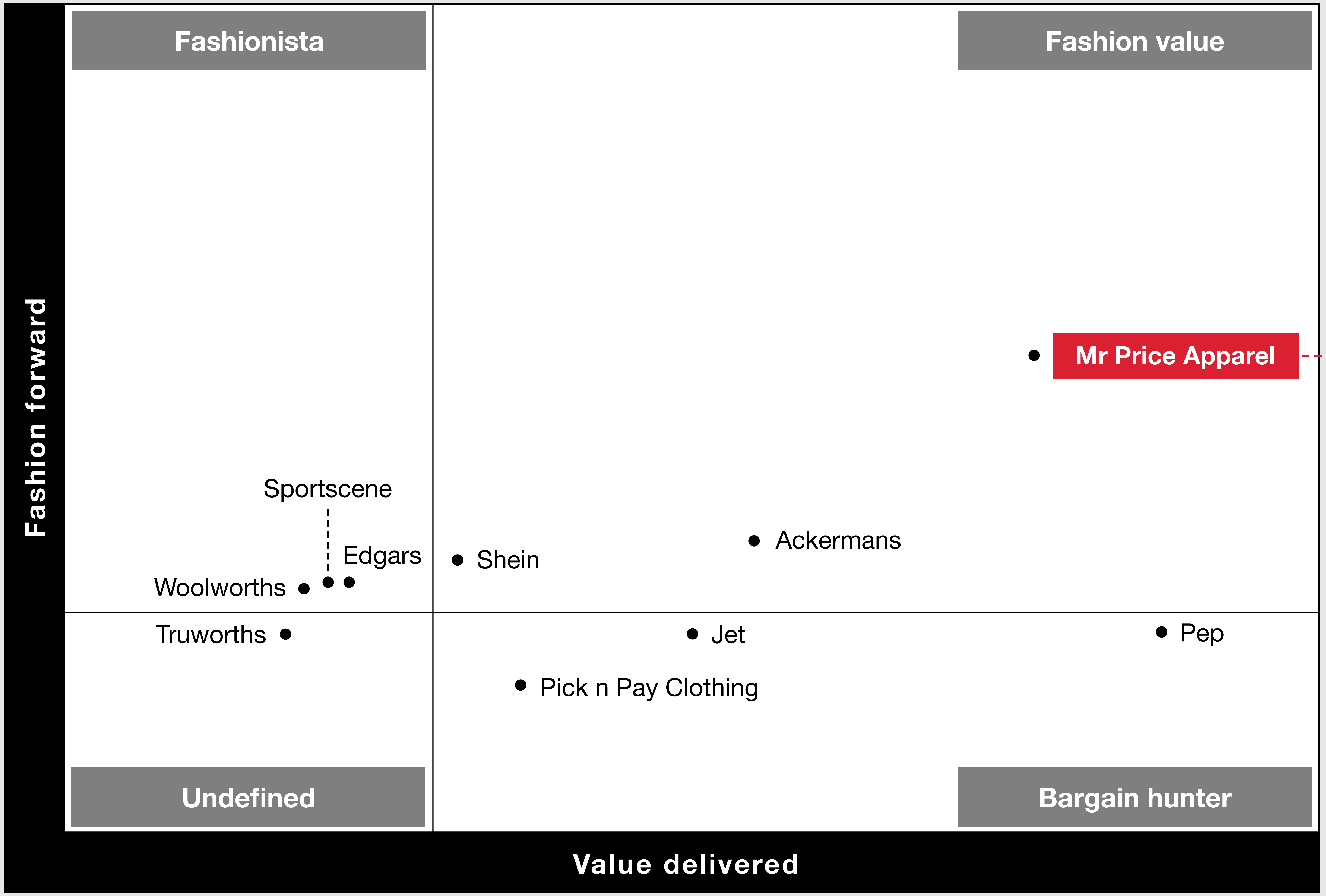
DIVERSE PORTFOLIO OF BRANDS

The positioning of the group's brands across a wide spectrum of income levels allows it to service a diverse customer base



 Source: RMB Quantium

LEADERS IN DIFFERENTIATED FASHION-VALUE RETAIL



#1

Mr Price Apparel leads the fashion value matrix ahead of Shein and all other competitors in the total market

Source: Borderless Access

FOUR DECADES OF BUILDING A BRAND CUSTOMERS LOVE AND TRUST

Mr Price Apparel, Mr Price Home and Mr Price Sport hold the **highest brand equity** in their respective sectors

Borderless Access, Nielsen & GfK

Mr Price Apparel remains the **most shopped** apparel retailer in South Africa with 3.5 million shoppers

MAPS 2025

Mr Price Apparel voted the **coolest clothing store** in South Africa

Sunday Times Gen NXT 2025

Mr Price Apparel holds the **highest share of wallet** in the market

Borderless Access

OUR RED CAP CULTURE | THE MR PRICE WAY

> We weren’t building for the present; we were building for decades.” - **Laurie Chiappini and Stewart Cohen**

MAKING VALUE FASHIONABLE SINCE 1985:

A culture of ordinary people doing extraordinary things




AN INTERNAL CULTURE THAT REFLECTS EXTERNALLY:

Through consistent and transparent communication with all stakeholders


Strong commitment to operating off a basis of trust

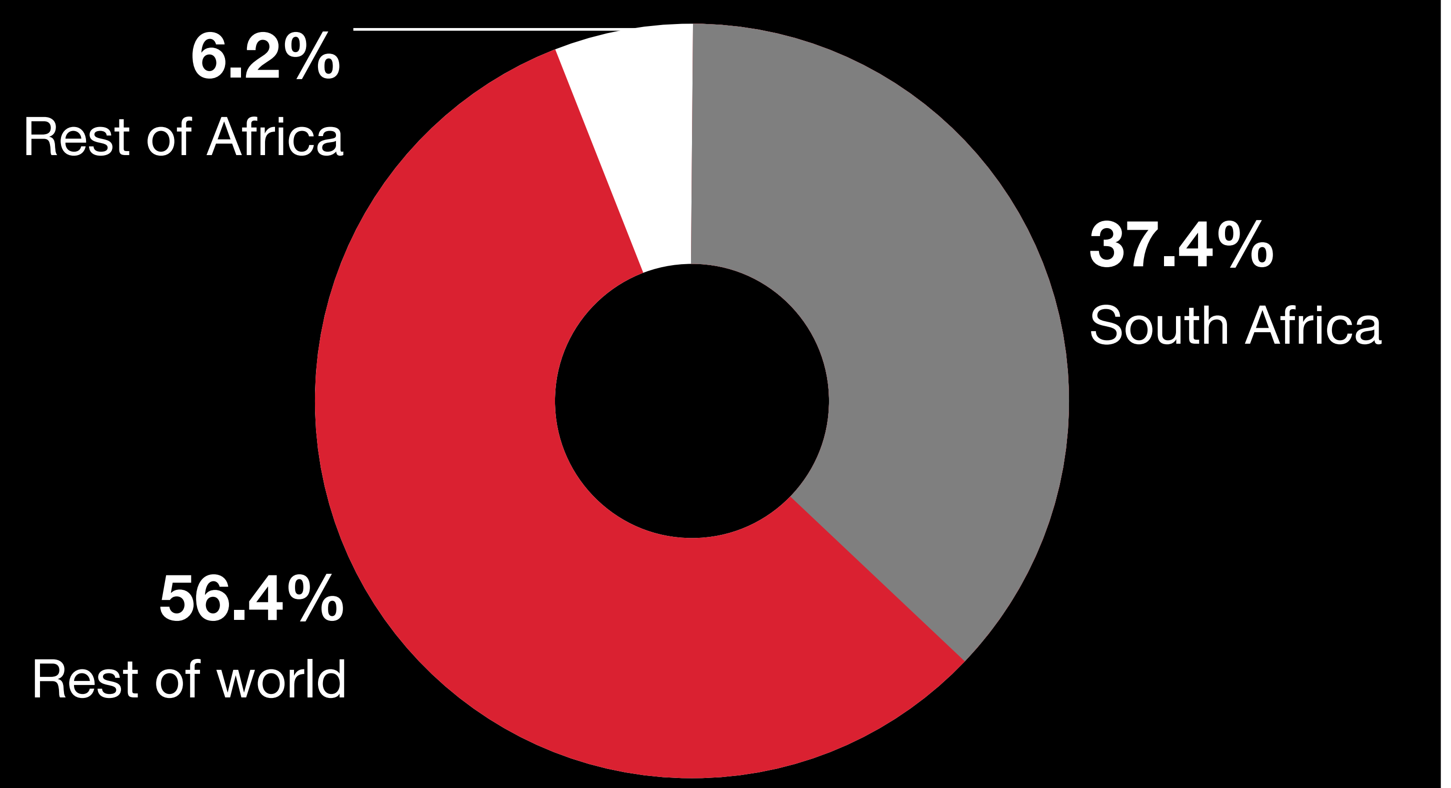
mr price group
stakeholder engagement

TRIED AND TESTED PROCESSES | THE ART AND SCIENCE OF RETAIL

Merchandise and assortment planning

- Inhouse trend department creating consumer demand for seasonal fashion
- Decades of tried and tested merchandise processes enabling a balanced assortment at scale
- Evolution of processes and adoption of AI have enhanced merchandise planning accuracy

Quick in-season response enabled by agile supply chain



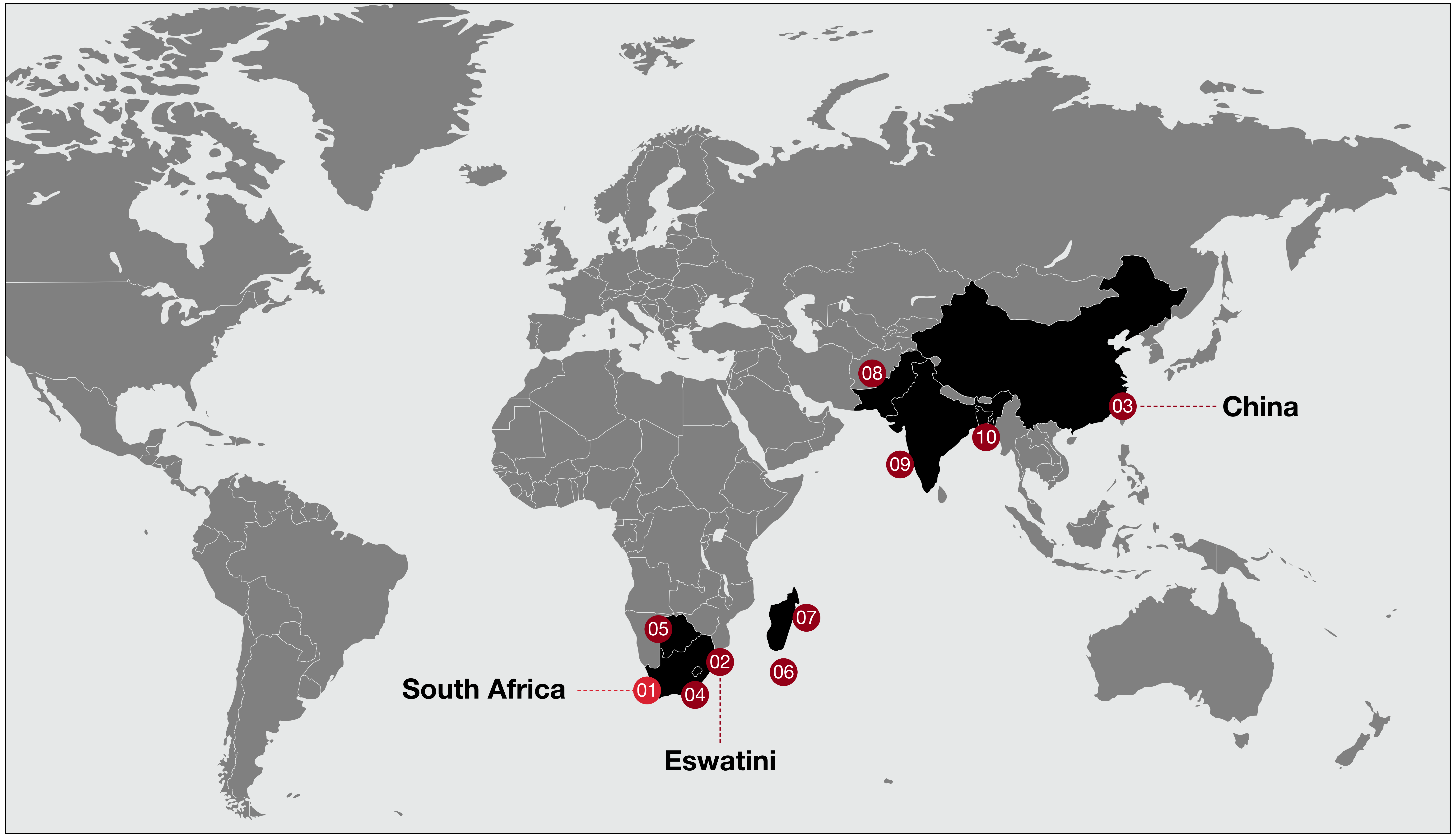
Fulfillment and replenishment

- Demand driven fulfillment with partial stock allocation at store-level
- Replenishment informed by daily store-level insights
- Ensures the right product reaches the right store and right customers

Maximising sales and GP margin potential, while minimising markdowns

AN AGILE SUPPLY CHAIN

The agility of our supply chain enables us to bring our customers the most relevant and sought-after fashion



01 South Africa
02 Eswatini
03 China
04 Lesotho
05 Botswana
06 Mauritius
07 Madagascar
08 Pakistan
09 India
10 Bangladesh

- Ability to be flexible and efficient in response to customers' needs
- Increased accessibility to fabrics, fashion trends and innovations
- Risk mitigation through diverse supply chain

OUR VALUE MODEL | HOMEGROWN AND FIT-FOR-PURPOSE

Operating model and remuneration structure supportive of a true value model

A business DNA with value at its core: every decision made everyday must support our value roots

Highly cash generative and high cash sales contribution supporting value retail margins

Future focus:

- Deep value extraction: unlock efficiencies vs cost control
- Continued acquisition integration
- Ongoing refinement of sourcing strategy

A DATA DRIVEN ORGANISATION

Technology investment:

DIGITALLY TRANSFORMED

- Transition to modern cloud solutions supporting key enablement areas:
  - Finance
  - HR
  - Business intelligence
  - Merchandise functions
- E-commerce systems re-platformed enabling:
  - Scalable growth
  - Improved performance
  - Digital expansion
- Enhanced disaster recovery reducing system risks

SCIENTIFICALLY INFORMED

- Actioned more than 500 information dashboards enhancing reporting capabilities
- Back-office automation saved more than 46 000 working hours
- Deployed 14 AI/ML models to optimise:
  - Data maintenance
  - Merchandise processes
  - Customer engagement
  - Margin optimisation

CUSTOMER CENTRIC

- Modernising the existing data landscape:
  - Financial services modernisation
  - Point of sale upgrade
- Future focus to explore CRM opportunities

Strategy Phase 1: 2020 - 2023

Detailed research led to new group strategy launched in June 2021

Increased capacity to support a growth business:
- Strengthened internal infrastructure
- Significant changes to the broader leadership team
- Introduced change at a pace the business could handle

- Evaluated numerous organic growth concepts: introduced Mr Price Kids and Mr Price Cellular which continue to perform and scale | Combined FY2025 retail sales of R4.3bn
- Identification of opportunities led to three high performing acquisitions:

Power Fashion YUPPIECHEF Studio 88

  - Combined FY2025 retail sales of R11.7bn contributing 29.3% to group sales
  - R1.2bn combined operating profit
  - 1 266 stores | 107 new stores in FY2025 | Strong future growth opportunities

Between 2019 and 2025 the group invested R10bn in capex and expanded significantly:

Revenue:	R22bn to R40bn
Stores:	1 200 to 3 000
HEPS:	1 169.0c to 1 424.0c
Dividends:	63% payout ratio maintained

CURRENT GROUP POSITION

- Strong brands and corporate culture
- Talented and ambitious team
- Consistent top quartile financial performance
- Continually evaluating:
  - Organic growth opportunities
  - Acquisition opportunities, however those that merit our capital criteria are very limited in number

Future focus:

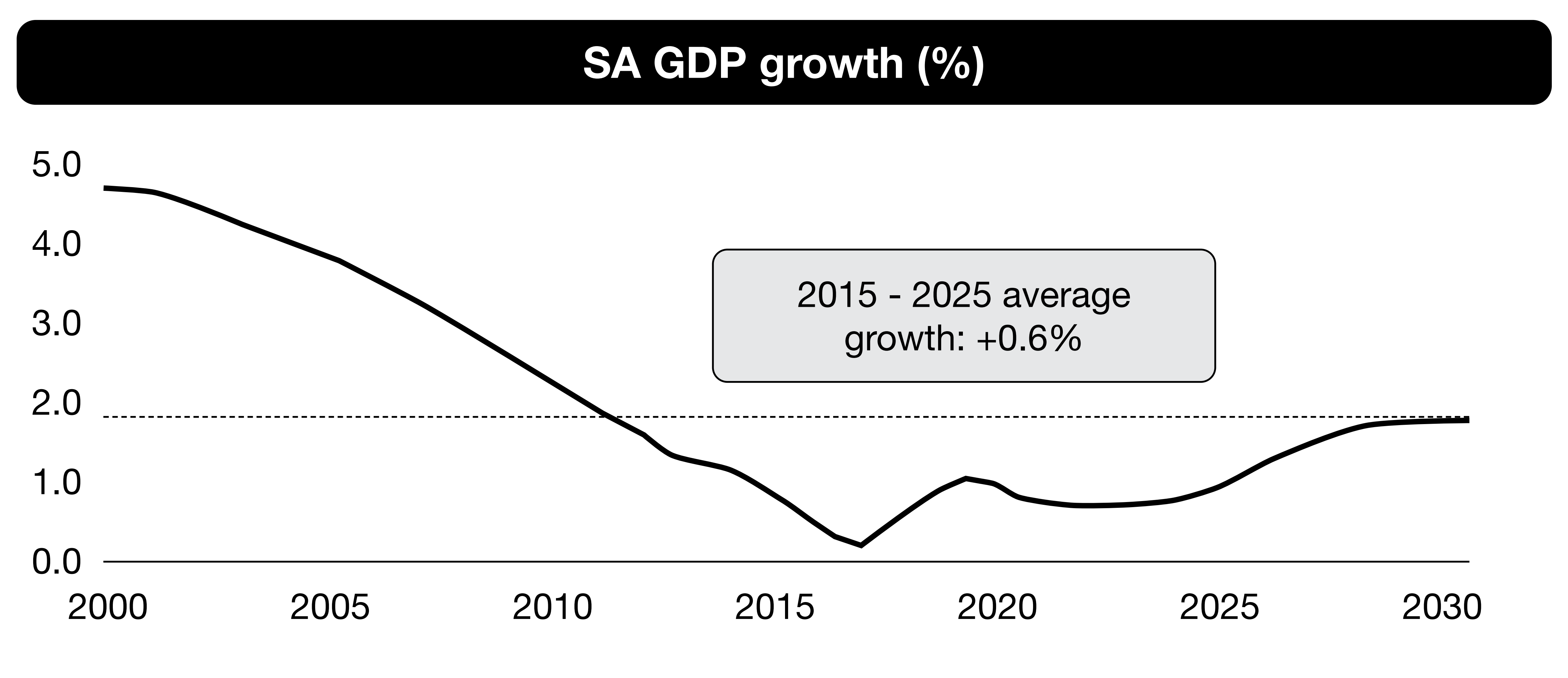
- Growth and benefitting from scale
- Good space growth prospects
- Continue customer obsession
- Supply chain excellence
- Re-engineering for growth programme
- Selective integration
- Continuation of technology evolution

Well placed to capitalise on numerous opportunities across the group and potential improvements in the economic environment

STRATEGY PROGRESS

Strategy Phase 2: 2023 - 2025

Backdrop:
- Group investment matrix in place
- Exco and management structure well balanced to enable acquisition pursuit and local business execution
- Business in sound shape
- Local economy in low growth cycle



Approach:
- Dedicated team in place since 2023
- Elevated research efforts to identify new areas of growth and support the achievement of the long-term vision
- Understand pro's and con's of organic growth and acquisition
- Continue to consider opportunities locally and expanded focus abroad
- Multi-layered: includes the use of third-party research, advisors, in-country experts and country visits

Outcomes:
- Key territories outside of South Africa have been identified which includes all relevant risk mitigation considerations
- To date assessed several potential acquisition opportunities which meet agreed investment principles

GUIDING FRAMEWORK

Committed to investing for the long-term in the most attractive opportunities based on scalability and returns

Considerations for new territories:

- Identified sustainable regions and markets for long-term growth
- Market size, ease of doing business and competitive landscape
- Stable macroeconomic and political environments with tailwinds for sustainable growth
- Stable currency environment

Guiding investment principles:

- Size of transactions to be appropriately considered
- Acquire on the merits of the target:
  - Capable in-country management teams are non-negotiable
  - Clear future growth prospects - no appetite for company turnarounds
  - Platform for regional growth
- Assessment of group synergies

OUTLOOK

MACRO ENVIRONMENT

- Some encouraging improvement which could support a sustainable business environment:
  - GNU remains functional and has actioned some positive change in key areas
  - Stable electricity supply since 2024 and improving port operations
  - Rand strength, lower inflation target and lower interest rates
  - GDP growth beginning to move in the right direction
- Possible constraints to meaningful GDP improvement:
  - High unemployment rate, with further risk from tariff impact on key sectors
  - Slow pace of structural reforms

CONSUMER ENVIRONMENT

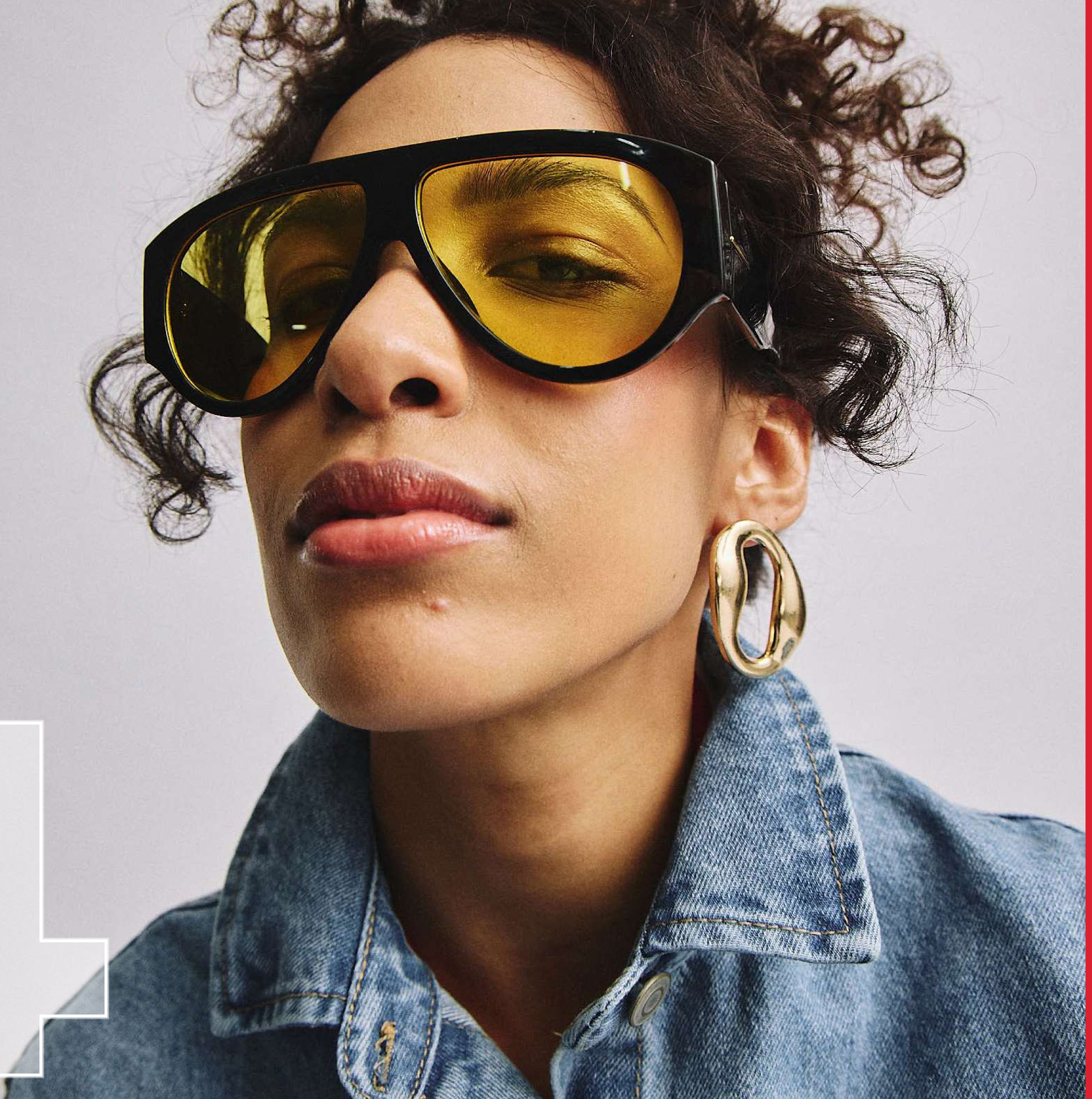
- Volatility in spending patterns likely to continue
- Continued divergence in discretionary spend
- Possible secondary impact of positive commodity cycle on consumers in 2026

H2

- Challenging two-pot withdrawal base
- Merchant sales calls have accounted for macro conditions
- H2 first 7 weeks: retail sales up 3.1% against a base of 12.3%. Momentum improving from October into November

APPENDIX

04



REVENUE

	FY2026	FY2025	H1 % change
Retail sales	17 833	16 902	5.5%
Other revenue	625	636	(1.6%)
Financial services & telecoms	564	562	0.4%
Other	61	74	(18.0%)
Total retail sales, interest & other revenue	18 458	17 538	5.3%
Finance interest received	116	91	28.0%
Total revenue	18 574	17 629	5.4%

SPACE GROWTH

Divisions	Store Movements	Closing stores	W.avg net growth (m^2)
mr price	4 9	674	4.0%
MILADYS	-1 -1 4 4	268	(2.1%)
mr price sport	1 5	183	1.2%
studio 88 (5 trading chains)	-18 42	975	7.2%
POWER FASHION	-2 11	335	8.1%
mr price home	-4 3 4	235	(0.1%)
sheet street	-2 4 2	334	(4.2%)
YUPPIECHEF	2	23	20.7%
mr price money	12	73	193.8%

	Total store movements				Total	Net growth
Stores	**Closures: 21**	**Reductions: 7**	**Expansions and revamps: 16**	**New stores: 91**	**3 100**	**3.5%**

EARNINGS AND DIVIDEND PER SHARE

	FY2026	FY2025	H1 % growth
Profit attributed to shareholders (R'm)	1 322	1 239	6.7%
W.avg shares in issue (000)	257 693	257 251	0.2%
Basic earnings per share	512.8c	481.5c	6.5%
Addbacks (R'm)	0.4	0.9	(60.5%)
Headline earnings (R'm)	1 322	1 240	6.6%
Headline earnings per share	513.0c	481.8c	6.5%
Shares for diluted earnings (000)	265 506	264 840	0.3%
Diluted headling earnings per share	497.9c	468.0c	6.4%
Dividend per share	323.2c	303.6c	6.5%

EBITDA RECONCILIATION

	FY2026	FY2025	H1 % growth
Profit before finance costs & finance income	2 115	2 000	5.7%
Total depreciation & amortisation	1 601	1 524	5.1%
EBITDA	3 716	3 524	5.5%

GROUP SALES GROWTH DRIVERS

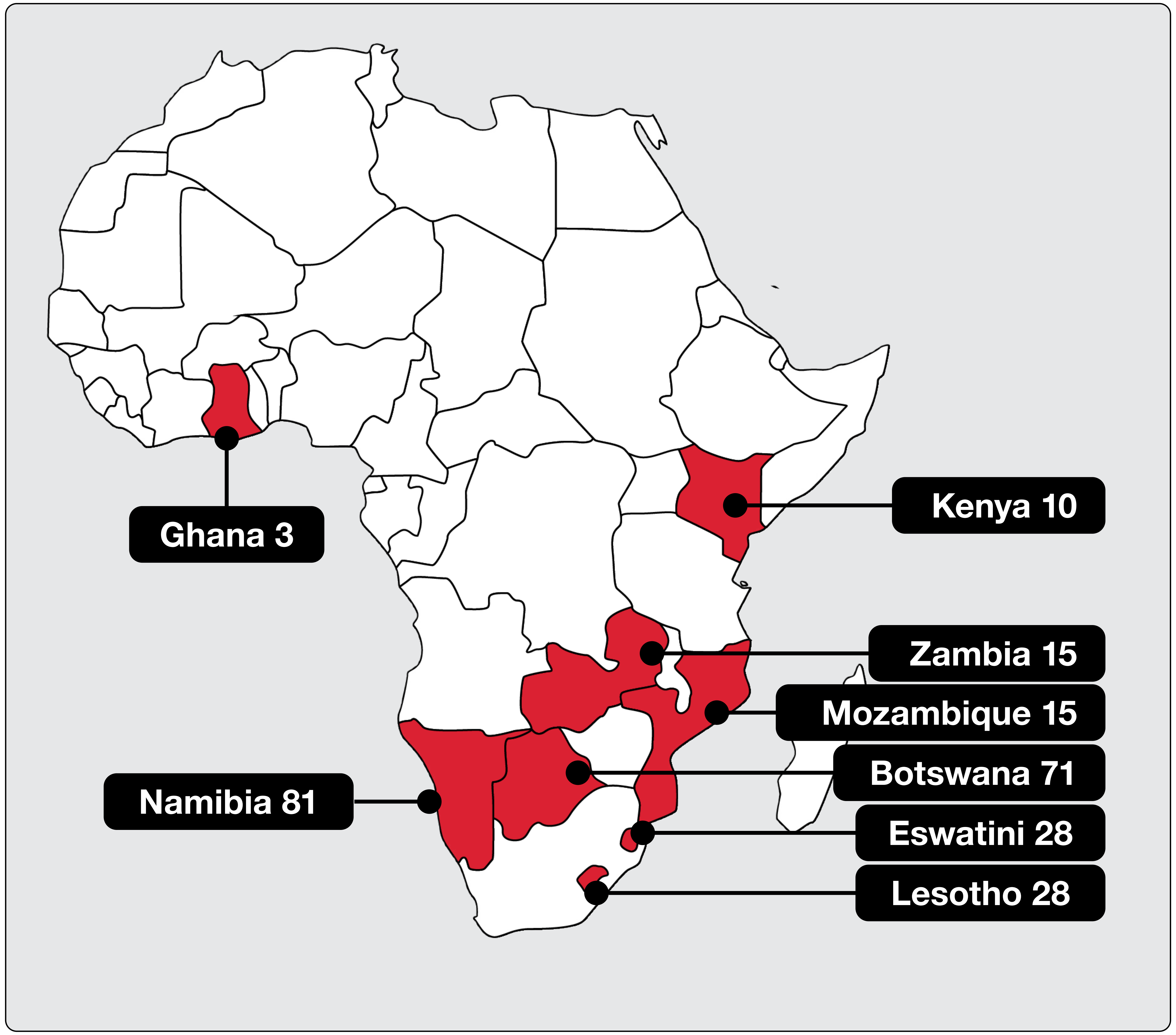
Geography			Tender type	
South Africa +5.3%	Rest of Africa +8.1%		Cash +5.6%	Credit +4.3%
% of sales +91.6%	% of sales +8.4%	Cash constitutes 88.2% of total sales	% of sales +88.2%	% of sales +11.8%
Bricks +5.4%	Online +9.7%		Units +2.5%	RSP inflation +3.0%
% of sales +97.6%	% of sales +2.4%		133m	CPI 3.4% H1 FY2026
Channel			Merchandise	

REST OF AFRICA

As a % of total group sales		
H1 FY2025	8.2%	H1 FY2026 8.4%

Number of stores		
Corporate owned stores	251	264
Franchise	13	

Sales growth (ZAR)	
H1 FY2026	+8.1%




THANK YOU
mr price group limited