

10 December 2025

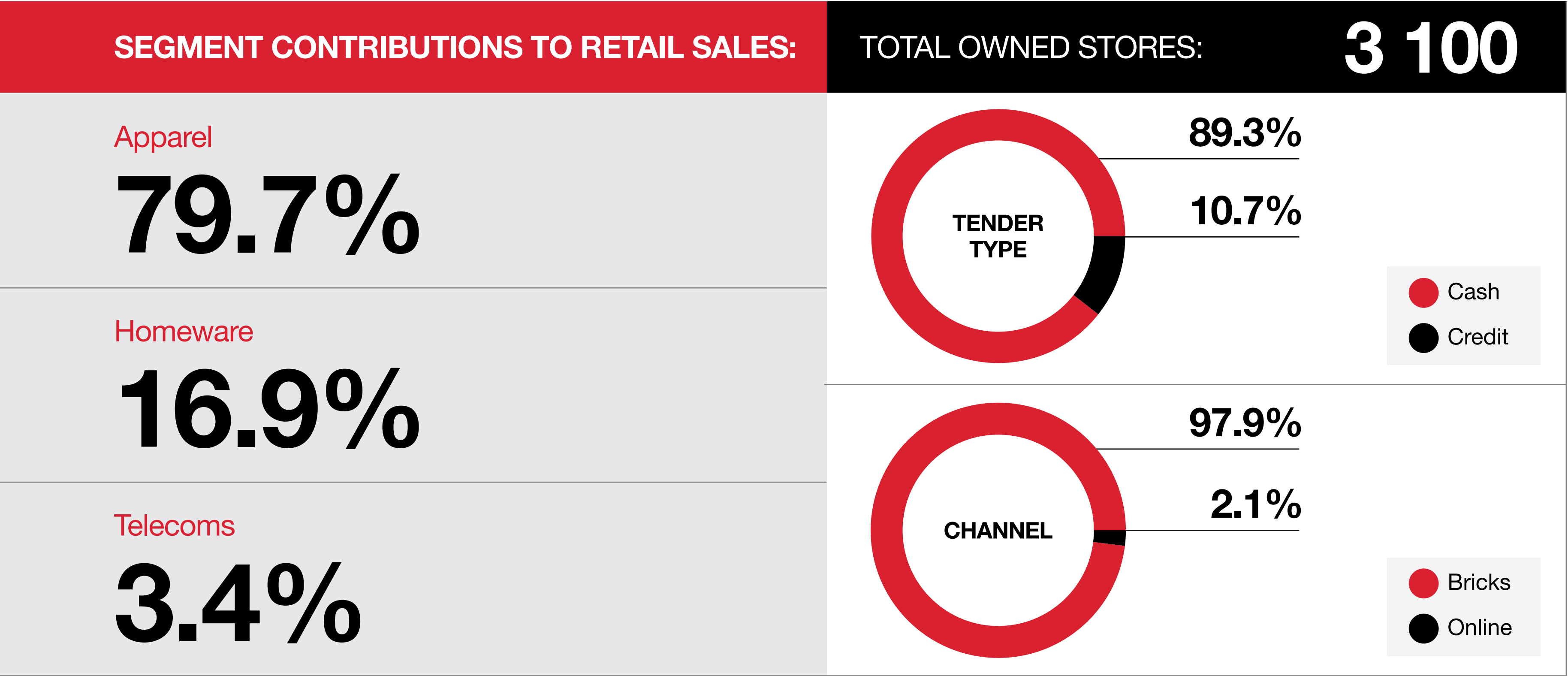
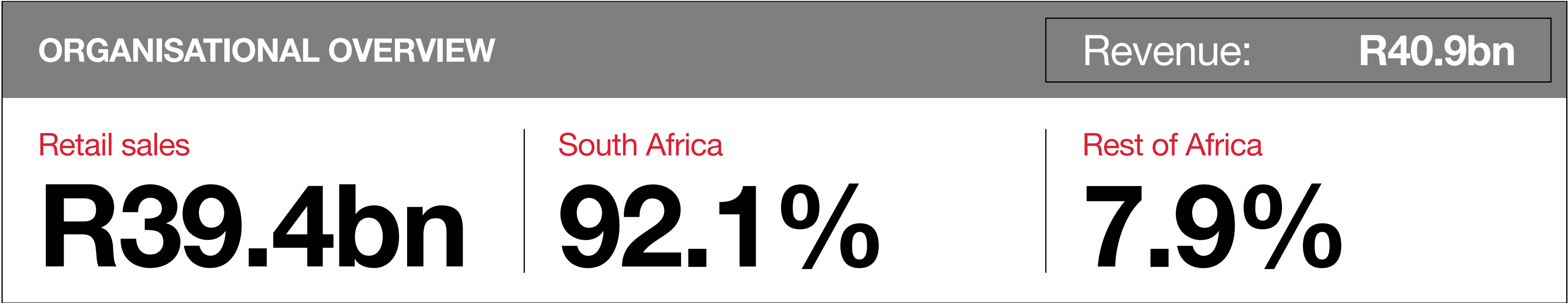


Acquisition of NKD Group GmbH

 mr price group limited

An introduction to the Mr Price Group





More than 32 000 associates working towards delivering the best in fashion-value merchandise

DEMONSTRATED ABILITY TO GROW

39-year CAGRs (March 2025)

Retail sales

+17.2%

Operating profit

+19.0%

HEPS

+18.2%

DELIVERY OF SUSTAINABLE LONG-TERM RETURNS

39-year CAGRs (March 2025)

Dividends

+19.4%

Share price

+19.9%

TSR

+32.2%

STRONG BALANCE SHEET (September 2025)

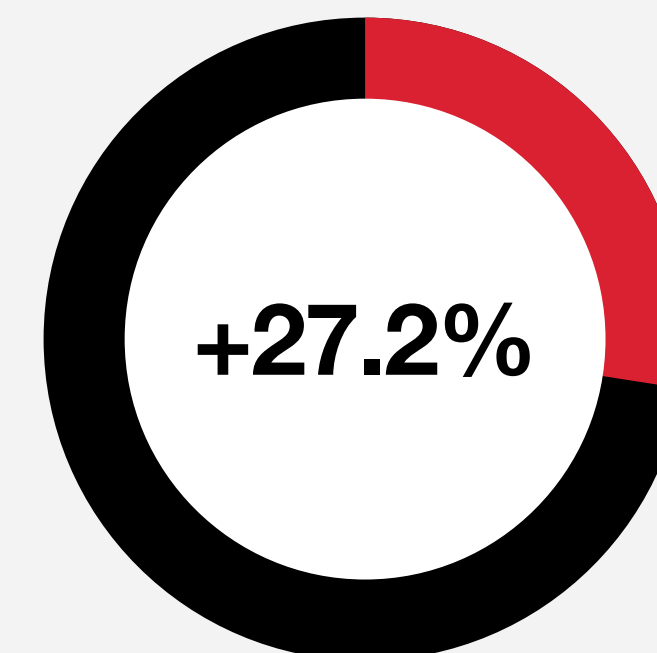
Cash
balance of
R3.0bn

Debt free

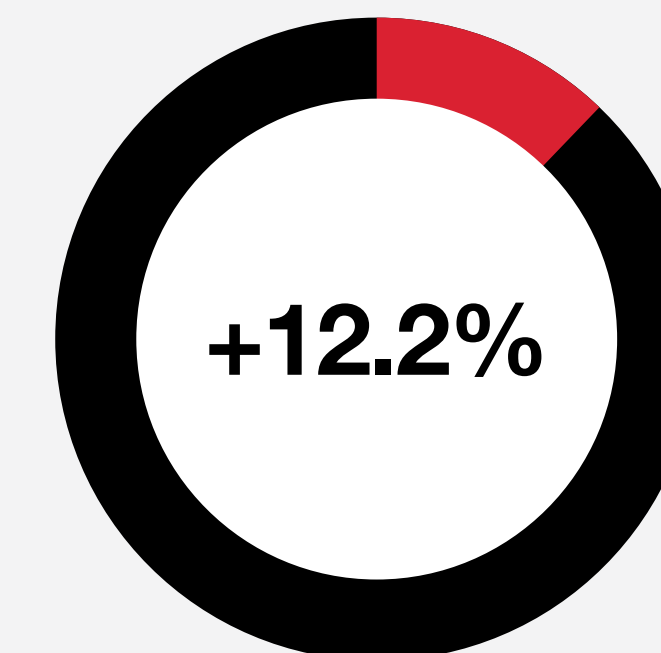
Cash
conversion
ratio of **81.8%**

MARKET LEADING RETURNS (March 2025)

ROE



ROA





Our strategic journey



Strategy journey

Since 2020, the group has invested in its infrastructure, delivered on its South African growth strategy, and continued strategic research, while maintaining consistent performance during a volatile trading period










Strategy phase 1: Focused research and assessment of South African landscape	Technology modernisation and supply chain enablement					
	Launch of new group strategy	Acquisition of Studio 88 Group	Organisational design updated	Continued performance execution and focus on sustainable growth		
	Acquisition of Power Fashion and Yuppiechef	Launch of Mr Price Baby standalone concept	Launch of Mr Price Kids standalone concept	Integration and value extraction from acquisitions, and scaling organic concepts		
		Launch of Mr Price Cellular standalone	Homeware response and recovery	Strategy phase 2: Ongoing research to identify opportunities that will lead the group into its next phase of growth		
2020	2021	2022	2023	2024	2025	2026 - 2030



Strategy progress

STRATEGY PHASE 1: 2020 – 2023

Detailed research led to new group strategy launch with investment opportunity matrix identified

	YUPPIECHEF			
<ul style="list-style-type: none">• Three strategic acquisitions• Combined retail sales of R11.7bn (29% of total sales) and operating profit of R1.2bn (March 2025)• High performing and strong future growth opportunities			<ul style="list-style-type: none">• Two organic concepts launched• Combined retail sales of R4.3bn (March 2025)• Continue to perform and scale	
				

ACQUISITIONS AND ORGANIC LAUNCHES EXPANDED THE GROUP’S CUSTOMER BASE AND REACH



Strategic approach and research considerations

Adopted a multilayered approach supported by third-party research and advisors, evaluating key investment considerations:

Markets

Acquisitive vs
organic growth

Funding, debt
appetite and
resultant impact
on earnings

Consumer
spending dynamics
and operating
models

Potential impact
to South African
business

Risk considerations
and mitigation

Strategic rationale





Key business strengths supporting NKD investment

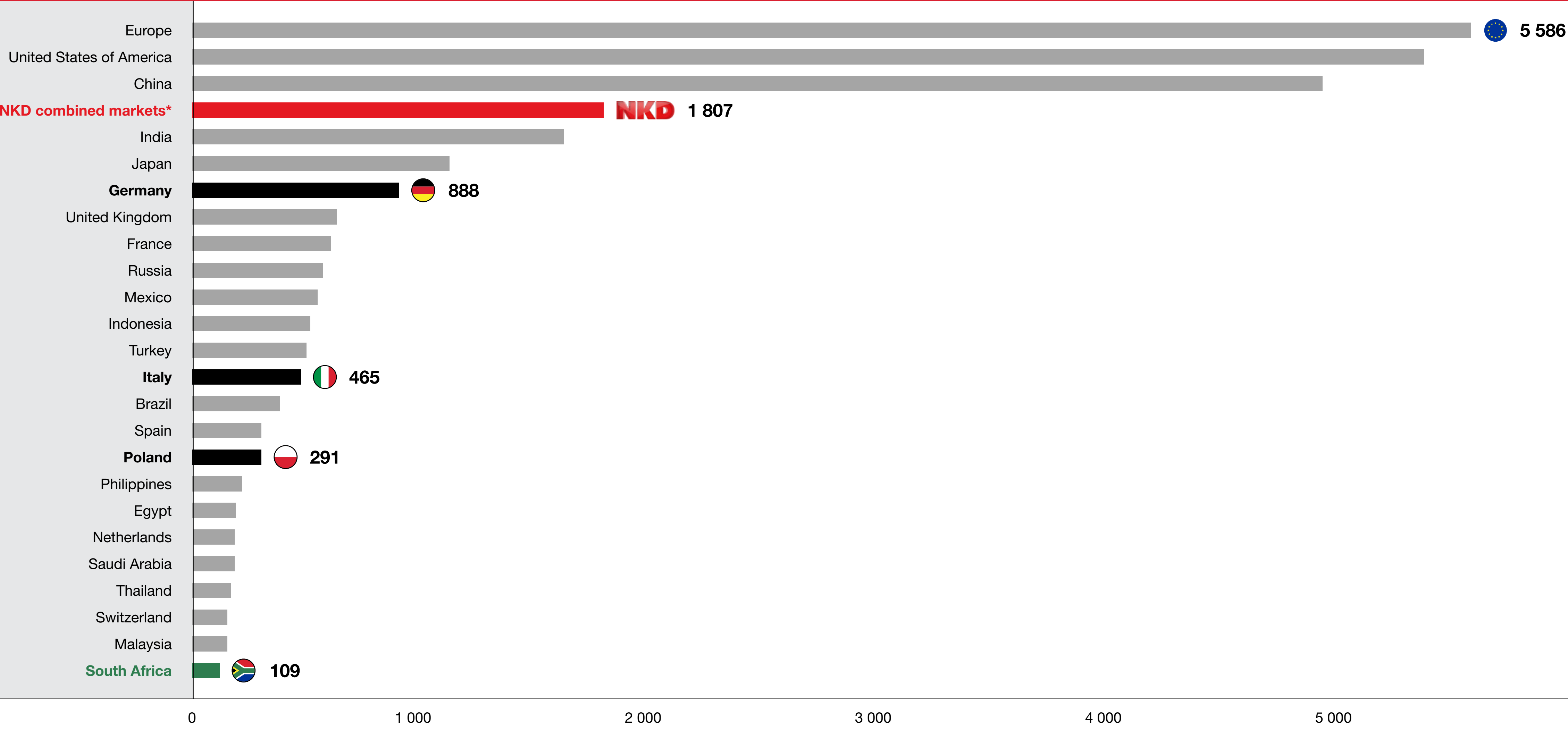
01	High performing business with strong track record	02	Ideally positioned in an expanding value apparel and homeware sector. Predominantly private label
03	Cash-based, omni-channel business	04	Skilled and committed local management team
05	Supply chain strength and technology enablement	06	Runway for further expansion in current markets
07	Proven ability to expand into new markets	08	Limited distraction for both management teams

TRANSFORMATIONAL M&A GRANTING ACCESS TO NEW MARKETS AND STRONG MANAGEMENT TEAM



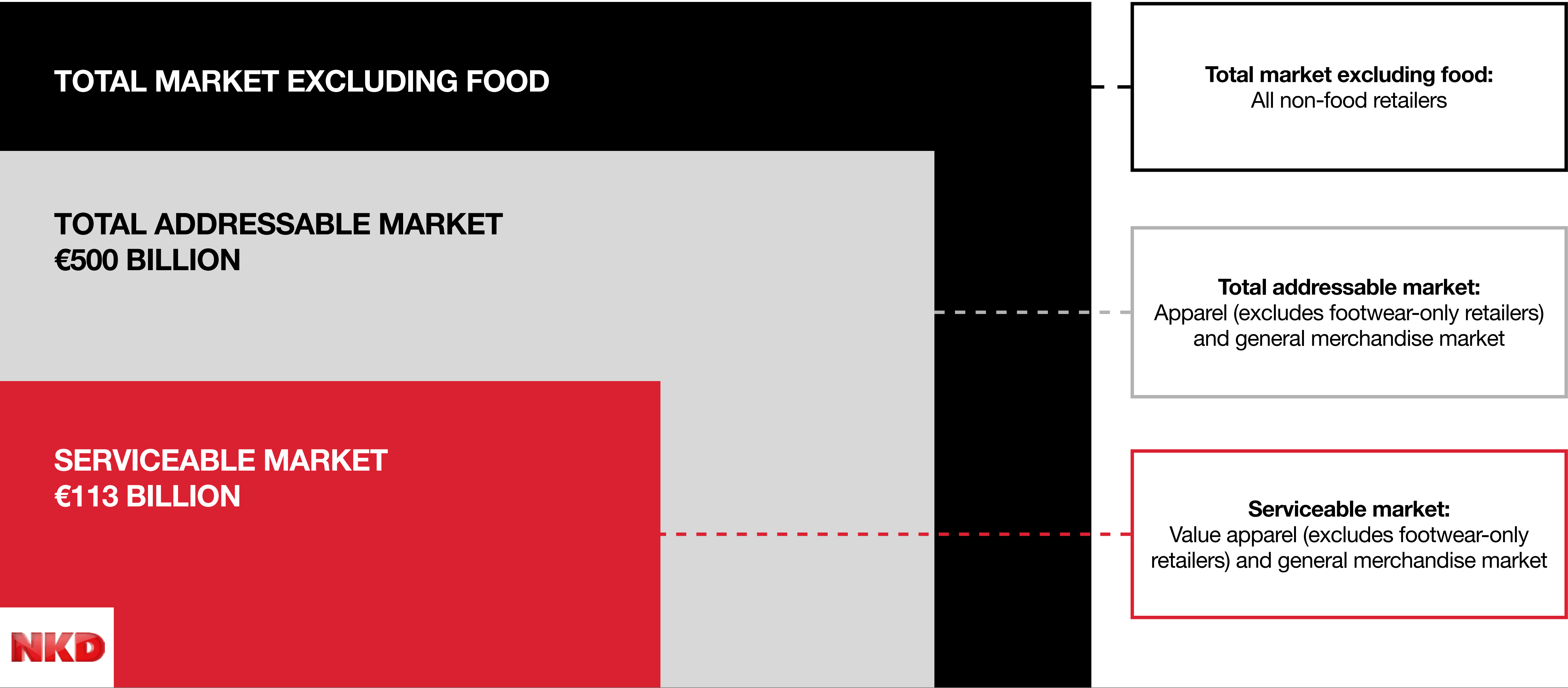
Market sizing

RETAIL SALES^ (\$'BN)





Market sizing continued | European retail market





Value retailing

	Market size 2024 [#]		Historical CAGR 2019 - 2024 [#] (%)	
	Value segment (SAM [*])		Overall market (TAM [^])	Value segment (SAM)
	Size (€'Bn)	Market share (%)		
Europe	113	22	1.5	6.6
Germany	17	20	0.5	5.0
Austria	3	27	3.0	4.7
Italy	7	18	1.2	8.6
Other NKD markets	7	30	4.7	13.7

Value retailing is a growing part of the total European retail market, accounting for ~22%

Europe's value segment alone is larger than the entire South African retail market

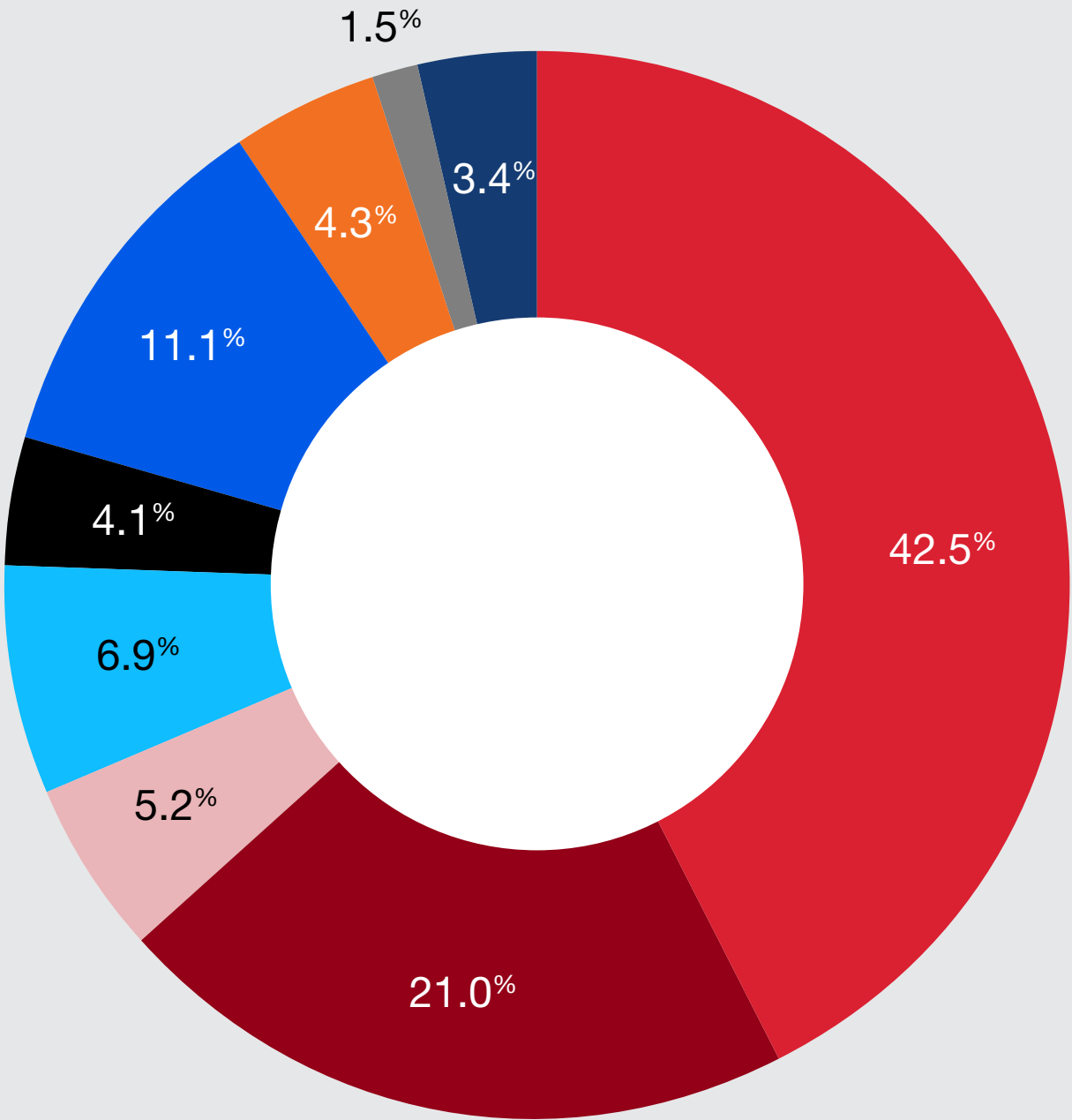
NKD has strong expansion potential for regional growth

Value market expected to continue growing ahead of the total market



Significant contributor to Mr Price Group

MR PRICE GROUP PRE-ACQUISITION

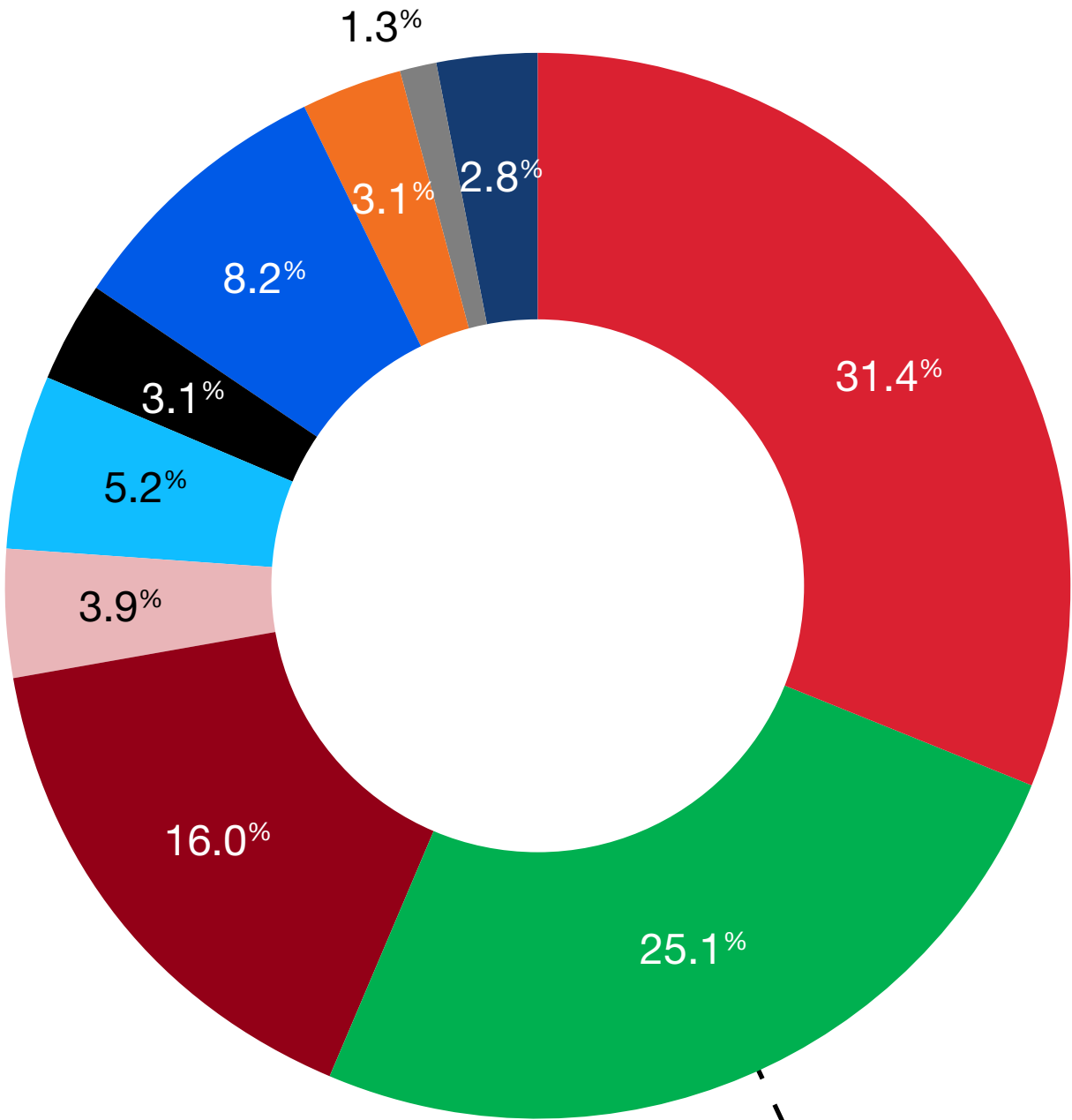


Divisional contributions to retail sales (to March 2025)

R39.4bn

9 Divisions
(15 retail chains)

MR PRICE GROUP INCLUDING NKD



Divisional contributions to retail sales

~R53bn

10 Divisions
(16 retail chains)

- Mr Price Apparel
- Studio 88
- Mr Price Sport
- Power Fashion
- Miladys
- Mr Price Home
- Sheet Street
- Yuppiechef
- Mr Price Money
- NKD

Stores

Associates

Stores

Associates

3 030

~32 000

5 138

~42 000

INTRODUCING



A cash-based
value-focused
apparel and
homeware
retailer operating
across Central
and Eastern
Europe



Strongly aligned to Mr Price Group’s retail model and culture

**60-year
legacy**

**Operating in
7 countries**

**Successful
multi location
model**

**Revenue
€685m**

2 108 stores
Avg. store size 300m²

**Value-focused
price points**

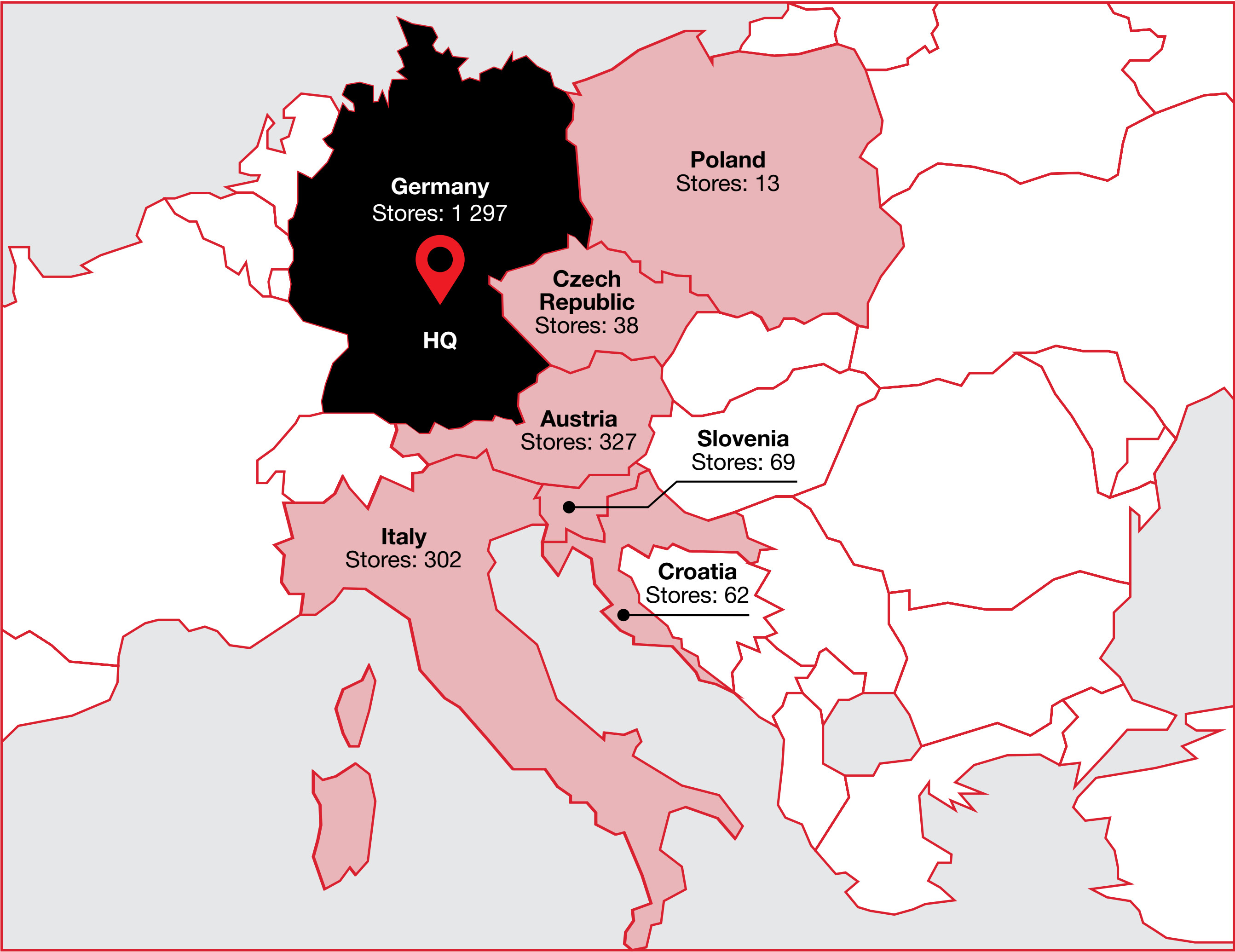
Private label

Cash-based

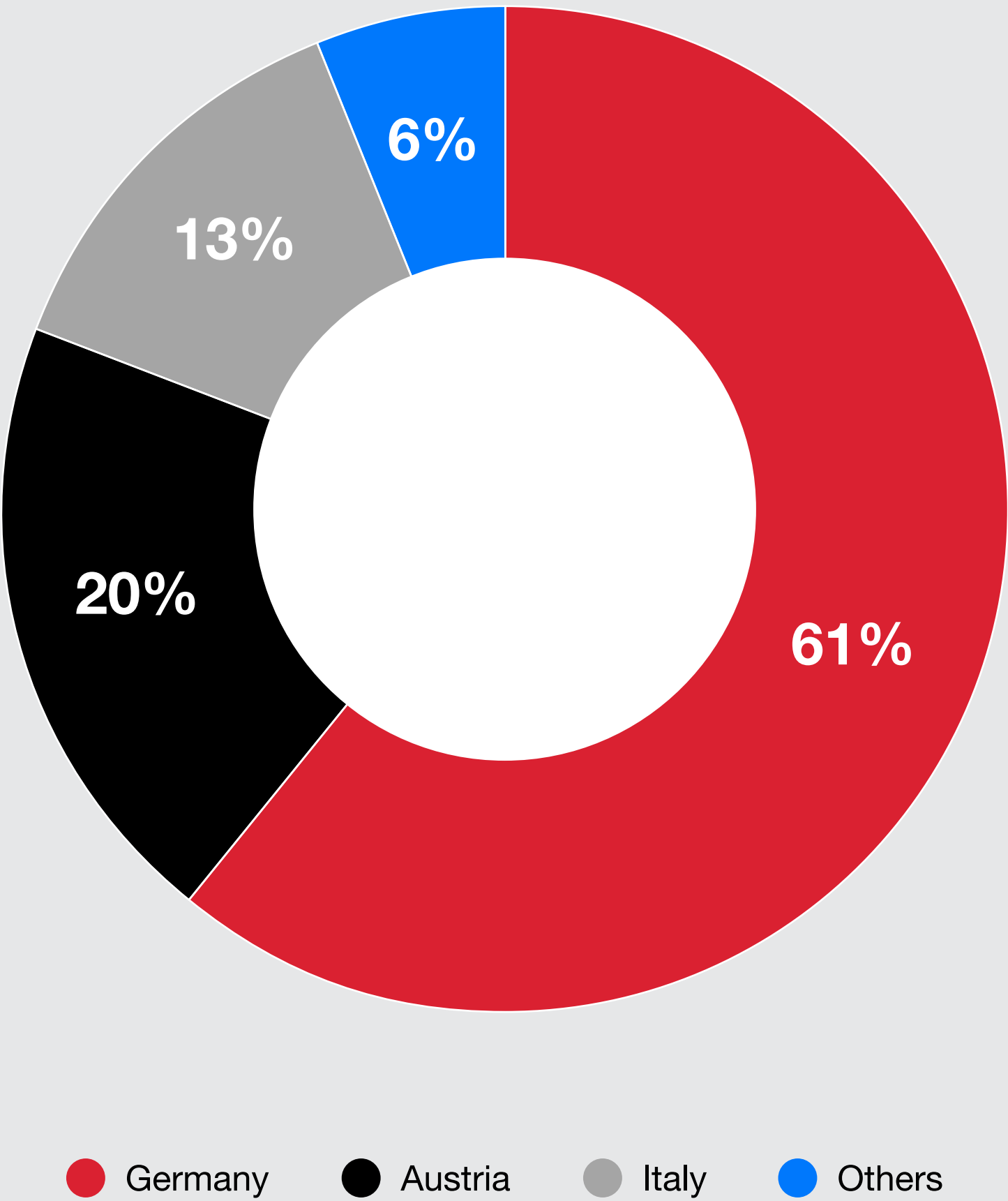


Geographical footprint

Store footprint in key European territories, with 2 108 stores across 7 countries and a workforce of ~10 000



Country contributions to net sales





Target customer and offering



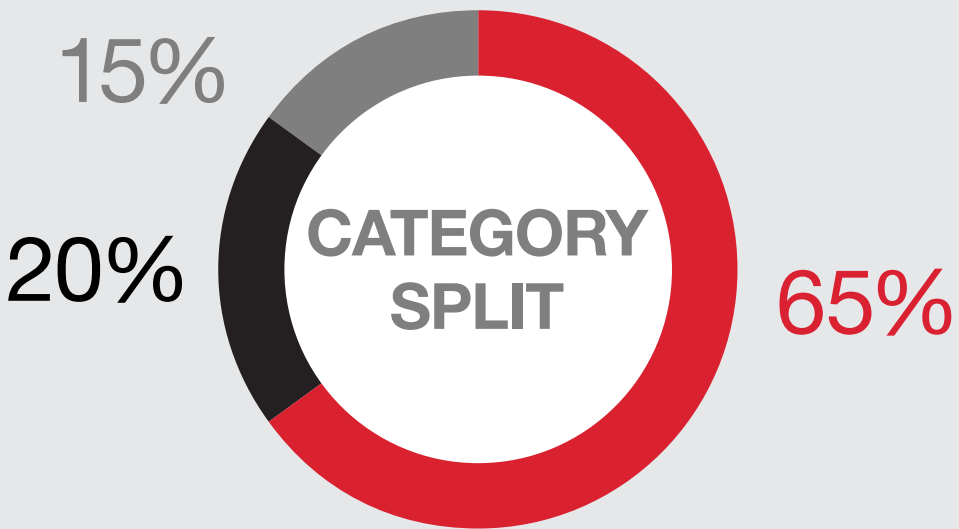
TARGET CUSTOMER

- Quality and price-conscious
- Predominantly females aged 45 and above
- Largely located in rural areas and small towns
- High propensity for click-and-collect

MERCHANDISING OFFERING

Apparel

75%



Homeware

20%

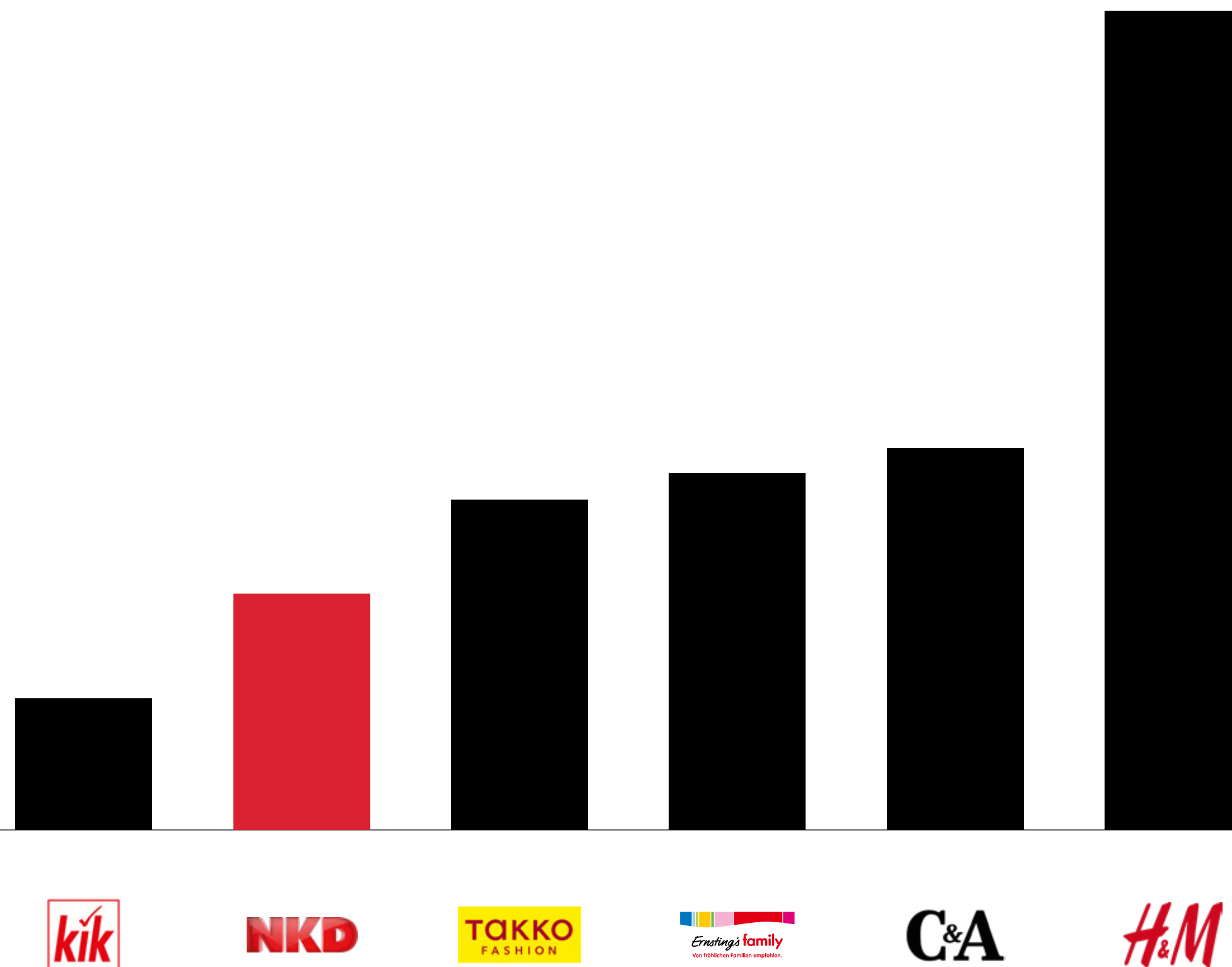
Other

5%

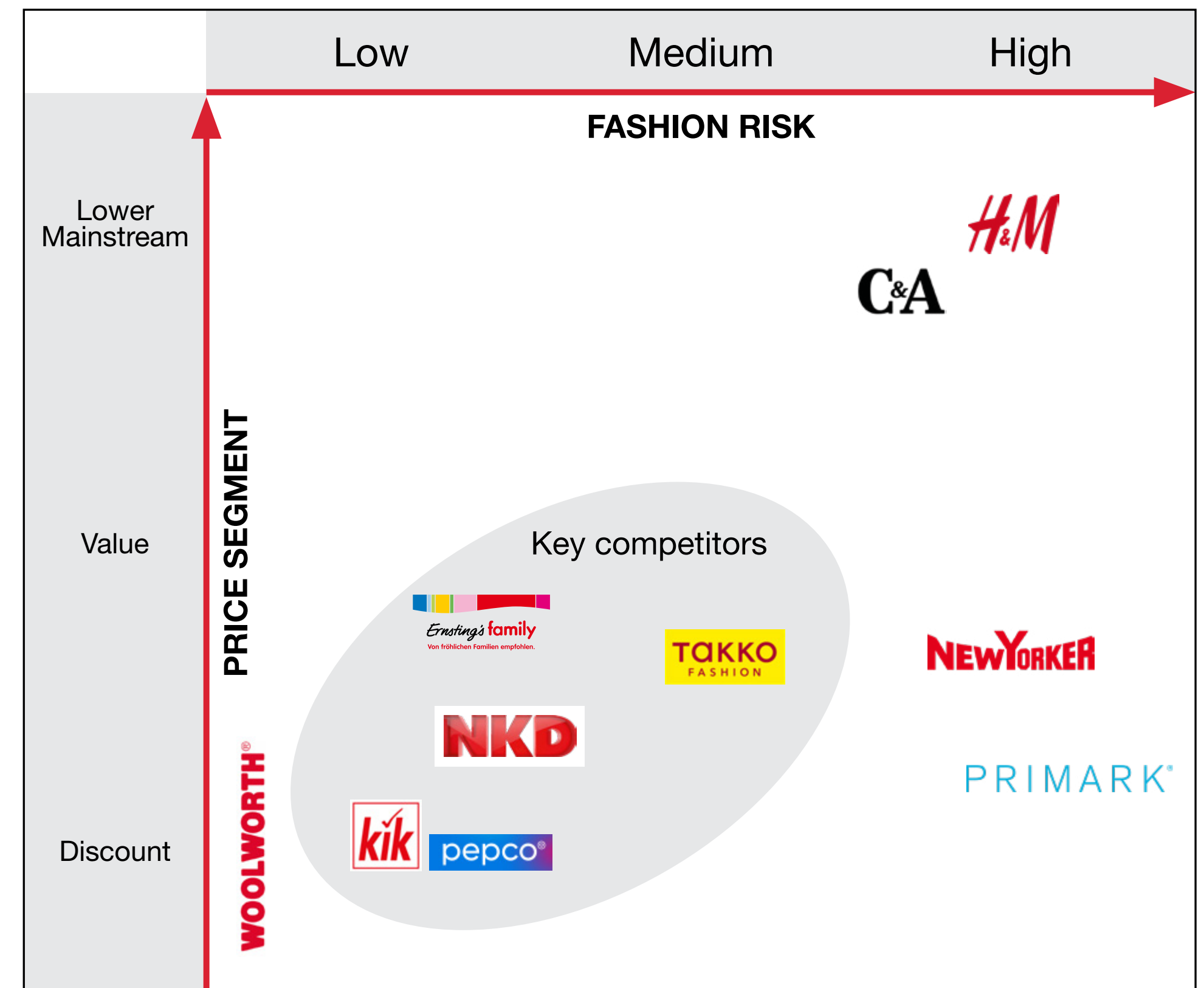
Market positioning

Attractive price points for high quality merchandise distinctly positions NKD in the retail value market with a focus on value for money

Average price points (€)



Retail matrix



















NKD's brand and experienced management team provides an independent platform for offshore expansion

01 Propriety data science tools enabling strategic decision making across business functions

02 Excellent sourcing and operational agility supporting a consistently improving margin

03 Internal buying office driving sourcing efficiency

04 Attractive growth and expansion opportunities

						
Best value for money	Best and most popular brand	Excellent customer service	Best online shop	Best product quality	Sustainable engagement	Employer of the future
						



Transaction summary

- Enterprise value of €500m
- Total Purchase Consideration includes the consideration payable for both:
 - The Sales Shares (100% of shares in Pegasus Holdings) at an Equity Value of €415m
 - The Shareholder Loan Receivables valued at €38.50m
 - Both will be escalated at agreed rates from Locked Box Date to Closing Date
- Maximum purchase consideration of €487m
- Will be settled in cash and funded through a combination of existing cash resources and debt facilities
- Subject to fulfilment or waiver (to the extent that they are capable of being waived) of regulatory suspensive conditions (FSR & SARB)
- Transaction is expected to close during Q2 of CY2026



- Currency hedge in place
- Ratio of combined Group Net Debt (excluding lease liabilities) to pre-IFRS 16 EBITDA not expected to exceed 1.5x*
- Longer term group capital structure under review
- Impact of transaction and other related costs – investing ahead of growth

INDICATIVE FINANCIAL INFORMATION (PRESENTED IN ZAR'M) [#]		
	6 months to June 2025	FY2024 (December 2024)
Net sales	6 951.14	14 158.90
Pre-IFRS 16 EBITDA	401.27	891.68
PAT	(209.43) [^]	260.92

[^]The profit after tax excluding the debt refinancing and hedging derivative valuation charges was €6.49 million (approximately R128.95 million*).



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*Indicative information based on Mr Price Group’s most recent results to September 2025 and NKD’s last financial year to December 2024 at an indicative exchange rate of EUR/ZAR = 19.87

[#]Presented in ZAR assuming exchange rate of EUR/ZAR = 19.87



Closing

01

Strength and performance of South African business remains paramount

02

Not expecting significant integration distraction nor synergy benefits in short-term

03

Fundamental NKD investment case underpins long-term investment and approach to valuation

04

Alignment on financial calendar and reporting to be prioritised – we will continue to provide consistent and transparent reporting



Thank You

 **mr price group limited**

