2025 Annual Integrated Report

31 MARCH 2024 - 29 MARCH 2025

mr price group limited

VISION

To be the most valuable retailer in Africa

PURPOSE

Your Value Champion

mr price | mr price home | mr price sport | mr price money | sheet street | MILADYS | YUPPIECHEF | POWER FASHION | studio 88

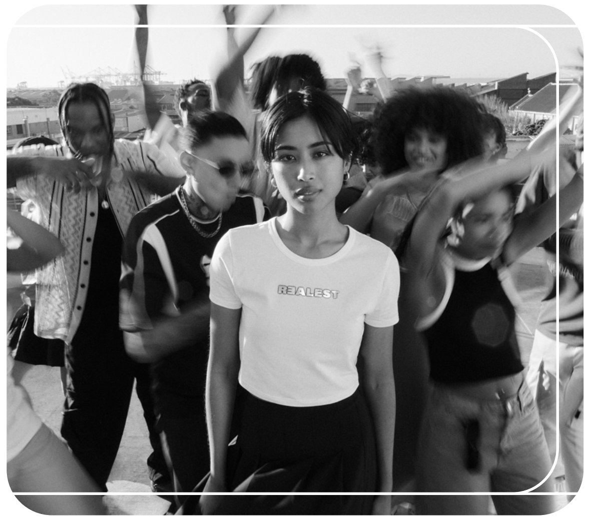
THE VALUE WE CREATED

FY2025 GROUP HIGHLIGHTS

FINANCIAL

CFO'S REPORT >
SIX-YEAR REVIEW >

Revenue growth	+7.9%
EBITDA	+8.2%
Operating profit growth	+8.9%
HEPS growth	+10.7%
Return on equity	+27.2%
Dividend payout ratio	63.0%



RETAIL SALES
R39.4 bn
+7.8%

CASH CONVERSION RATIO	94.9%
SOUTH AFRICA AS A % OF TOTAL SALES	92.1%
CASH SALES AS A % OF TOTAL SALES	89.3%

STRONG BALANCE SHEET:
zero debt and cash balance of R4.1bn

CUSTOMERS*

CUSTOMER VALUE CREATION >

MOST SHOPPED
apparel and homeware retailer in South Africa

#1 MOST VALUABLE
fashion-value retailer in South Africa

4TH STRONGEST BRAND
amongst South Africa's top 100 brands

ASSOCIATES

ASSOCIATE VALUE CREATION >

> 32 000
employed

70%
organisational engagement score Gallup 'exceptional workplace' category

top EMPLOYER South Africa 2025 FOR A BETTER WORLD OF WORK

ESG

TOGETHER WE DO GOOD REPORT >

64m PRODUCTS
have a sustainable attribute

96.6% TIER 1 AND 2
factory visibility

>127m UNITS
procured in South Africa

*MAPS, Kantar BrandZ, Brand Finance

CONTENTS

mr price group limited

QUICK ACCESS TO OUR REPORTING SUITE

OUR INTEGRATED REPORT

CONTENTS

Our Integrated Report

FOR THE YEAR ENDED 29 MARCH 2025

We have pleasure in presenting the 2025 integrated report (this report) for Mr Price Group Limited and its subsidiaries (the group). The purpose of this report is to offer our stakeholders a comprehensive overview of our business, highlighting our strategic progress towards achieving our group's vision of being the most valuable retailer in Africa.

Your Feedback

We highly value your feedback and welcome your input as we continuously work to enhance our reporting. Please direct your feedback to: **investorrelations@mrpricegroup.com**

Our Reporting Suite

To uphold our commitment to holistic and comprehensive reporting, this report is accompanied by the following publications:

Integrated Report

Details the group's integrated processes that support sustainable value creation for all stakeholders and outlines progress against its strategy.

CONTENTS

Remuneration Report

Highlights the group's approach to fair, equitable, and responsible remuneration, detailing its remuneration policy and implementation.

VIEW REPORT

Governance Report

Offers a comprehensive disclosure of the group's governance-related matters, including its governance structure, processes, and policies.

VIEW REPORT

Notice of AGM

Provides shareholders with supporting information for participation in the group's annual general meeting (AGM).

VIEW NOTICE

Together We Do Good Report

Details the group's sustainability journey, achievements of the last financial year and strategic focus areas to support a sustainable future.

VIEW REPORT

Annual Financial Statements

Provides an overview of the group's financial position and performance over the last financial year.

VIEW REPORT

Our integrated reporting suite is available at www.mrpricegroup.com

Our Reporting Frameworks

Our reporting suite is in compliance with and has applied the following frameworks:

- International Integrated Reporting Framework (Framework)
- The Companies Act. No 71 of 2008, as amended (Companies Act)
- JSE Limited Listings Requirements
- King IV Report on Corporate Governance for South Africa 2016 (King IV™)*
- International Financial Reporting Standards (IFRS)

ABOUT OUR REPORT

Our integrated reporting suite is designed to meet the information needs of the group's key stakeholders, which includes shareholders, associates, suppliers, landlords, customers, and communities.

This suite provides a detailed overview of the group's business model, financial standing and performance, sustainability journey and achievements, governance processes and policies, and remuneration policy and implementation. Together, these elements contribute to creating value for all stakeholders.

Scope

The reporting suite provides a consolidated view of the group's performance for the 52-week period ended 29 March 2025. It includes the financial results of Mr Price Group Limited trading in South Africa, Botswana, Ghana, Lesotho, Namibia, eSwatini, Zambia, Kenya and Mozambique, as well as Mr Price Foundation, the share trusts and income received from franchise operations trading elsewhere in Africa.

The information contained in this report is consistent with the indicators used for our internal management and board reports and is comparable with previous integrated reports. We have strived to provide useful information that enables stakeholders to make informed decisions. The outputs contained within this report are the result of a focused and considered process by senior management, the board and its committees.

This report aligns with the requirements of King IV™ and the Framework. The Framework contains the six forms of capital that impact on value creation and diminution in a business. These comprise human, manufactured, social and relationship, intellectual, financial and natural capital as detailed on this page.

The Framework requires organisations to report on the resources and relationships that it utilises or affects, and the critical interdependencies between them. The group is committed to integrated reporting and, as such, has adopted the Framework. The business model on pages 59 - 64, details the group's value creation through the use of the six capitals. The group considers the trade-offs between these capitals when allocating capital resources and seeks to maximise positive outcomes.

Value Creation Through Our Capitals

H — **HUMAN**
The skills and experience vested in our associates that enables us to deliver our products and services and, implement our strategy, creating value for our stakeholders.

M — **MANUFACTURED**
The stores, warehousing, infrastructure and distribution network throughout Southern, East and West Africa, which enables us to source, import, deliver and sell our products and services.

S — **SOCIAL AND RELATIONSHIP**
The key relationships cultivated with customers, suppliers, landlords, associates, shareholders, government and community.

I — **INTELLECTUAL**
The intangibles that constitute our brand, products, processes, proprietary systems and service offerings which provide our strategic differentiation and competitive advantage.

F — **FINANCIAL**
The group's pool of funds is predominately cash based (low gearing), generated from operations, and includes interest income and funds reinvested.

N — **NATURAL**
The natural resources used throughout our product and packaging supply chains, and in fixed capital formation.

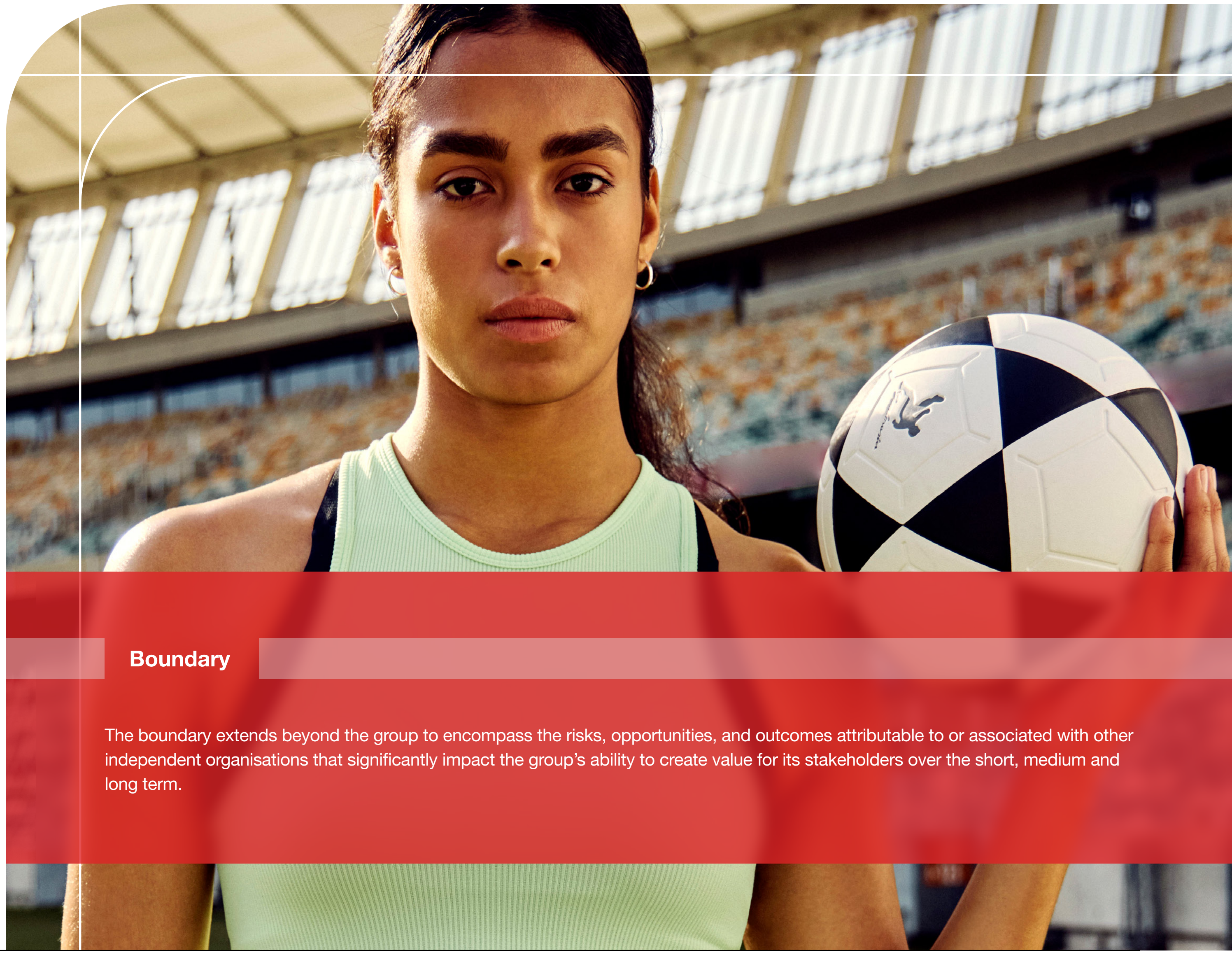
Materiality

The board has approved a materiality framework which guides the process of identifying the group's material matters (refer to pages 121-126). Our report addresses issues that the board and management consider material to the group and that could impact its ability to create and sustain value, including the six capitals, over the short, medium and long term.

We aimed to demonstrate the connectivity between these material matters and our business model, strategy, risks, key performance indicators (KPIs), remuneration policies and prospects. These material matters are reviewed on an ongoing basis to ensure their continued relevance. Management is responsible for approving these material matters, which are then endorsed by the board.

All matters that are considered material to the business have been included in this report. These matters have been identified and prioritised after taking into consideration:

- External factors, including geopolitical risks that impact on the group's ability to create value in the short, medium and long term
- The retail industry cycle and its dependence on GDP, employment and credit growth
- Strategic objectives and key business risks arising from the group's strategic planning framework
- Items that are top-of-mind to the board and executive management
- Issues derived from key stakeholder engagements
- South Africa's sovereign rating, political landscape and rule of law
- Volatility in key input cost drivers being commodities and exchange rates



Boundary

The boundary extends beyond the group to encompass the risks, opportunities, and outcomes attributable to or associated with other independent organisations that significantly impact the group's ability to create value for its stakeholders over the short, medium and long term.

Assurance

The board is satisfied with the integrity of the report and the level of assurance applied. The group's consolidated annual financial statements have been audited by independent external auditor, Deloitte & Touche. The material performance metrics, both financial and non-financial within the **Together We Do Good report** were independently reviewed by KPMG as outsourced internal auditors. The board is satisfied with the level of assurance of the integrated report and does not believe that it should be subject to further external assurance. Any forecast financial information contained herein has not been reviewed and reported on by the group's external auditors, and has been produced with due diligence and care by management.

Additional Information

This report aims to focus on material matters only. Where additional or ancillary information is available, this has been separately published on the group's website: **www.mrpricegroup.com**

Board Approval

The Audit and Compliance Committee has reviewed this report and recommended it to the board for approval. The board acknowledges its responsibility for ensuring the integrity of the 2025 integrated report and collectively applied its mind to the preparation process and reviewed and assessed the content of this report in accordance with the Framework. The 2025 integrated report was approved by the board for release to stakeholders on 27 June 2025.

NIGEL PAYNE
Chairman

STEWART COHEN
Non-executive,
Honorary Chairman,
Co-founder

MARK BLAIR
Chief Executive Officer

PRANEEL NUNDKUMAR
Chief Financial Officer

MARK BOWMAN
Lead Independent,
Non-executive Director

LUCIA SWARTZ
Independent,
Non-executive Director

NEILL ABRAMS
Independent,
Non-executive Director

JANE CANNY
Independent,
Non-executive Director

HARISH RAMSUMER
Independent,
Non-executive Director

RICHARD INSKIP
Independent,
Non-executive Director

REFILWE NKABINDE
Independent,
Non-executive Director

Our Integrated Value Creation Process

We recognise that sustainable value creation relies on an evolving, agile and sustainable business model that supports the effective execution of our strategy. Central to this is the efficient use of our six capitals to optimise business activities and produce outcomes that meet the needs and expectations of our stakeholders. Fundamental to this process are the effective trade-offs made while maximising outputs to create stakeholder value and minimise the impact of waste on our communities. Our strategy is continuously assessed and shaped by our operating environment, stakeholder engagement processes, material matters, and key risks and opportunities identified. The integration of our strategy into our business model allows for strong execution of the group's strategy, ensuring that all business activities are aligned to the group's strategic focus areas of value creation. This effective and efficient execution through our business model allows our group to deliver consistent financial returns, while simultaneously creating long-term sustainable value for all our stakeholders. This process is guided by the group's robust governance framework and supported by the King IV™ principles.

How Our Report Describes Our Value Creation Process

GUIDED BY OUR GOVERNANCE FRAMEWORK

01 Who We Are

The connection between the group's vision, purpose and its guiding values of passion, value and partnership.

Pages 17 - 52

02 Value Creation Through Our Business Model

Value creation, preservation or erosion over time contributes to the increase, decrease or transformation of the group's capitals through its business activities and outputs.

Pages 59 - 64

03 Stakeholder Value Creation

The group's processes, activities and products sold are not done in isolation, but in a sustainable connection to a wide group of stakeholders.

Pages 65 - 84

04 Strategic Execution

The group's value creation is led by the successful development and execution of its strategy, which is measured against six key pillars.

Page 91 - 112

05 Risk Approach and Material Matters

The group's material matters, risks and opportunities are identified through an ongoing, structured and embedded enterprise risk management process ensuring agility in response to the ever-evolving risk landscape.

Pages 113 - 126

06 Performance and Results

Summary of performance demonstrating how the group's financial capital has been increased, utilised and transformed through its operating, financing and investing activities during the financial reporting period.

Pages 127 - 140

SUPPORTED BY KING IV™ PRINCIPLES

Building a sustainable business measured by our impact on the UN Sustainable Development Goals

Primary SDGs considered material for the group:

TOGETHER WE DO GOOD REPORT >

WHO WE ARE

CONTENTS

"Determined to make a change, they found a way to make fashion dramatically more affordable"

THE MR PRICE STORY

40 YEARS AGO, Laurie Chiappini and Stewart Cohen, while working for a major clothing chain recognised a pressing issue - the high cost of fashionable clothing in a country where many people could not afford it.

Determined to make a change, they found a way to make fashion dramatically more affordable, leading to the founding of Mr Price.

Leaving their secure jobs behind, they opened the first Mr Price store in Klerksdorp. To keep prices low, they minimised costs, bought in bulk from factories, sold for cash, and applied modest low markups on goods. From the opening day, customers loved finding the latest fashion at a fraction of the prices of what large chain stores charged.

Their fashion-value formula proved so successful that today there are over 600 Mr Price Apparel stores. This same approach was extended to homeware, leading to the creation of Mr Price Home, now with more than 250 stores, giving customers the opportunity to elevate their home lifestyles without breaking the budget.

Seeing the high cost of sporting goods sold under expensive global brand names, they created Mr Price Sport and introduced the Maxed brand of affordable sportswear and running shoes - which have won more than 10 Comrades gold medals. Today, more than 170 Mr Price Sport stores bring accessible sport and fitness gear to customers across the country.

The red cap formula was later applied to the financial services and telecoms through the launch of of Mr Price Money, offering customers value-driven credit, insurance, mobile handsets, accessories and access to the group's own mobile network (MNVO).

More recently, Mr Price Kids has shown that fashionable, quality children's wear can be affordable. With over 30 stores and more on the way, Mr Price Kids is continuing to grow.

The group's journey of diversification began with Miladys and Sheet Street, and grew over the years to include Power Fashion, Yuppiechef and Studio 88 - all made possible by the success of the original red cap. This growth has enabled the brand to champion value for millions of South Africans through more than 3 000 stores and online platforms, expanding its product and brand offering while remaining true to its founding values.

Mr Price has consistently proven that great design does not have to come at a high price and has forever **TRANSFORMED THE AFFORDABILITY OF FASHION-VALUE MERCHANDISE IN SOUTH AFRICA.** This commitment to delivering value has earned the loyalty of millions over the past four decades. Mr Price is synonymous with delivering the best in price, quality and fashion - making it no surprise that it has become the country's most loved apparel and homeware brand in South Africa.

Today, Mr Price proudly stands as the customers' value champion.

THE MR PRICE WAY

At our heart, we're a company of big dreamers who believe in the power of passion, value and partnership.

Over the past 40 years, these three values have laid the foundation for our vision, reflecting the ambition of the associates who have powered our group through our four-decade history.

From day one, we've believed that our success isn't just about the products we sell or the numbers we produce, but about the people who bring life to every part of our business. It's about the more than 32 000 passionate associates who bring energy and integrity to everything they do every day.

Our brand has grown to become synonymous with the value we bring to our customers, but to us, it's more than that – it's also about the value we see in our people. We're intentional about the people we bring into our group, ensuring that those who join us are strongly aligned with our values of passion, value, and partnership. We seek out diverse talent across all areas, embracing different perspectives and personalities that work together to build an inclusive and dynamic environment. This is what keeps our vision alive and ensures that every associate knows and feels like they belong.

We are a business with a unique and deeply rooted culture – we're not distracted by bureaucracy. We support each other, celebrate wins together, and embrace challenges as opportunities to grow. Our culture drives open communication, recognition, collaboration, a sense of humour and a healthy dose of fun, creating an environment where people feel valued, empowered, and trusted to do their best work.

We're a team working toward something bigger than ourselves. When we love what we do and who we do it with, even ordinary people can make extraordinary things happen.


DEMI FELIX
E-commerce Buying Administrator


LEIGTH EKSTEEN
Quality Technologist


RAFIEK GABRIELS
Warehouse Manager


PIETER STEENKAMP
Group Services


JESSICA BEKKER
Buyer


DONNA WILLIAMS
E-commerce Co-ordinator


MELODY KANDAN
Group Services


SHAA'ISTA ARBEE
Head of Planning


BLESSING CELE
Store Manager


LESTER PHILIPS
Store Leader


SIPHESIHLE MZULWINI
Junior Planner


GREGORY LANGLEY
Production Manager


THEMBEKILE SHELEMBE
Store Associate


DYLAN HERBST
Marketing Coordinator


NONJABULO ZULU
Store Associate


CHRISTOPHER TOMLINSON
Planner


NOMFUNDO NGEMA
Group Finance Accountant


UNATHI MATANJANA
Junior Trend Forecaster


SYLVIA SIBISI
Buyer


GABRIELLA WHITAKER
Trainee Buyer


PRAMJEETH AMBIGAI
Inventory Controller


ANDILE DLUDLA
Environmental Specialist

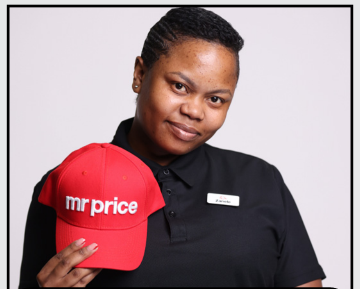

SETSHABA MMUSI
Senior Buyer


KAREN JACOBS
HR Business Partner


NONDUMISO MTHEMBU
Store Associate


CAMERON WEST-EVANS
Buyer and Planner


JONATHAN SWIATEK
Senior BI Developer


ZANELE MAKHATINI
Store Supervisor

OUR 40-YEAR JOURNEY OF BECOMING YOUR VALUE CHAMPION

1985 mr price
The first store opens in Klerksdorp

1987 MILADYS
Helping women be and feel comfortable in their skin

1985 - 1994

1996 sheet•street
Entered the homeware segment with value home offerings

1998 mr price home
Expanded our homeware offerings, making beautiful homes affordable and accessible

1995 - 2004

2006 mr price sport
Sportswear for the value-minded sports and outdoor enthusiast

2007 mr price money
Began providing convenient credit and insurance

2012 mrp.com
Opened the door to omni-channel shopping

2014 mr price mobile
Expanded our value offering through the introduction of our own network (MVNO)

2005 - 2014

2015 mr price cellular
Extended our cellular offerings to include handsets and accessories across all networks

2021 YUPPIECHEF
Acquired a premium omni-channel homeware business broadening our aspirational homeware offerings

power
Acquired a price-value apparel business and extended our low-priced fashion-value offerings

2022 studio 88
Acquired a leading branded apparel and footwear business, expanding our offerings into the aspirational value segment

2023 mr price kids
Evolution of Mr Price Baby and Mr Price Kids into a standalone concept

2015 - 2025

WHERE WE STARTED

1985 - 1994

- **1985:** the first store opens in Klerksdorp
- **1986:** the group's co-founders with BOE acquire a major shareholding in John Orrs Holdings
- **1987:** first group owned Mr Price store opens in Durban
- **1988:** the first Mr Price Share Option Scheme is launched for associates
- **1991:** launch of **The Red Cap** – a symbol of attitude, youthfulness and fun, is created
- **1991:** the group's co-founders acquire control of the group from BOE
- **1993:** the associates' share scheme is relaunched as the Share Partnership initiative aimed at creating financial security for permanent head office and store associates

By end 1994:
- 2 371 associates
- 205 stores
- Share price **R7.95**

8-year CAGR
- HEPS: **23.2%**
- Retail sales: **25.0%**
- Dividends: **19.7%**

1995 - 2004

- **1996:** 10 000m² distribution centre opens in KwaZulu-Natal
- **1996:** Shaun Mieklejohn wins his first Comrades Marathon in Mr Price colours
- **1997:** RT Jeans becomes the biggest selling jeans brand in South Africa, more than 1 million pairs sold
- **1998:** Mr Price ladies take the top 3 spots in the Comrades Marathon
- **1999:** footprint extends into Africa, with the first Mr Price stores opening in Namibia
- **2001:** group retail sales reach R2 billion
- **2003:** Mr Price Home sells over 3 million pieces of crockery
- **2004:** the group's fashion-value business model gains momentum across all divisions

By end 2004:
- **7 495** associates
- **699** stores
- Share price **R156.01**

18-year CAGR
- HEPS: **23.1%**
- Retail sales: **24.2%**
- Dividends: **22.6%**

2005 - 2014

- **2005: Mr Price Foundation** is established as an NPO focused on positively impacting the issues of youth unemployment and access to quality education
- **2008:** Mr Price is voted "Most Loved and Most Frequented" apparel retailer for the first time
- **2008:** Mr Price Home is voted "Most Loved and Most Frequented" homeware retailer for the first time
- **2012:** the group is included in the JSE's Top 40 Index for the first time

By end 2014:
- **18 104** associates
- **1 079** stores
- Share price **R173.81**

28-year CAGR
- HEPS: **23.4%**
- Retail sales: **20.6%**
- Dividends: **25.2%**

2015 - 2025

- **2017:** group opens its 58 000m² distribution centre in Hammarsdale, serving as the primary facility
- **2020/2021:** launch of new group strategy, positioning it for increased growth and diversification
- **2021:** launch of the group's 'One Store' card, allowing customers to shop across divisions
- **2021:** acquired Power Fashion and Yuppiechef
- **2022:** acquired the Studio 88 Group
- **2023:** the group crosses the 2000th store mark, with 2 700 stores
- **2023:** retail sales reach R30 billion for the first time
- **2024:** the group opens its 3000th store
- **2025:** group revenue exceeds R40 billion for the first time
- **2025: THE GROUP CELEBRATES ITS 40TH ANNIVERSARY**

By 2025:
- **#1 most valuable** fashion-value retailer in South Africa
- **4th strongest brand** in South Africa
- **Highest ranked** apparel & homeware retailer on the JSE Top 40
- More than **32 000** associates
- **3 030** stores
- Share price **R225.00**

39-year CAGR
- HEPS: **18.2%**
- Retail sales: **17.2%**
- Dividends: **+19.4%**

WHERE WE ARE NOW

WHY MR PRICE

Market leaders in fashion-value retail, who aim to deliver the wanted item at great value

UNRIVALLED LONG-TERM METRICS

39-year HEPS CAGR: **18.2%**

39-year dividend CAGR: **19.1%**

STRONG BALANCE SHEET

No long-term debt, cash balance of R4.1bn

HIGHEST RANKED

Apparel and homeware retailer on the JSE Top 40 Index

QUALITY SHAREHOLDER RETURNS

5-year averages

Operating margin:	15.6%
Dividend payout ratio:	63.0%
Share price growth:	+18.6%
Total shareholder return:	17.4%

ROE:

Mr Price Group **27.7%** VS JSE Top 40 **9.9%**

OMNI-CHANNEL EXCELLENCE

Integration of its leading online platform with its **3 030 stores** ensures a consistent and convenient shopping experience for customers across all touchpoints.

AN ICONIC SOUTH AFRICAN BRAND

The Mr Price Brand remains one of the most loved and recognised across the country. It is **RANKED #1** as the most valuable fashion-value retailer* and **#4** for strongest brand^ in South Africa.

FASHION-VALUE CHAMPIONS

Attracts, delights, and surprises its customers with value price points for differentiated fashion items, while servicing everyday basics merchandise at everyday low prices.

CASH-BASED BUSINESS

A high contribution of **90%** of sales are cash. The group's ability to generate cash is highlighted by its cash conversion ratio of **94.9%**.

RESILIENT AND VALUED PARTNERSHIPS

The group's stakeholder engagement efforts are rooted in its founding value of partnership and aims to position the group as the most sought-after partner amongst all stakeholders.

A LEADER IN STAKEHOLDER ENGAGEMENT

- Top Employer 2025
- Customer NPS increased 220bps to 70.3%
- Outperformed competitors in engagement efforts as rated by investors, suppliers and landlords
- Recognised by Extel amongst South African mid-cap companies in the following categories:
  - #1 for Best Investor Relations Officer
  - #3 for Best Corporate Investor Relations

extel

SUSTAINALYTICS

FTSE4Good

ESG RECOGNITION

- Retained inclusion in the FTSE4Good Index Series since 2020
- Achieved a 'low-risk' rating from Morningstar Sustainalytics, now the best ranked apparel retailer in South Africa (as at date of publication)

ESG HIGHLIGHTS

TOGETHER WE DO GOOD REPORT >

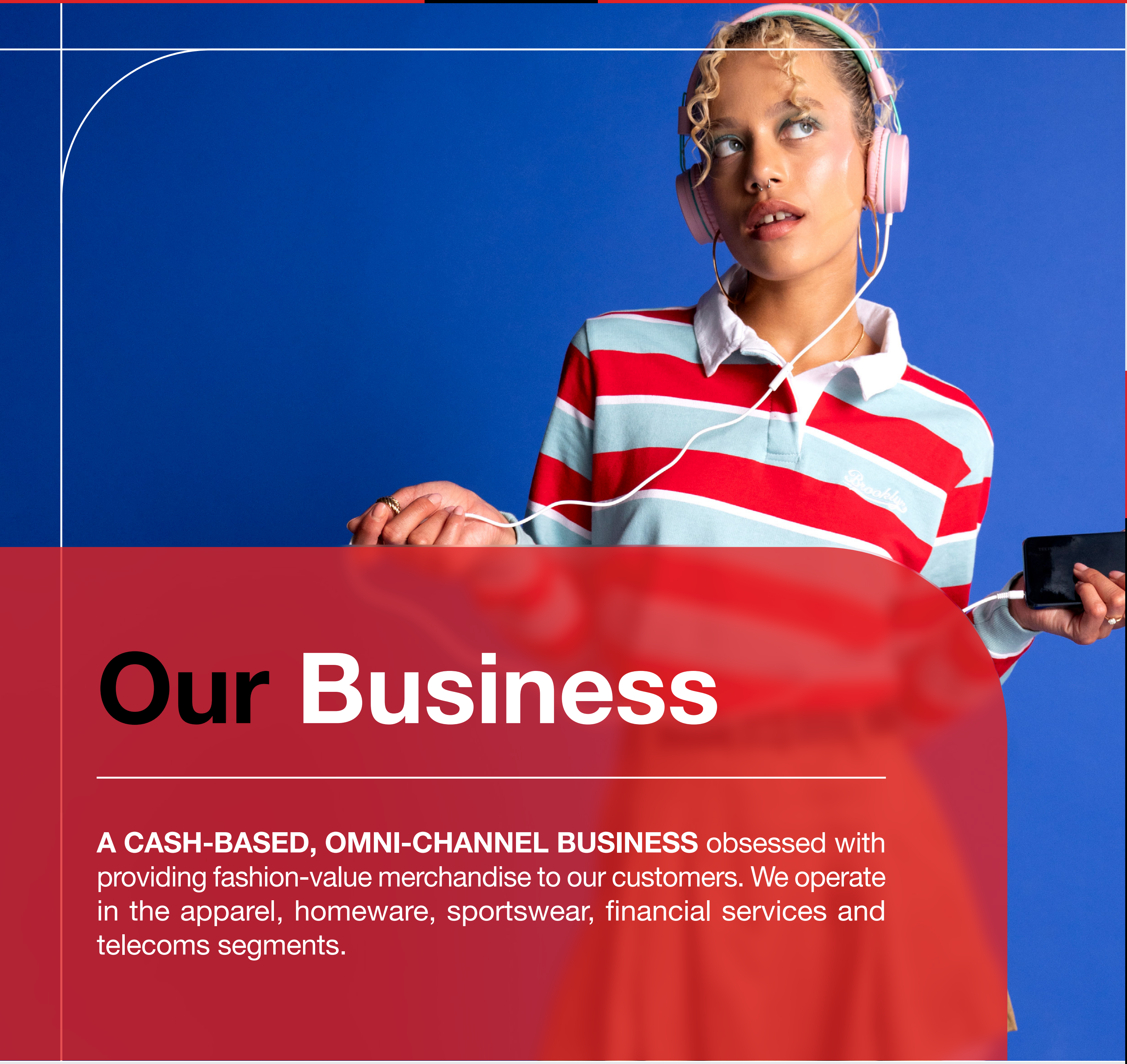
Environmental
- Over 159m plastic packets removed from circulation since FY2023
- 97% of product packaging is recyclable or made from recycled content

Social
- R33m donated to Mr Price Foundation
- Over R73m invested in learning and development

Economic
- Over 53% growth in local procurement in 5 years
- Over R5bn spent on products made in South Africa

*Kantar BrandZ
^Brand Finance

INVESTMENT CASE >



Our Business

A CASH-BASED, OMNI-CHANNEL BUSINESS obsessed with providing fashion-value merchandise to our customers. We operate in the apparel, homeware, sportswear, financial services and telecoms segments.

Our Purpose: Your Value Champion

WHAT VALUE EQUATES TO FOR OUR CUSTOMERS:

PRICE + QUALITY + FASHION + CONVENIENCE + EXPERIENCE

Organisational Overview

RETAIL SALES	SOUTH AFRICA	REST OF AFRICA
R39.4bn	92.1%	7.9%

SEGMENT CONTRIBUTIONS TO RETAIL SALES

APPAREL	79.7%	mr price, mr price sport, MILADYS, Power, studio88
HOMEWARE	16.9%	mr price home, YUPPIECHEF, sheet street
TELECOMS	3.4%	mr price money

> 32 000 ASSOCIATES working towards bringing the wanted item to our customers across 3 030 stores and e-commerce platforms.

Omni-channel

We operate predominantly in South Africa, through a diversified store network supported by a strong e-commerce offering with high digital customer engagement.

TOTAL STORES:

Total Owned	Total Gross Traded Area
3 030	1 235 951m²

STORES BY GEOGRAPHY:

SOUTH AFRICA	REST OF AFRICA
2 771	259

DIGITAL FOOTPRINT

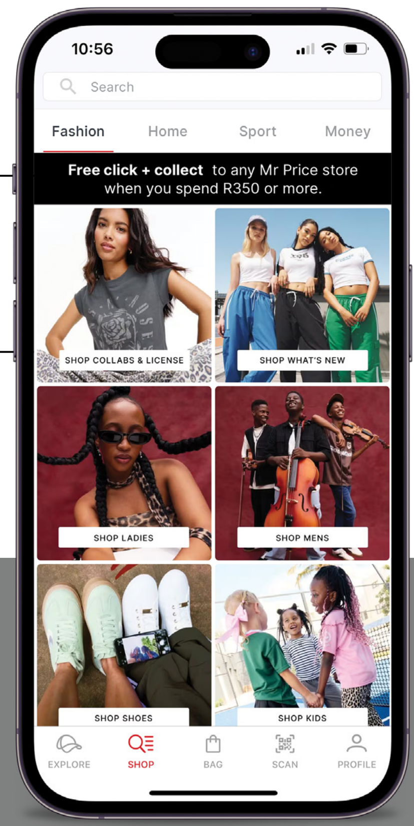
2.1% contribution to total retail sales

50%
of website and app users research online and shop in-store

78%
of online traffic is from mobile devices

66%
of Mr Price Apparel orders are click-and-collect

The online channel is a **key window and platform** that continues to drive customers to our stores.



OUR DIVISIONS

APPAREL

- mr price
- mr price sport
- MILADYS
- power
- studio 88

HOMEWARE

- mr price home
- sheet street
- YUPPIECHEF

FINANCIAL SERVICES AND TELECOMS

- mr price money

OUR DIVISIONS

Our nine trading divisions are positioned to serve a wide range of customers - from lower to higher income levels - with merchandise that meets different needs, whether it's price value, aspirational, or more niche.

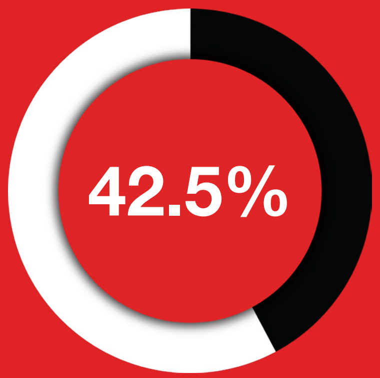
This setup helps us keep our offerings clear and distinct across divisions while ensuring we meet the needs of every customer.

BRAND POSITIONING

Product Classification	Brands	Segment
Aspirational value/Niche	YUPPIECHEF studio88	Apparel and homeware
	MILADYS	
Fashion value	mr price mr price kids mr price sport mr price home mr price cellular mr price money	Apparel, sportswear, homeware, financial services and telecoms
	sheet street	
Price value	Power Fashion Power Cell	Apparel, homeware and telecoms

APPAREL

mr price



CONTRIBUTION TO GROUP RETAIL SALES

665 STORES

Online:

OUR WEBSITE

OUR APP

STORE TOUR

WHO WE ARE

A fashion-leading retailer that offers predominantly private-label, on-trend, and differentiated merchandise at extraordinary value to women, men and kids.

Through ongoing innovation and product development, staying on the pulse of international fashion trends and diligent resourcing, we can make trend-led fashion accessible to customers at highly competitive prices.

OUR CUSTOMER

Youthful customers who love fashion, appreciate extraordinary value and are primarily in the middle-income demographic.

WHAT WE OFFER

Fashion-differentiated clothing, accessories, underwear, footwear and cosmetics.

MOST SHOPPED

apparel retailer in South Africa

HIGHEST

brand equity in the apparel sector

OVER 4.5M

fans across our social media platforms

Sub brands

DRIVING DIFFERENTIATION THROUGH COLLABORATIONS AND PARTNERSHIPS

Throughout the year, we've been all about building on our strategic partnerships and collaborations to bring fresh, innovative, and standout offerings to our customers. With our finger firmly on the pulse of what the youth want, we've teamed up with various brands, designers, and ambassadors to create ranges that are relevant, unique, and limited edition. Over the past year, we've worked with SinCHUI, Artclub & Friends, and several local artists to produce these one-of-a-kind collections. These efforts have not only boosted our brand's cool factor and differentiation but have also broadened our appeal to a wider customer base.

APPAREL

mr price sport

CONTRIBUTION TO GROUP RETAIL SALES

178 STORES

Online:

OUR WEBSITE >

OUR APP >

STORE TOUR >

WHO WE ARE

We are passionate about making an active, sport and outdoor lifestyle accessible for all South Africans. Our competitive pricing makes sporting apparel and equipment accessible to and a good fit for the value focused customer.

OUR CUSTOMER

We cater for the mass market, value conscious, sport and outdoor enthusiast with a focus on middle- to upper-income customers of all ages.

WHAT WE OFFER

Fitness, outdoor and team sports performance and lifestyle products and equipment. The assortment is built primarily on our recognised private label brands and complemented by specific key international brands and licensed products across categories.

HIGHEST

brand equity in the sportswear sector

90%

of our customers believe that we provide either the same or better value for money than last year

Sub brands

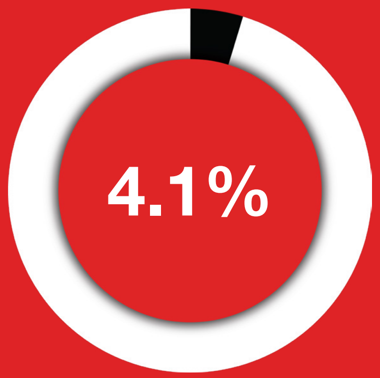
maxed | maxed elite | JOURNAL | TERRAIN

GOING FOR GOLD WITH TEAM SOUTH AFRICA

We were excited to be the technical apparel sponsor of Team South Africa for the 2025 Olympics and Paralympics games in Paris. Team South Africa wore Mr Price Sport's Maxed Elite performance apparel, bringing back three gold, three silver and six bronze medals. The partnership has not only supported us in growing brand awareness but has also contributed to uniting our nation through the "Power of Sport".

APPAREL

MILADYS



CONTRIBUTION TO GROUP RETAIL SALES

265 STORES

Online:

OUR WEBSITE

STORE TOUR

WHO WE ARE

For us fit is everything. We believe that fashion should be for all body types and should feel like it was made for you. We know the shapes that fit, and flatter, and we pay attention to every detail. We interpret trends in a way that feels right for our customers, helping them feel confident in their own skin.

OUR CUSTOMER

We are the only local women's retailer to offer size 32 to size 50 across all our fashion, ensuring that she will always find her fit - no exceptions.

WHAT WE OFFER

Women's smart and casual fashion, intimate wear, footwear, and accessories of exceptional quality and versatility at competitive prices.

Unparalleled brand and customer target market correlation, driven by four principles:

FIT, FABRIC, FEMININE & FRESHNESS

OVER 77 YEARS

of serving South African women

Sub brands

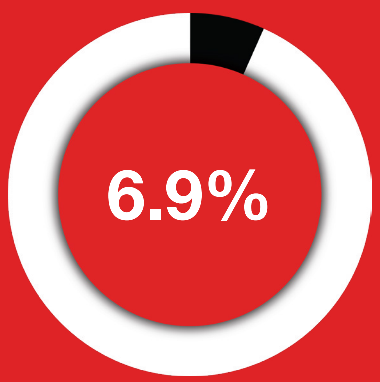
WonderFit

WONDERFIT DENIM RELAUNCH: OWN YOUR FIT!

We have relaunched our Wonderfit Denim brand and shifted our approach by taking our audience through the intrinsics and fit guidelines on the variety, versatility, and comfort of our private label brand. Additionally, we have collaborated with influencers to drive the message across different audiences with one unified message: "Own your fit!

APPAREL

Power FASHION



CONTRIBUTION TO GROUP RETAIL SALES

324 STORES

Online:

OUR WEBSITE

STORE TOUR

WHO WE ARE

A kasi brand that provides affordable fashion for the whole family, by sourcing fashion relevant products at market leading prices. We pride ourselves in helping the low-income shopper to look and feel good for less.

OUR CUSTOMER

The value-seeker who wants to remain fashion relevant while being savvy with her cash - she is looking for both affordable quality and unique style for herself and her family.

WHAT WE OFFER

Power Fashion: clothing, accessories, cosmetics, babywear, schoolwear and footwear.

Power Cell: mobile devices and accessories, value added services including airtime, data, electricity, DStv and bus ticketing at selected stores.

LOWEST PRICES

consistently delivering 66% cheaper than the market, with an average RSP of below R50

FOUR TRANSACTIONS

processed every second during December peak, equating to 12 units sold every second

37 MONTHS

of consecutive quarters of market share gains

CHEERS TO 300 AND BEYOND!

We reached an amazing milestone in 2024, as we welcomed our 300th store in the heart of Durban's CBD, West Street. Our growth continues to be driven by our passion of bringing affordable style to our customers, ensuring they have access to the best of our Bozza Brands. We have doubled our footprint since acquisition, growing from 150 stores to 300 and are now part of more communities nationally, providing low-income shoppers with the opportunity to look and feel good for less. We look forward to continuing our expansion and increasing accessibility of our offerings to more South Africans.

APPAREL

CONTRIBUTION TO GROUP RETAIL SALES

951 STORES

Online:

OUR WEBSITE

WHO WE ARE

Studio 88 is South Africa's largest branded fashion clothing and footwear retailer. We connect our customers with the latest trends in sneakers, footwear and clothing at competitive prices. We operate through a group of store formats that service different customer needs and products: Studio 88, Skipper Bar, Side Step, John Craig and Specialty.

OUR CUSTOMER

We have a broad appeal to aspirational and trend conscious customers across a wide range of age profiles and affordability levels.

WHAT WE OFFER

Branded clothing, footwear, football supporters' gear and smart casual wear.

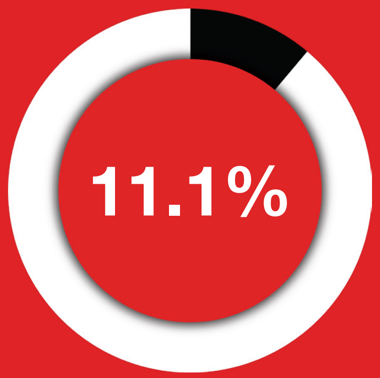
Brands offered

EXPANDING OUR ONLINE FOOTPRINT

Last year, we launched the online platforms for Skipper Bar and John Craig bringing all retail chains into e-commerce. The launch of the e-commerce sites for the two chains marks a significant milestone in their digital evolution. There has been strong customer engagement and enthusiasm for the new digital shopping experience, positioning the platforms as key drivers for future growth.

HOMEWARE

mr price home



CONTRIBUTION TO GROUP RETAIL SALES

231 STORES

Online:

OUR WEBSITE

OUR APP

STORE TOUR

WHO WE ARE

Our purpose is to make beautiful homes affordable and accessible to all. We aim to inspire our customers with on-trend homeware and furniture that is designed to look and feel good. We're passionate about making life beautiful, and this passion is firmly rooted in our belief that good design shouldn't cost anything extra.

OUR CUSTOMER

We appeal to a broad-spectrum of trend-conscious and value-minded customers, in the middle- to upper-income segment, who love to express themselves through their homes.

WHAT WE OFFER

Home textiles, decor, accessories, kitchen, dining, furniture and kids merchandise.

MOST LOVED

homeware retailer in South Africa

HIGHEST

brand equity in the homeware sector

HIGHEST

online contribution to the group

Sub brands

kidshome | Extra | colabcollection mr price home

MR PRICE HOME: THE GO-TO CHRISTMAS DESTINATION FOR SOUTH AFRICANS

Mr Price Home's most loved homeware status was sealed with a holly, jolly kiss under the mistletoe! Christmas sales achieved strong double-digit growth performance on top of a double-digit base. This success was compounded by the virality of customer sentiment. User content achieved 4.3 million organic views on social media, which means that our fans were sharing the message that Mr Price Home was THE first-choice destination for Christmas 2024.

HOMEWARE

sheet street

4.3%

CONTRIBUTION TO GROUP RETAIL SALES

334 STORES

Online:

OUR WEBSITE

STORE TOUR

WHO WE ARE

We are a Proudly South African homeware brand established in 1990. We strive to be your most loved Value Champion in homeware with the purpose of giving our customers a home they can be proud of, on a budget they can afford.

OUR CUSTOMER

We appeal to low- to middle-income customers aged 25 upwards, who are family focused and responsible. Our positioning is centred on price value with appropriate levels of fashion.

WHAT WE OFFER

A private-label assortment covering all homeware categories with a dominance in home textiles across a broad spectrum of colours.

We own brand association in more categories than any other homeware retailer

3rd

highest brand equity in the homeware sector

BRINGING MORE VARIETY AND GREATER VALUE TO OUR CUSTOMERS

By broadening our product range and extending our sourcing network, we've been able to further enable our price positioning.

HOMEWARE

YUPPIECHEF

CONTRIBUTION TO GROUP RETAIL SALES

21 STORES

Online:

OUR WEBSITE

STORE TOUR

WHO WE ARE

The go-to retailer for the most sought-after premium kitchen and homeware brands. We're always hunting out exciting new finds both locally and internationally, looking to inspire ourselves and our customers.

OUR CUSTOMER

We appeal to a broad-spectrum of higher LSM customers, from first-time homeowners, to foodies, entertainers, homemakers and gift-givers.

WHAT WE OFFER

Premium kitchenware, small appliances, table and barware, bed and bath, furniture and decor, outdoor and specialist food and drink.

15 000

premium options available through the online channel

89%

of rated products receive a 4-star rating or higher

PUSHING THE BOUNDARY: BRINGING MORE TO OUR CUSTOMERS

Since 2022 we have expanded our store footprint from seven Kitchen stores to 21 branches, with half of them now offering the full store assortment of our seasonal bed, bath and decor ranges. In the V&A Waterfront, we tripled the size of our flagship store, giving it the most extensive in-store selection from our full online range.

mr price money

3.4%*

CONTRIBUTION TO GROUP RETAIL SALES

61 STORES

Online:

OUR WEBSITE

* Telecoms only

WHO WE ARE

Mr Price Money is all about bringing value through loved telecoms and financial services solutions. We connect customers to the most wanted merchandise and telecom products across the group.

OUR CUSTOMER

Value-seeking and aspirational customers who have an affinity to the group's brands.

WHAT WE OFFER

Shopping, insuring and connecting! We offer this through a variety of budget-savvy payment solutions, relevant insurance products, and wanted telecoms products at the best price.

FINANCIAL SERVICES

mr price money	mr price insurance	mr price money extras
The enabler to merchandise across group brands through payment solutions relevant to different consumer needs, including revolving credit, fixed pay down, entry level credit, and layby	Wanted, affordable cover for account and cash customers through both credit and lifestyle products, notably family funeral plans and device cover	Convenient, value-added services across all channels, ranging from money transfers to airtime data and prepaid electricity

TELECOMS

mr price cellular	mr price mobile
On-trend devices and accessories, ranging from entry-level to high-end, speaking to both value and aspirational customers	Our own MVNO that offers great choice on prepaid and bundled sim packages

96 MONTHS

of consecutive market share gains

SALT 2.0 – WE CAN'T GET ENOUGH OF THIS KINDA VALUE

Following the release of our first white-label cellphone a year ago, we were excited to bring South Africans the second range of our Salt devices. This range features improved camera quality, faster processors, larger onboard memory and bigger screens. But what's a new phone without a hot accessory to match? Last year, we also introduced Salt accessories ranging from chargers, cables, ear pods and more! We know the smartphone market is expanding rapidly, and shoppers are looking to save without compromising on features and design. This is the kind of value our growing Salt range delivers!

VALUE CREATION

CONTENTS

Operating Environment

Gobal Economy

According to the IMF, global growth for the 2024 calendar year remained steady at 3.3%. This stability was achieved despite a year marked by political uncertainty, with over 50% of the world's countries holding national elections, and ongoing geopolitical tensions due to prolonged conflicts in the Middle East and Europe. However, this growth rate lagged behind the 20-year pre-COVID-19 historical average of 3.7%. While many economies continued to rebound from the disruptions of previous years, inflationary pressures, shifting monetary policies, and geopolitical uncertainties introduced new complexities. Consequently, the global economic landscape was characterised by a blend of recovery and emerging challenges. The operating environment in which the group delivered its 2025 financial year results needs to be viewed through two timelines: the 2024 calendar year and quarter one of 2025.

2024: Key Themes

- **Geopolitical Landscape:** Geopolitical tensions played a critical role in shaping the global business environment. Regional conflicts and political uncertainty in various parts of the world caused disruptive economic impacts. Global markets and investor confidence faced a risk-off environment and forced a cautious approach to investment activities
- **Trade Dynamics:** Currency fluctuations and trade policy adjustments affected global trade relations. Trade tensions and realignments, particularly between major economies, continued to shape global commerce and cross-border business dynamics
- **Global Supply Chain:** Ongoing disruption from COVID-19 dynamics has necessitated planning into risk mitigation strategies and delivery lead times. The ongoing global volatility required businesses to continue with this approach until dynamics settle
- **Inflation and Interest Rates:** Inflation remained a key concern, which prompted central banks to implement diverse monetary policies throughout the year. The easing cycle continues to manage the impact of heightened inflation, triggered by US trade tariffs
- **Technological Advancements:** The rapid evolution of technology continued to disrupt industries, with key challenges needing to be addressed:
  - Artificial Intelligence and Automation: Forced businesses across sectors to re-imagine their approach to business operations and human capital efficiency
  - Cybersecurity and Data Protection: Cyber threats became increasingly more sophisticated, prompting the strengthening of cybersecurity frameworks and regulatory compliance
- **Sustainability and ESG Considerations:** Reporting requirements continued to drive increased transparency of disclosures, positively influencing investment cases. Ongoing climate action in response to extreme weather conditions continued to threaten operating environments and challenged organisations to better manage their risks

Quarter 1 2025: Key Themes

The risk themes outlined on the adjacent page were accelerated in the first quarter of 2025 as the US, under new leadership, implemented aggressive trade tariffs against a wide range of countries. The US's trade policy measures were met with an adverse financial market reaction and the IMF cautioned that these pose 'significant risk' for the global economy. While it remains difficult to quantify the impact on certain sectors and the global economy, the negative direct trade effects, increasingly challenging global backdrop and weakened investor sentiment could significantly dampen the growth outlook for FY2026 because:

- Tariffs will likely reduce growth and raise inflation
- Slower world trade growth is likely to dampen corporate earnings outlook
- Policy uncertainty will likely keep equity volatility trending higher

Taking the above into consideration, in April, the IMF reduced its growth outlook for 2025 and is materially softer than its initial forecast at the beginning of the year. Forecast growth in the global economy was reduced to 2.8%, with advanced economies a paltry 1.4% and developing economies at 3.7%. The tangible impact of these factors is yet to be seen, making it premature to quantify any further downside risk. An appropriate approach would be to take a more cautious view and adapt plans accordingly.

South African Economy

The operating environment in South Africa showed a clear contrast between pre-election and post-election outcomes. Prior to the national election in late May 2024, the economy contracted by 0.1% in Q1 2024. This was a continuation of a prolonged period of muted growth over the past decade, with GDP increasing by an average of 0.7% over the ten-year period. Several structural constraints, such as national infrastructure deterioration, a weak business environment, high unemployment levels and low productivity have impeded economic growth. Additionally, crippling electricity supply shortages have particularly constrained South Africa's growth for several years. This environment remained frustrating to businesses, as the country's economic growth has continued to lag emerging market peers, despite its potential.

Despite the short-term uncertainty created by the national election, the country witnessed an unprecedented outcome with the formation of the Government of National Unity (GNU) in June 2024. This first national coalition government, led by President Cyril Ramaphosa, focuses on upholding the pillars of the constitution, economic recovery and social protection. The GNU brought together 11 political parties in a power-sharing agreement with the aim to rebuild South Africa's economy through key reforms for faster growth, improved service delivery, and job creation, marking a new direction for economic policy and implementation.

The outsized positive market response and increased business and consumer sentiment following the GNU's formation, indicated the urgent need for change and the sense of opportunity that prevails in the country. Economic activity increased significantly in the second half of 2024, resulting in GDP growth for the annual period of 0.6%, a marked improvement from the contraction of the first quarter. This led to bullish growth forecasts of over 2% for 2025. Subsequently, the impact of a global trade war and increased US tariffs applied to South African goods, along with the growing fragility of the coalition government, resulted in the IMF significantly reducing its forecast to 1%. If the country can avoid further internal setbacks and progress on key reform agenda items, it could achieve a growth rate above 1% in 2025, despite the highly uncertain global business landscape.

South African Retail

During the first quarter of the 2025 financial year, the retail sector in South Africa reflected the ongoing challenges of a constrained economy. However, following the national elections and the formation of the GNU, consumer confidence soared, and a significantly improved consumer environment emerged during the remainder of the 2024 calendar year.

The improved consumer sentiment and resultant increase in household expenditure was supported by a rise in real wage growth. This was due to:

- Lower inflation within government's target range
- A 50bps interest rate reduction
- Lower debt servicing costs initiated an easing cycle
- The implementation of the two-pot retirement system, increasing disposable income

With supply chain challenges and loadshedding in the base, a sector-wide improvement in retail sales growth was experienced during the festive trading period. Despite a further 25bps interest rate cut in January 2025, consumer confidence dipped significantly in the remaining months of FY2025. Knock-on effects from the challenges in the global economy were felt locally while domestic concerns were heightened relating to the stability of the GNU. Uncertainty pertaining to the national budget and the threat of a VAT increase caused sharp currency depreciation and reduced sentiment about the sustainability of an improved retail environment. These challenges and other material concerns about the sector are detailed below, along with the group's strategic response.

KEY FACTORS IMPACTING THE GROUP AND ITS STAKEHOLDERS

Issue	Strategic Response	Key Outcomes
Low global and domestic GDP growth, constraining consumer spending		
Consecutive years of low GDP growth has resulted in a prolonged period of negative real wage growth and low disposable income for South African households. The short-term recovery experienced in 2024 was encouraging, however threats of global recession in 2025 pose a risk to the sustainability of the local consumer environment's growth forecast.	The group's differentiated fashion-value business model and its Every Day Low Pricing ensures that it can operate defensively in a constrained environment but also offer appealing merchandise with great value during recovery. The group focused on strong execution of its brand promise pillar to further entrench its position as the customers' value champion. **BRAND PROMISE** • Omni-channel excellence: Strong digital presence across divisional social media platforms, apps and websites continue to drive online engagement and customers to our stores • Differentiated fashion-value offered through private label fashion, strategic collaborations and partnerships with brands and local artists and brand exclusives • Value positioning: Mr Price continues to lead the fashion value matrix ahead of Shein and all other competitors in ladies and menswear	• #1 most valuable fashion-value retailer in South Africa • #4 strongest brand amongst South Africa's top 100 brands • Mr Price Apparel and Mr Price Home hold the highest brand equity in their respective sectors • 92% of our customers believe that we provide either the same or better value for money than last year
Intensity of the competitor environment REFER MATERIAL MATTERS PAGE 121		
The retail sector in South Africa remains highly competitive across the apparel, homeware and financial services and telecoms segments. This competition stretches from the aspirational/premium product classifications down to the lower price value offerings in the market. The growing prominence of local and international e-commerce offerings, as well as intensified store-based competitors has increased the proliferation of offerings to consumers and further grown the need for the group to ensure it can respond effectively.	The group's strategic acquisitions and roll-out of its organic brand offerings in recent years has been essential in ensuring that it can compete strongly across all segments and product classifications in the sector. The implementation of its growth and innovation pillar has positioned it as one of the leading retailers in the country. **GROWTH AND INNOVATION** • Opened 184 new stores • Focused intent across all divisions on growing profitable market share by targeting under-indexed categories and protecting over-indexed departments • Further roll-out of Mr Price Kids and Mr Price Cellular organic concepts • Strong execution of strategic plans across recently acquired businesses • Re-calibrated homeware strategy and targets to combat accelerated competitor store openings	• Group market share gains of 50bps (RLC) • GP margin expanded 80bps • Operating profit exceeded R5.8bn • Operating margin expanded to 14.2% • Store footprint surpassed 3 000

Issue	Strategic Response	Key Outcomes
Managing risk and enabling sustainability in a highly uncertain environment REFER MATERIAL MATTERS PAGE 121 REFER STRATEGY & PERFORMANCE PAGE 91		
The group has experienced a high degree of change in recent years, partly from external and competitive forces as well as from its own strategic enablement. It has proved its resilience with over two years of market share gains and strong support for its strategy and performance by shareholders. It is imperative that it continues to evolve and safeguard its future growth and expansion by investing in its key operational support functions through its strategic enablement pillar. Success in this endeavor will enable it to remain relevant to its customers and to outperform its competitors over the long-term.	**STRATEGIC ENABLEMENT** • Digital and technology modernisation of existing infrastructure positioning the group to become a digitally transformed, scientifically informed and customer-centric retailer • Further technology investment in data intelligence and operational efficiency • Continued focus on supply chain blueprint to support future growth and accommodate long-term scale • Investment into a second national distribution facility. This will support sustainable growth while further mitigating risks through a multi-site strategy	• Accelerated operational integration of acquired businesses, unlocking short-term efficiency, partly resulting in gross and operating margin expansion • Secondary DC reconfiguration on track to enhance the group's network and further entrench the triangulated network • Reprioritisation of strategic technology projects to maximise impact and systems sustainability

VALUE CREATION THROUGH AN INTEGRATED BUSINESS MODEL

Focused strategic execution ensures that the group's business activities are aligned in a manner that allows it to continuously progress towards achieving its vision. The group's desired strategic outcomes guide the development and execution of a series of strategies that run across the various areas of its business. These strategies are underpinned by robust financial, information and operating systems, as well as people and governance processes. The action plans and projects linked to these strategies are refined each year, ensuring that the group remains agile in its approach to achieving its desired outcomes.

OUR VISION: to be the most valuable retailer in Africa

DESIRED STRATEGIC OUTCOMES

STRATEGY AND PERFORMANCE PAGE 91

- **Profitable market share**
- **Customer obsessed**
- **Diversified offering**
- **Scalable opportunities**
- **Operational excellence**
- **Top quartile returns**

ACHIEVEMENT OF THE GROUP'S OUTCOMES IS SUPPORTED BY ITS SIX STRATEGIC PILLARS:

STAKEHOLDER ENGAGEMENT | PEOPLE | GROWTH AND INNOVATION | BRAND PROMISE | STRATEGIC ENABLEMENT | SUSTAINABILITY

The group has an embedded enterprise risk management process that allows it to understand the risks and matters which are material to its business and have the potential to hinder progress in achieving its vision. This knowledge allows the group to invest strategically ensuring that it can operate in a manner that minimises those risks and supports its strategic progression.

RISK THEMES

RISK THEMES PAGE 117

Top 10 Risks

1. Macro, socio-political, socio-economic and regulatory environment
2. Competitive landscape
3. Talent attraction and retention
4. Supply chain
5. Brand reputation
6. Information technology
7. Transformation
8. Strategy
9. Leadership and organisational agility
10. Culture and behaviours

MATERIAL MATTERS

MATERIAL MATTERS PAGE 121

Material Matters	Risk Themes
Challenging retail environment	1, 2, 4, 8
Competitor landscape	1, 2, 4, 8
Supply chain disruptions	1, 2, 4, 8
Digital transformation	6
Human capital preservation	3, 7, 9, 10
Brand reputation protection	5

INPUTS: RESOURCES APPLIED AND KEY RELATIONSHIPS

Inputs include the human, intellectual, manufactured, financial, social and relationship, and natural capitals which the group uses in its business activities to create value for all its stakeholders.

H HUMAN CAPITAL

The skill and experience vested in the group's associates that enable it to deliver its products and services and implement its strategy, creating value for its stakeholders.

- > 32 000 associates
- R73m invested in learning & development
- R4.6bn in remuneration paid to associates
- Succession planning maturity to ensure
- Resilient pipeline of talent

F FINANCIAL CAPITAL

The group's pool of funds consists of cash generated from operations, interest income and funds reinvested.

- R4.8bn cash available (opening)
- R2.6bn credit facilities unutilised
- Capital expenditure of R830m
- Successful supplier working capital programme

I INTELLECTUAL CAPITAL

The intangibles that constitute the group's brand, product and service offering and provide its competitive advantage.

- Established Mr Price brands and trademarks
- The Mr Price Way: Vision, Purpose and Values
- Mr Price fashion-value formula
- 39 years of historical data available
- Organically developed new brands
- Implemented internal digital transformation
- Three recently acquired businesses

S SOCIAL AND RELATIONSHIP CAPITAL

The key and long-term relationships that the group has cultivated with customers, suppliers, associates, shareholders, government and community.

- R33.1m donated by Mr Price Group to Mr Price Foundation
- R16m external donations to Mr Price Foundation
- 39-year track record with landlords and suppliers
- 9 021 participated in skills development programmes through Mr Price Foundation
- Combined community investment of R63.2m
- Introduced supply chain finance programme

M MANUFACTURED CAPITAL

The stores, distribution network and general infrastructure throughout Southern, East and West Africa, which enables it to procure, import, deliver and sell its products and services.

- 3 030 stores
- 1 235 951m² of gross space
- Online capabilities: e-commerce and social media
- Trading in nine countries
- Three recently acquired businesses
- Triangulated distribution network
- Four distribution centres and depots

N NATURAL CAPITAL

The resources that are used in the production of goods and the store environment.

- Latest energy sources and products
- Carbon footprint reduction initiatives
- Recycling programme
- Clothing donations to The Clothing Box and Taking Care of Business
- Sustainable cotton initiatives
- Sustainable materials used in products

TRADE-OFFS

Decision making is guided by the group's strategic pillars enabling it to focus on what matters most to its business. In doing so, the group can optimise the trade-offs between its capitals that arise as a consequence of its business activities. For detail on trade-offs made, refer to strategic execution on page 91.

VALUE CREATION THROUGH AN INTEGRATED BUSINESS MODEL
continued

OUR BUSINESS ACTIVITIES

The group's business activities are enabled by the collective actions of its people, systems, suppliers and logistics, which together support sustainable growth for the group and all stakeholders. The outcomes of the group's business activities include the internal and external consequences for its stakeholders and resources, acknowledging that these can be positive or negative, and collectively result in the value that the group creates over time.

People

STRATEGIC PILLARS

CAPITALS: H I F S

- **Passionate**
- **Energised organisational culture**
- **Partners who act as business owners**

At the heart of the business are the group's highly passionate and committed people. The group's share schemes and incentive remuneration philosophy encourage them to act as owners and participate in the group's success.

Value Proposal

STRATEGIC PILLARS

CAPITALS: H I F

- **Best price for quality and fashion offered**
- **Every Day Low Prices**
- **The way the group serves the business, stakeholders and each other**

The group predominantly retails differentiated private label assortments, supported by homegrown sub brands, as well as selected branded products that are dominant in the wanted fashion items of the season.

Marketing

STRATEGIC PILLARS

CAPITALS: H M F S

- **Positional**
- **Promotional**
- **Aligned to brand personality**

Product presentation and visual support materials provide customers with a consistent and clear understanding of what our brands stand for.

Engagement

STRATEGIC PILLARS

CAPITALS: H M F S

- **Dynamic and integrated**
- **Frequent and transparent**

The group prioritises transparent and frequent engagement with all stakeholders across various internal and external channels, driven by its value of Partnership.

Merchandise Processes

STRATEGIC PILLARS

CAPITALS: H I M F S N

- **Style, fashion and assortment**
- **Merchandise intensity and quality**
- **Ethical and sustainable**

The group's trend teams satisfy customers' fashion needs by researching international and local trends for inspiration. Merchandise teams identify key fashion and homeware trends, using test programs to manage business risks.

Retail Operations

STRATEGIC PILLARS

CAPITALS: H I M F S N

- **Store size and location**
- **Layout and design**
- **Omni-channel**

The group retails its apparel, homeware, sportswear, financial services and telecoms offerings through stores and online channels. Primarily based in South Africa, it also operates in eight other African markets. Store investments align with the group's value model, focused on enhancing customer experience. E-commerce platforms and mobile apps are key for customer engagement and are growing in importance.

Technology

STRATEGIC PILLARS

CAPITALS: H I M F S N

- **Customer-centric solution design**
- **Critical enabler for all business processes**
- **Central to innovation and automation**

The group's systems provide agile and innovative solutions to enable the effective execution of omni-channel business processes and the delivery of strategic projects, to ultimately assist the group in achieving its strategic vision.

Sourcing

STRATEGIC PILLARS

CAPITALS: I S N

- **Strategic supplier partnerships provide flexibility**
- **High volume resourcing**
- **Ability to shift supply base dynamically**

The group builds strategic partnerships with key suppliers to enhance customer value and its competitive, sustainable value chain. Supplier engagement follows high professional and ethical standards, adhering to the group's code of conduct. Merchandise is sourced locally (South Africa and Africa) and internationally.

Supply Chain Operations

STRATEGIC PILLARS

CAPITALS: H I M F S N

- **Warehousing**
- **Distrubution centers**
- **Transportation**
- **Triangulated network**

The group's supply chain operations ensure products are shipped, distributed, and delivered efficiently to meet customer needs, including store stock replenishment and online order fulfillment. Continuous evaluation and innovation of technology and processes drive sustained operational efficiency.

VALUE CREATION THROUGH AN INTEGRATED BUSINESS MODEL

continued

OUTCOMES

The group mindfully uses and trades off its capitals to sustain investment in its employees, supplier and landlord relationships, and operations to meet the wants and needs of its customers while entrenching strong corporate governance and actively managing its costs and investments. The outcomes of the group's investments support the direct and indirect value creation for its stakeholders as indicated in the adjacent table.

STAKEHOLDER VALUE CREATION

Outcomes	Shareholders	Customers	Associates	Suppliers	Landlords	Government & Community
H – HUMAN CAPITAL • Upskilled associates and increased pipeline of leaders • 99.6% of new hires were ACI appointments • 96.4% of promotions were ACI associates • Continuation of HiPo and succession planning programme • >180 learning and development offerings available for associates			✓			✓
I – INTELLECTUAL CAPITAL • #1 most valuable fashion-value retailer in South Africa • #4 strongest brand in South Africa • Mr Price Apparel and Mr Price Home have the highest brand equity in their segments • Gained 50bps market share as per the RLC • Mr Price Apparel has 3.5m customers, highest in sector (MAPS 2025)	✓	✓		✓	✓	
M – MANUFACTURED CAPITAL • 5.1% new weighted average space growth • 303m units sold • 184 new stores opened • 105m website and app visits • 2.8m Instagram followers • 7.9m Facebook followers • 440k X followers • 852k TikTok followers • Net Promoter Score (NPS): 70.3%	✓	✓	✓	✓	✓	
F – FINANCIAL CAPITAL • Revenue increase of 7.9% • Operating margin of 14.2% • Cash conversion ratio of 94.9% • Capex of R830m invested • ROE of 27.2% • Net Asset Value increased 10.8% • R2.2bn dividends paid	✓		✓	✓	✓	✓
S – SOCIAL AND RELATIONSHIP CAPITAL • Listed on the FTSE4Good Index Series since 2020 • Rated lowest risk of all South African apparel retailers by Sustainalytics • 21 primary schools supported,13 769 learners and 423 educators impacted • 127.7m units sourced from SA, totaling R5bn • 6 316 JumpStarters employed • 96.6% of tier 1 and 2 factories mapped in value chain • R32.9m invested in small and medium black-owned suppliers	✓			✓		✓
N – NATURAL CAPITAL • 18.9% reduction of scope 1, 2 and 3 carbon emissions • 68.3m plastic shopper bags removed from circulation • 64.7m of product units contain a sustainable material or cleaner production attribute • Renewable energy contributes 19.4% of energy usage at head office and DC • 92% of total measured waste from head office sites and DC is recycled • 3.1m products were produced using cleaner production methods • R21.1m worth of merchandise units donated to Taking Care of Business	✓	✓	✓	✓	✓	✓

OUTPUTS

Throughout the reporting period, the group continued to deliver value to its customers through wanted product at Every Day Low Prices. The group actively sought to minimise waste (refer to Together We Do Good report) throughout its business activities to ensure that it conscientiously reduced the impact on the communities and environment in which it operates.

Stakeholder Value Creation

A FORTY-YEAR HISTORY OF BUILDING PARTNERSHIPS

Partnership has been a longstanding value of the group, guiding its stakeholder engagement efforts. Over the past forty years, the group's success has been built on shared victories with its stakeholders. From day one, stakeholders have been seen as partners - working together to support sustainable value creation. This long-standing commitment remains rooted in the group's goal of bringing fashion-value merchandise to millions across South Africa. Key stakeholder groups - including associates, shareholders, customers, suppliers, landlords, and surrounding communities - each play a direct and indirect role in the group's ability to create sustainable value.

The group remains dedicated to sustaining and strengthening these relationships, both old and new, by addressing the needs and fulfilling the expectations of each stakeholder. Together with its stakeholders, the group will continue building a future where mutual success and sustainable value creation are central to all business activities.

"The team is **GREAT TO WORK WITH;** their approach is always rational and realistic. As partners, they are understanding and supportive, creating a collaborative working environment."

- LANDLORDS

"What truly sets this group apart for me **IS THE CULTURE.** It's not just words on paper or slogans on walls - it's something we live out every day, no matter the circumstances. Being part of **A TEAM THAT GENUINELY WALKS TOGETHER** toward a shared vision has completely changed how I view the workplace."

- ASSOCIATES

"Over the past 33 years, we have had the incredible privilege of partnering with Mr Price, an experience that has shown us the true meaning of a business relationship. Together, **WE'VE BUILT, HONOURED, AND CHALLENGED ONE ANOTHER,** growing in unity, friendship, and shared success. These have been the most rewarding years of our journey. Thank you, Mr Price."

- SUPPLIERS

"We appreciate the team's dedication and their proactive approach to investor engagement throughout the year. Their **CONTINUED EFFORTS TO EVOLVE AND ENHANCE COMMUNICATION** with the investment community have been mutually beneficial. It is clear they remain focused on **DELIVERING HIGH-QUALITY INVESTOR INTERACTIONS.**"

- INVESTORS

Stakeholder Engagement: A Dynamic and Integrated Approach

The group's efforts for sustainable value creation are guided by its six strategic pillars. Stakeholder engagement forms one of these pillars, with a strategy designed to promote and protect the group's reputation, serving as the overarching custodian of the brand. This strategy is dynamic, continuously adapting to the evolving needs and expectations of the group's primary stakeholders. By doing so, it ensures that interactions with all stakeholders are consistently effective and efficient.

A key component of the group's strategy is the integration of stakeholder engagement across all levels of its business operations, rather than treating it as an isolated function. This holistic approach fosters the development and enhancement of relationships with key stakeholders, ultimately creating value for everyone involved.

Assessing Relationship Health

Guided by the group's vision of becoming the most valuable retailer in Africa, the stakeholder engagement pillar focuses on how each stakeholder contributes to this value. Every interaction is grounded by the objective of building relationships that create mutual value for both the group and its stakeholders. To better understand the evolving needs and expectations of key stakeholders, the group regularly evaluates the health of these relationships. This approach ensures that its engagement strategy is designed to meet the unique requirements of each stakeholder group, rather than employing a one-size-fits-all approach.

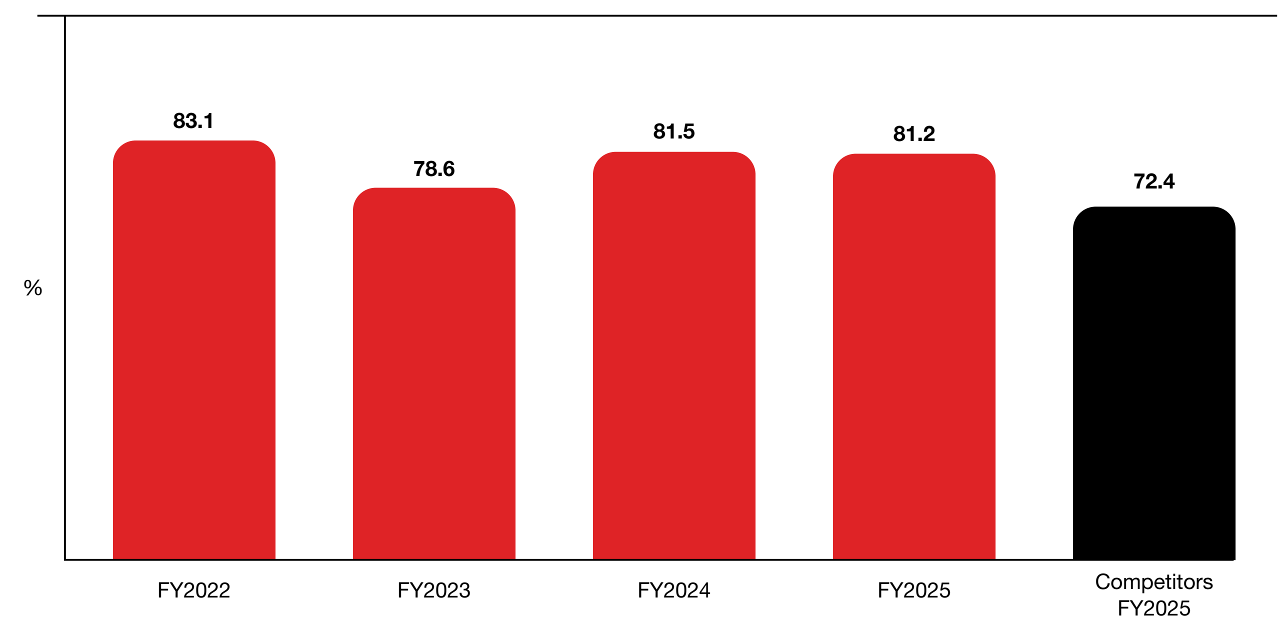
Throughout the year, the group assesses relationship health through various methods, including annual engagement surveys, individual engagement sessions, marketing and social media analytics, brand health trackers and Net Promoter Scores. The insights gained from stakeholder feedback shape the group's engagement efforts, enabling continuous improvement of its strategy.

ANNUAL ENGAGEMENT SURVEYS

Since 2022, the group has evaluated the health of its relationships with key stakeholder groups through annual engagement surveys. The results of these surveys, combined with feedback from other assessments, highlight key areas for improvement and support the continuation of activities that have supported value creation in existing relationships. The surveys are specifically targeted at individual stakeholder groups, including investors, suppliers, landlords, and associates.

In FY2025, the group's overall engagement score was 81.2%, reflecting the continued effectiveness of its engagement strategy in promoting sustainable value creation for all stakeholders. Detailed insights and scores for individual stakeholder groups can be found on pages 69 - 84.

Stakeholder engagement performance



Stakeholder Universe

The group's key stakeholders have been identified based on level of influence on the group's operations, the group's impact on them and extent of collaboration. The manner, level and extent of engagements by the group are driven by the influence, interests, expectations and concerns of individual stakeholder groups.

Shareholders | Customers | Associates | Suppliers | Landlords | Government & Community

Pillar Objectives

Driven by the pillar's purpose to build value-creating relationships through best-in-class engagement, efforts are guided by the following objectives:

- **Execution:** Implementing the group's annual stakeholder engagement strategy
- **Ongoing assessment:** Evaluation of stakeholder needs and refining existing plans to improve performance in areas that are prioritised and adopted
- **Annual evaluations:** Measure progress in meeting stakeholder needs and creating value
- **Leadership:** Recognised by stakeholders for having the best two-way communication in the industry

Key Focus Areas | FY2025

- **Ongoing strategic communications:** Engaged with all stakeholders, to reinforce group's vision and purpose, ensuring transparent and collaborative interactions
- **Enhanced communication:** Shared the group's business activities and trade performance with all stakeholders
- **Strengthened connectivity:** Fostered greater accessibility to the group's core through improved engagement between senior management and key stakeholders
- **Successful execution:** Hosted key annual engagements, including Annual Landlord Day and Sectoral Supplier Days
- **Investor roadshows and focused engagement sessions:** Following the release of results and trading updates
- **Focused shareholder engagement:** Hosted the group's inaugural Capital Markets Day
- **Insightful analysis:** Evaluated feedback from engagement surveys (associates, suppliers, landlords, and investors), to identify key areas for improvement and continuing activities that deliver value

Future Focus Areas

- **Ongoing execution:** Implementing the stakeholder engagement strategy through targeted interactions with all stakeholders
- **Monitoring progress:** Tracking areas identified for improvement during FY2025 across all stakeholder groups
- **Continuous research:** Enhancing the quality and methods of engagements

Awards

The group was recognised amongst South African mid-cap companies for having the:

- Leading Investor Relations Officer
- Third Best Corporate Investor Relations

extel

SHAREHOLDERS

Value Creation

SUSTAINABLE AND QUALITY EARNINGS GROWTH AND CAPITAL RETURNS

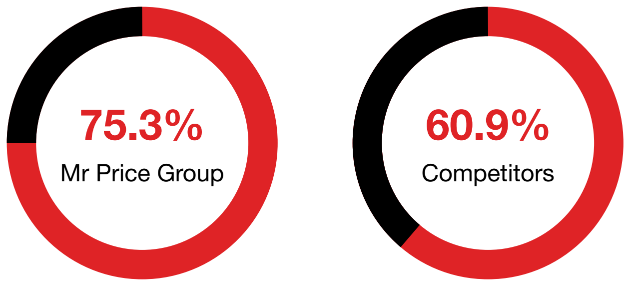
Shareholding remained weighted towards local investors, with initial green shoots for increased international holding since the second half of the year based on the positive political and economic outcomes in South Africa. In the last six months of the year, the group had consecutive net foreign inflows. However, due to global market volatility, there remains uncertainty about the growth of foreign investments in emerging markets.

72.3% local holdings	**27.7%** international holdings

Relationship Quality FY2025

The group conducts annual surveys to assess the quality of its relationships with the investment community.The feedback from these surveys informs the group's engagement strategy, ensuring that it remains agile in response to shareholders' needs and expectations.

Engagement performance



Engagement Strategy:

A key element of the group's engagement strategy is enhancing understanding of and collaboration with financial market stakeholders, as well as responding to their needs and expectations. The group is committed to consistently improving its frequent and transparent communication with investors and analysts, thereby building greater trust and credibility. The group met the needs and expectations of its shareholders through:

- Transparent and timely disclosure of the group's performance, investments, and strategy
  - Improvement of financial and ESG disclosures, and detail on risks facing the group's outlook
- Consistent and frequent engagement with investors and analysts
  - 243 investor and analyst engagements through meetings and conference calls
- Improvement in accessibility to management
- Targeted investor engagements, such as pre-AGM meetings on proposed resolutions, and the inaugral Capital Markets Day providing increased clarity on the group's progress and future strategic focus areas
- Ease of access to the group's information via email, calls, and a dedicated investor relations **website page**

CEO, MARK BLAIR PRESENTING AT THE GROUP'S CAPITAL MARKETS DAY

Capital Markets Day 2024

In September last year, the group hosted its inaugural Capital Markets Day with attendance by its largest and smaller shareholders, representing approximately 60% of its total shareholding. Sell-side analysts covering the retail sector, and prospective local and international investors were also in attendance. Designed with a strategic focus, the event provided in-depth insights into the group's evolution over the past six years, its operations, divisional differentiation and strategies, and future strategic priorities. The event offered a valuable opportunity for engagement with the group's leadership teams, and the presentations delivered greater clarity on the group's effective processes and strategic direction. Additionally, exhibition booths of the group's nine trading divisions allowed attendees to gain a deeper understanding of each division's unique merchandise offerings and individual brand identities.

POWER FASHION'S EXHIBITION BOOTH SHOWCASED THE DIVISION'S MERCHANDISE AND IN-STORE BRAND IDENTITY

Key Matters and Responses

Macro and consumer environment

Strategic Pillar: BRAND PROMISE; GROWTH AND INNOVATION

Key matter	Group response
Prolonged low growth environment reached an inflection point mid-way through 2024 following the positive establishment of the Government of National Unity Improving GDP growth Material improvement in national energy supply, reducing loadshedding and disruption to business activities Lowering inflation, 75bps cut to interest rate and two-pot retirement system were supportive of a positive consumer cycle change	• Strong merchandise execution with focus on the group's five pillars of value: price, quality, fashion, customer experience and convenience • Effective execution of the group's Every Day Low Price model ensured customers' value needs were met • Execution of the group's strategy with focus on delivering against its desired strategic outcomes, see pages 101 - 112

Competitor landscape

Key matter	Group response
Highly competitive local retail environment further intensified by international pureplay e-commerce disruption, and significant increase in competitor homeware space growth	• Continued building on intentional investments made during the economic downcycle: o Acquired Power Fashion, Yuppiechef and Studio 88 o Sustained higher space growth o Successful rollout of organic concepts: Mr Price Kids and Mr Price Cellular • Leveraged efficiencies from recently acquired businesses and their associated customer bases • High levels of engagement with relevant bodies to advocate for fair tax and duties on foreign e-commerce entrants • Improved quarter-on-quarter homeware sales growth and margin performance, driven by strategic sectoral response plans

Growth drivers

Strategic Pillar: BRAND PROMISE; STRATEGIC ENABLEMENT; GROWTH AND INNOVATION

Key matter	Group response
Performance of acquisitions and organic concepts	• Power Fashion has gained market share for 37 consecutive quarters, Mr Price Cellular has consistently gained market share since its inclusion in GfK in 2017
Continued focus on comparable store sales growth	• Strong execution of merchandise processes and customer engagement through marketing
Credit environment and appetite for growth	• Prudently managed at 10.3% of sales with room to grow further within risk framework • Credit approval rate increased to 23.8%
Strong space growth execution and outlook	• Increased thresholds on new store returns • 184 new stores • New weighted average space growth of 5.1%

Port and logistics infrastructure challenges

Key matter	Group response
South African port and logistics infrastructure challenges, and volatile global supply chain networks due to geopolitical uncertainty	• Invested in secondary distribution centre site supporting sustainable growth and providing increased risk mitigation through a multi-site strategy • Planned appropriate supply chain buffers in anticipation of import disruptions

Remuneration policy and implementation

Strategic Pillar: PEOPLE

Key matter	Group reponse
Consistent support of remuneration policy over the past five years, however, variable support for the implementation report	• The group achieved votes in favour of its remuneration policy and implementation of 77% and 58% respectively • Facilitated rigorous shareholder engagement representing 59% of the group's register covering its top 25 shareholders, see pages 10 - 11 of the Remuneration report for further details

Key Matters and Responses (continued)

Improved disclosures

Key matter	Group response	Strategic Pillar
Financial, ESG and operational	• Implementation of renewed financial disclosure and enhanced reporting on mid-term target ranges • ESG scorecard and retrospective reporting continues to account for one fifth of senior management's long-term incentive requirements • Hosted inaugural Capital Markets Day focussed on enhanced disclosure of the group's investments, operational processes and future strategic focus areas, see page 70	STAKEHOLDER ENGAGEMENT SUSTAINABILITY

The board

Key matter	Group response	Strategic Pillar
Composition, independence, tenure and skills	• Continued positive board rotation with retirement of longstanding board members • Continued focus on balancing tenure, skills and experience • Engagement with top 25 shareholders ahead of AGM	SUSTAINABILITY

MR PRICE APPAREL'S EXHIBITION BOOTH HIGHLIGHTED THE DIVISION'S DIFFERENTIATED FASHION-VALUE MERCHANDISE AND STRATEGIC COLLABORATIONS

CUSTOMERS

Value Creation

COMMITTED TO PROVIDING EVERY DAY LOW PRICES AND EXCEPTIONAL VALUE TO CUSTOMERS THROUGH DIFFERENTIATED FASHION-VALUE MERCHANDISE

NO.1 RANKED

most valuable fashion-value retailer

4th strongest brand amongst South Africa's top 100 brands

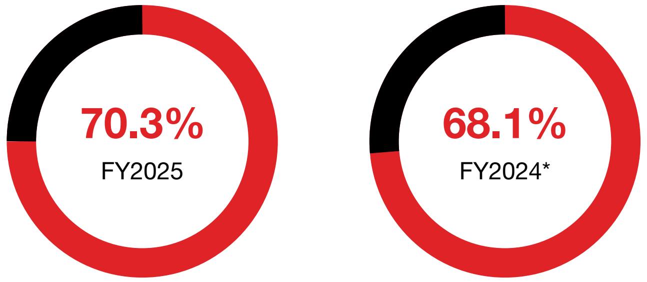
Mr Price Apparel and Mr Price Home have the **highest brand equity**

Relationship Quality FY2025

The group's trading divisions utilise a range of assessment tools to monitor customer engagement and brand strength. Metrics such as social media following and engagement, website and app visits, Net Promoter Score (NPS), and Brand Health Trackers offer comprehensive insights into the quality of each division's interactions. These tools also help identify customer needs and concerns.

Engagement performance

Net Promoter Score



*FY2024 score restated

- Social media following:
  - Instagram: 2.8m
  - Facebook: 7.9m
  - X: 440k
  - TikTok: 852k
- Website and app visits across the business: 105m
- Divisional brand equity scores through independent Brand Health Trackers

Engagement Strategy:

- Understanding customer needs and concerns through traditional and interactive social media marketing, live chat feedback on e-commerce sites, customer surveys and call centres
- Promotion of products and services through advertising campaigns, competitions, club publications and store account communication

Key Matters and Responses

Strategic Pillar: BRAND PROMISE

Increased pursuit of value

Key matter	Group response
Prolonged low growth environment diminishing real wage growth, resulting in heightened pursuit of value	• Executed against the group's Every Day Low Price model offering merchandise at competitive prices • Consistent improvement in quality of merchandise since FY2021, measured through independent AQL scores • 92% of the group's customers believe that it delivered the same or better value for money (internal VFM surveys) • Continued to deliver differentiated fashion-value merchandise through private label fashion, strategic collaborations and partnerships with brands and local artists, and brand exclusives • Greater shopping convenience through omni-channel offering

Preference for in-store shopping

Key matter	Group response
97.9% of the group's sales transactions were in-store	The group's omni-channel investments continue to be guided by its customers' shopping preferences: • Digital experience through online channels drives engagement and customers to stores • Opened 184 new stores • Store revamps and 'click & collect' facilities in line with in-store shopping preference

ASSOCIATES

Value Creation

SHARE IN THE SUCCESS OF THE BUSINESS THROUGH MARKET-RELATED COMPENSATION AND BENEFITS, TRAINING, DEVELOPMENT AND WELLNESS PROGRAMMES, LONG-TERM CAREER GROWTH OPPORTUNITIES, REGULAR ENGAGEMENT WITH MANAGEMENT ON PERFORMANCE AND AREAS OF IMPROVEMENT, VIBRANT AND POSITIVE WORK ENVIRONMENT

> 32 000
associates employed

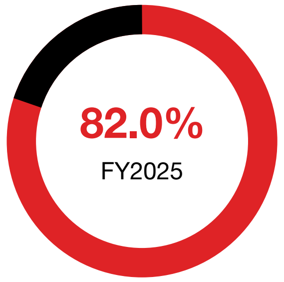
Top Employer South Africa 2025 – For a better world of work

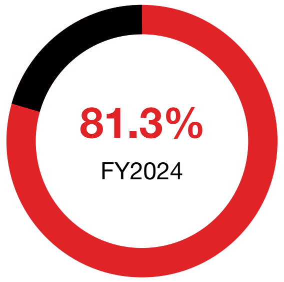
Certified as a **Top Employer 2025** by the Top Employers Institute

Relationship Quality FY2025

The group monitors associate satisfaction and engagement through annual surveys. The survey results, along with insights from the Top Employer's assessment process, guide improvements across the business.

Engagement performance





The group's internal engagement scores at organisational level (70%) and engagement linked to strategy and performance (82.0%) continue to exceed international benchmarks and placed the group in the 'exceptional workplace' category (Gallup engagement model).

Engagement Strategy:

- Induction programmes for new associates provide a basis for understanding the group's DNA and its values of Passion, Value and Partnership
- Consistent and frequent communication with management focused on performance reviews and career development
- Training and development programmes for the upskilling of associates
- Wellness programmes and events allowing associates to prioritise personal wellness
- Enhanced internal communications function driving increased connectivity at a group level for associates
- The use of relevant and current digital platforms to share updates with associates
- Annual events, engagement surveys and incentive programmes

Key Matters and Responses

Strategic Pillar: PEOPLE

Remuneration and reward

Key matter	Group response
Aligning remuneration philosophy with implementation	• The group's remuneration philosophy and implementation are reviewed annually at all levels of the business ensuring its market competitiveness • The group's transition to a Cost to Company conversion in FY2024 granted associates more control within their remuneration structure For further detail see the **Remuneration report**

Succession planning

Key matter	Group response
Investing in future leadership	• Succession planning mandate implemented across the business, ensuring leaders have identified and committed to developing future talent For further detail see the **Together We Do Good report**

Associate wellness

Key matter	Group response
Delivering services and frameworks that enhance associate wellness and cultivate a highly engaged workforce	• Dedicated wellness team that actively manages programmes across various functional areas addressing all associates' wellbeing • Regular communication of wellness activities and services ensures associates are well informed of the offerings available • Introduced an Executive Wellbeing Programme for leaders in support of prioritising their wellness

Transformation

Key matter	Group response
Being a diverse, equitable, and inclusive retailer in Africa, where all partners belong	• Unconscious Bias training for leaders to promote respect, inclusivity, and understanding, creating a more adaptable and innovative work environment that supports business goals • Accountability for the group's transformation is governed through various oversight structures and employee affinity groups For further detail see the **Together We Do Good report**

SUPPLIERS

Value Creation

PARTNER WITH SUPPLIERS TO BUILD QUALITY AND SUSTAINABLE WIN-WIN COMMERCIAL RELATIONSHIPS

> 1 000 active suppliers

PROCUREMENT

43.7% local

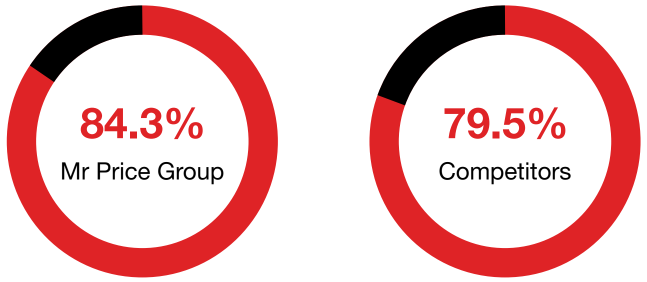
56.3% international

>127m units procured in South Africa

Relationship Quality FY2025

The group assesses supplier partnerships through annual engagement surveys and supplier grading, allowing for areas of improvement to be identified and addressed on a regular basis.

Engagement performance



- Supplier grading focused on delivery on-time and in-full performance

Engagement Strategy:

- Ongoing supplier development through supplier grading and performance metrics, supplier workshops and focus groups, monthly meetings, factory visits and audits, and industry body engagement
- Improving connectivity to and understanding of the group's vision, strategy and business performance through:
  - Sectoral negotiation weeks supporting increased procurement and pricing sufficiencies
  - Sharing of quarterly digital business updates

Key Matters and Responses

Performance metrics

Key matter	Group response	Strategic Pillar
Ongoing improvement of on-time and in-full delivery metrics is a win-win outcome for both the group and its suppliers	• Suppliers are graded on performance that is primarily measured on delivery on-time and delivery in-full (OTIF). The group's suppliers increased their OTIF performance for FY2025 to 85.8% For further detail see the **Together We Do Good report**	SUSTAINABILITY

Supply chain

Key matter	Group response	Strategic Pillar
Supply chain volatility and disruptions	• Continued to leverage agile supply chain network and scale of shipping units • Planned appropriate supply chain buffers in anticipation of import disruptions • Utilised extensive supply chain infrastructure to ensure on time store arrivals	STRATEGIC ENABLEMENT SUSTAINABILITY

Social compliance and factory visibility

Key matter	Group response	Strategic Pillar
Factory visibility, health and safety, worker conditions, working hours, amongst several other salient issues, continue to be closely monitored by the group	• Factories visible: 96.6% • Factories audited: 92.9% • The group does not source from the factories located in Xinjiang Uygur Autonomous Region For further detail see the **Together We Do Good report**	SUSTAINABILITY

APPAREL SECTOR ANNUAL SUPPLIERS' DINNER AND AWARDS

TOP-PERFORMING SUPPLIERS RECOGNISED FOR THEIR CONTRIBUTIONS DURING THE YEAR

LANDLORDS

Value Creation

PARTNER WITH LANDLORDS TO BUILD QUALITY AND SUSTAINABLE WIN-WIN COMMERCIAL RELATIONSHIPS

SURPASSED
3 000 stores

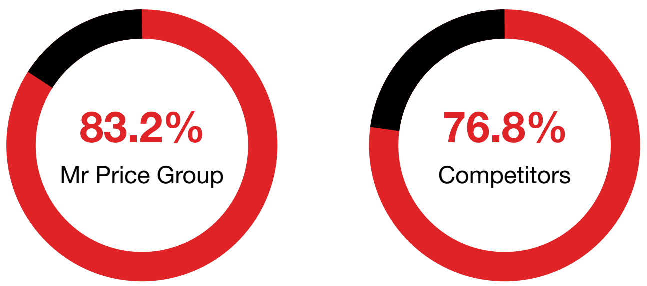
3 030 group owned stores

184 new stores

Relationship Quality FY2025

The group assesses landlord partnerships through annual surveys and performance metrics, which guide the development and progression of its engagement strategy.

Engagement performance



- Commercial partnership measured through rental escalations and reversions

Engagement Strategy:

- Group real estate team ensures daily operational engagement
- Engage landlord partners as a group to realise scale efficiencies
- Connection of landlord partners with the group's vision, strategic progress and business updates through:
  - Hosting of annual landlords' day with management teams
  - Sharing of quarterly digital business updates

Key Matters and Responses

Strategic Pillar: GROWTH AND INNOVATION

Competition for space

Key matter	Group response
Continued competition for prime real estate space amidst aggressive retail space growth strategies	• Despite the heightened competition for store locations, the group's new weighted average space growth was 5.1% • The group continues to focus on quality space growth, ensuring store locations remain uncompromised in a competitive landscape

Store profitability

Key matter	Group response
Ensuring space growth does not compromise store returns	• Raised threshold for new space growth • Group ROOA well in excess of WACC

Strategic Pillar: STAKEHOLDER ENGAGEMENT

Commercial outcomes

Key matter	Group response
Competitive and market related commercial contracts	• The group secures the best possible commercial contracts for its trading space through its ability to attract high footfall positions to negotiate appropriate base and rental escalations

CO-FOUNDERS STEWART COHEN AND LAURIE CHIAPPINI AT THE GROUP'S 3000TH STORE OPENING

GOVERNMENT AND COMMUNITY

Value Creation

GROUP ACTIVITIES ARE ALIGNED TO POSITIVELY CONTRIBUTE TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS, NATIONAL PRIORITIES, THE RETAIL-CTFL MASTER PLAN 2030, REDUCED ENVIRONMENTAL IMPACT, COMMITMENT TO TRANSFORMATION AND JOB CREATION, AND FULFILMENT OF LEGISLATIVE REQUIREMENTS

FOUNDING SIGNATORY

of the Retail-CTFL Master Plan 2030

CONTINUED INCLUSION

in the FTSE4Good Index since 2020

R33.1m

donated to Mr Price Foundation

Engagement Strategy:

- Engagement with industry bodies and government through focused task teams
- Paying member of various organisations
- Donor to multiple non-profit bodies
- Partnerships and programmes implemented by Mr Price Foundation that focus on youth, social and skills development

mr price foundation

WEBSITE

Key Matters and Responses

Strategic Pillar: SUSTAINABILITY

Youth unemployment and skills development

Key matter	Group response
Unemployment remains a key structural issue in South Africa, impacting GDP growth and contributing to persistent poverty	• New leadership appointed with a strategic focus on accelerating the positive impact of existing key partnerships and programmes • In FY2025 the group donated R33.1m to Mr Price Foundation which through its JumpStart programme focuses on the development of local manufacturing and retail skills for South African youth, upskilling them for placement in formal employment

Local procurement

Key matter	Group response
The group is committed to supporting local manufacturing while continuing to deliver value to its customers	• As a founding signatory of the Retail-CTFL Master Plan 2030, the group is committed to increasing local procurement and the development of South Africa's retail sector • Over 127m units were sourced from South Africa in FY2025, equating to more than R5bn spent • The group continues to work towards developing local capabilities for sustainable materials

South African retail sector

Key matter	Group response
The retail sector is a key contributor to economic growth and employment in South Africa and the group strives to play its part in preserving its health	• The group's CEO serves as the Chairman of the National Clothing Retail Federation which represents the interests of clothing retailers in South Africa and focuses on and addresses matters that impact the sustainability of retailers and suppliers, ensuring that retailers can provide value products to its consumers

HOW WE PERFORMED

CONTENTS

CHAPTER 04

> Our founding operating principles of low-cost operations, bulk purchasing, low markups and cash-based retailing remain deeply embedded in our business model. These fundamentals have enabled us to consistently offer differentiated fashion-value merchandise at price points our customers can afford, underpinning our growth and resilience over the decades."
>
> **Mark Blair** - Chief Executive Officer

CEO's Report

Dear Stakeholders,

Last year the theme of my report was the link between our vision and stakeholder engagement. I spoke about my view that without strong relationships internally and externally, based on transparency and trust, we cannot succeed in our ambitions. On reflection of our journey over the last seven years, and when we set our new strategy in 2020, we identified our strategic pillars (refer pages 97 - 100) and our intentions in each. In stakeholder engagement, our initial aim was simply to establish a stakeholder engagement function, and in time, to be top rated in our interactions with our key stakeholder groups. I am delighted to report that our stakeholder engagement activities reflect an ever-improving position, and Mr Price Group is again rated ahead of our peer group.

A significant achievement this year was our group retaining its status in the 'exceptional workplaces' category per the Gallup model and was again awarded Top Employer certification. On behalf of the board, executive committee and our various management teams, I want to thank each and every one of our Red Cappers for your passion for retail and your commitment to helping our customers feel good about themselves without breaking the bank! Your passion and dedication have played a key role in our success: being ranked the most valuable fashion-value retailer in South Africa, the most shopped apparel and homeware retailer, and strengthening our brand to become the overall fourth strongest in the country across all industries and is the highest ranked discretionary retailer..

Our landlord and supplier engagement efforts, which culminate in an annual assessment by our external partners, have once again resulted in very pleasing results. Thank you for your partnership and the significant role you play in the success of our business.

In the last year, one of the ways we strengthened our interactions with investors and analysts was by hosting our inaugural Capital Markets Day in September 2024. Our efforts towards improved engagement with the investment community was recognised in December 2024 through the Extel Survey for Corporate Leadership and Investor Relations Expertise. Our group's Director of Investor Relations was awarded first place for Best Investor Relations Officer, and our group third for Best Corporate Investor Relations amongst South Africa's mid-cap companies. This progress across our key stakeholder groups has further strengthened our partnerships, which collectively support us in achieving our strategic outcomes. It clearly reflects the deliberate and focused approach we take toward achieving our goals. It is therefore appropriate that this report is themed around our strategic focus – our commitment to achieving our vision of being the most valuable retailer in Africa (by market capitalisation), and the resilience of our business model and our people.

Resilience is the ability to withstand or recover from difficulties, and both the global and the South African economy has had its fair share of challenges since I assumed leadership in 2019. The events and trading environments are fully described in the operating environment. Despite this, the group has managed to record positive earnings growth in five of the past seven years, which has been enabled by our culture, teamwork, and execution, by our differentiated fashion-value business model and by sound investment committee decisions.

Our purpose of being 'Your Value Champion' is well entrenched, evidenced by the overall business performance, but particularly in the quality of market share gains achieved. In the last year, the group gained 50bps per the RLC (excludes Studio 88 and Mr Price Sport), 120bps per Stats SA (includes all trading divisions), and 40bps in respect of telecoms per GfK. Gross margin increased 80bps (merchandise +80bps and cellular +80bps). Operating profit growth of 8.9% was achieved with meaningful contributions from all three operating sectors. The three businesses that the group acquired over the last few years achieved operating profit of R1.2bn. This reflects our ability to evaluate many companies for potential acquisition, decline most (those that do not match our stringent investment criteria), and pursue those which are earnings accretive and support our long-term growth ambitions. Our financial metrics receive equal scrutiny and regrettably, we did not achieve the stock turn target as supply chain timing was difficult to predict given the disruption to shipping and Durban Port challenges. Generally, stock arrived earlier than predicted, which is a positive sign that the situation is improving and that buffers placed into our supply chain lead times can be somewhat relaxed.

I am also hopeful that the market volatility will settle down and with the stimulus of declining interest rates and consumer price inflation, together with a Government of National Unity focused on economic growth and employment, consumer spending will improve. In April and May of the new financial year, sales were up 11.6%, kicking off FY2026 on a positive note. Our investments and capital allocation decisions made in the last few years has well-positioned us for the expected improvement in the consumer environment. Our capital expenditure was R830m in the last year which included the opening of 184 new stores which are collectively exceeding our investment return thresholds. Our planned capital expenditure in FY2026 of R1.6bn will be the highest on record, in the year that the group celebrates its 40th anniversary, and includes opening ~200 new stores, increased investment into store expansions and revamps, technology and the Gauteng distribution centre enablement which has a targeted go-live date of September 2026.

Our vision is bold, so future investment decisions are focused on ensuring they will provide strong long-term earnings growth and over time materially progress our group in achieving our vision. Substantial effort and progress have been made by our Apex strategy team in researching and evaluating opportunities that will support these outcomes, and we will communicate our plans with the market at an appropriate stage.

Running in parallel with my work with the strategy team, is the collaboration with our People team to ensure we have the correct organisational design to create the focus and capacity required to execute our plans. With intentional changes introduced, our broader leadership team is now a fantastic blend of experience and new appointments, and my expectations of them are high. I am excited about what is possible given this rounded skills-set and our positioning as a 'built to last' company.

I would like to express my gratitude to the board for their guidance and input, particularly relating to the critical decisions that are shaping the company for a prosperous future.

This year, as we celebrate 40 years since the opening of the first Mr Price store, we reflect on a journey shaped by a bold dream to make fashion accessible to all South Africans. Our founding operating principles of low-cost operations, bulk purchasing, low markups and cash-based retailing remain deeply embedded in our business model. These fundamentals have enabled us to consistently offer differentiated fashion-value merchandise at price points our customers can afford, underpinning our growth and resilience over the decades.

The growth from humble beginnings to our current size has been remarkable.

3 030 stores	Revenue of **over R40bn**	Market capitalisation of **R65bn**	Operating profit of **nearly R6bn**

What truly sets us apart, however, is our people. Inspired by the entrepreneurial spirit of our co-founders, our teams continue to embody the passion, value-driven mindset, and collaborative culture that defined our beginnings. Today, with over 3 000 stores across 15 retail chains, we celebrate not just our scale, but the strength of our culture and the unwavering commitment of our associates. Looking ahead, our recent strategic investments have laid a strong foundation for continued growth, ensuring that the next chapter of Mr Price Group is even more impactful than the last.

Mark Blair
Chief Executive Officer

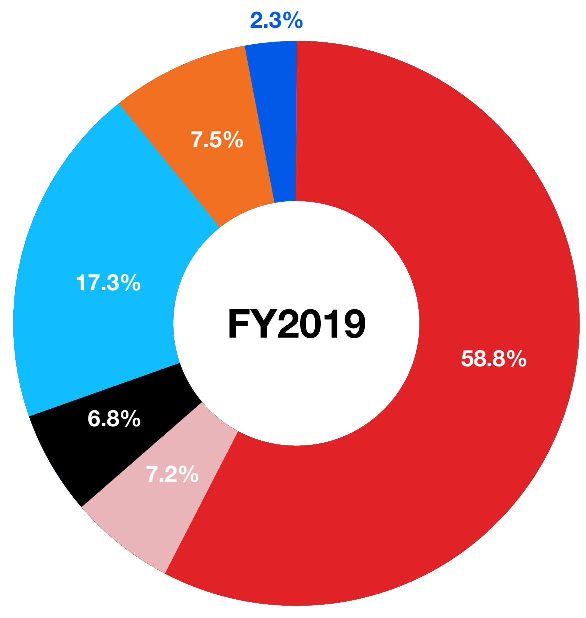
Strategy and Performance

Introduction

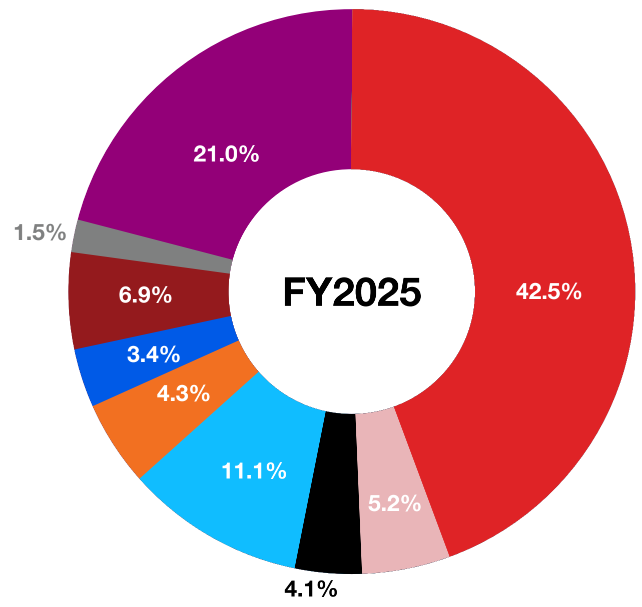
In 2020, the group took a strategic pause to reassess its long-term vision and direction. Following in-depth research and analysis, management formalised a new strategy by the end of that year, which was subsequently communicated to all stakeholders in 2021. Since the launch, significant progress has been made in moving the group toward achieving its vision of becoming Africa's most valuable retailer. Recognising the dynamic nature of the South African retail landscape, the group acknowledges that its strategy spans multiple time horizons and requires a balanced approach combining long-term planning and development with disciplined short-term execution and performance management. The group continues to focus the allocation of time, capital and resource on initiatives that are expected to deliver the strongest returns, with trade-offs aligned with its value-driven retail heritage.

Progress Since FY2020

Contribution to retail sales



- Retail sales of R21.4bn
- 6 trading divisions, 5 retail chains, largely positioned toward fashion-value apparel customers and merchandise
- 1 323 stores



- Retail sales of R39.4bn
- 9 trading divisions, 15 retail chains, expansion into the price value market (Power Fashion) and aspirational value customer (Yuppiechef & Studio 88) segments
- 3 030 stores

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

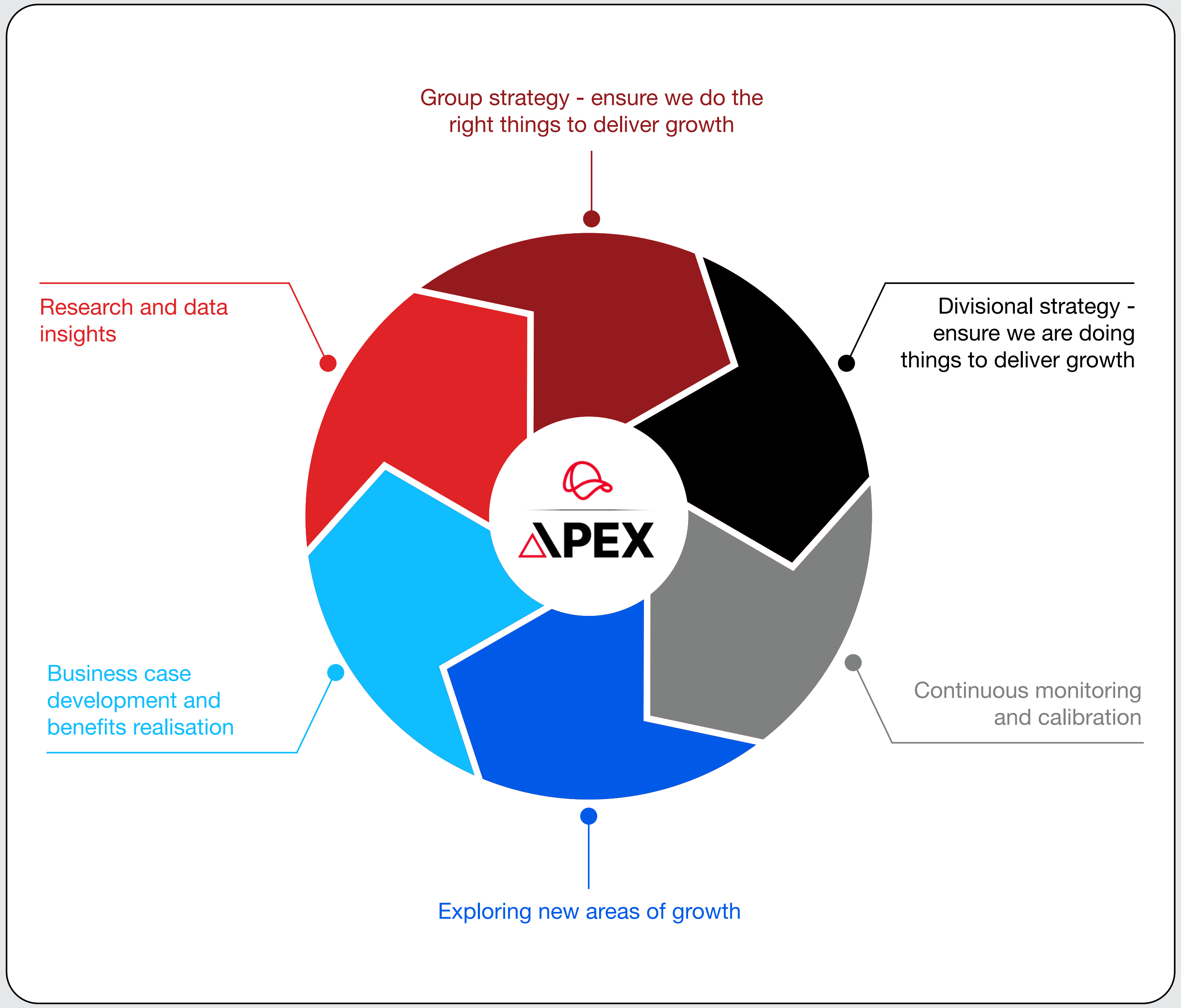
Key Focus Areas | FY2025

- Continued execution against group strategic framework (see pages 101 - 112)
- Increased focus on ensuring that the necessary foundations are in place to support the next growth phase, building on the significant progress achieved between 2020 and 2024
- Research efforts continued to focus on identified differentiated merchandise and customer categories, and markets where the group currently holds limited market share, but where opportunities are scalable and metrics are attractive
- Evaluated several organic and acquisition opportunities
  - None were pursued as the group's investment and/or capital allocation criteria were not met
- Reviewed and where necessary adapted divisional strategies with new management teams
- Ongoing focus on ensuring delivery of acquired businesses' investment cases
- Continued investment in key strategic enablers – people, stores, technology and distribution capacity

Key Responsibilities

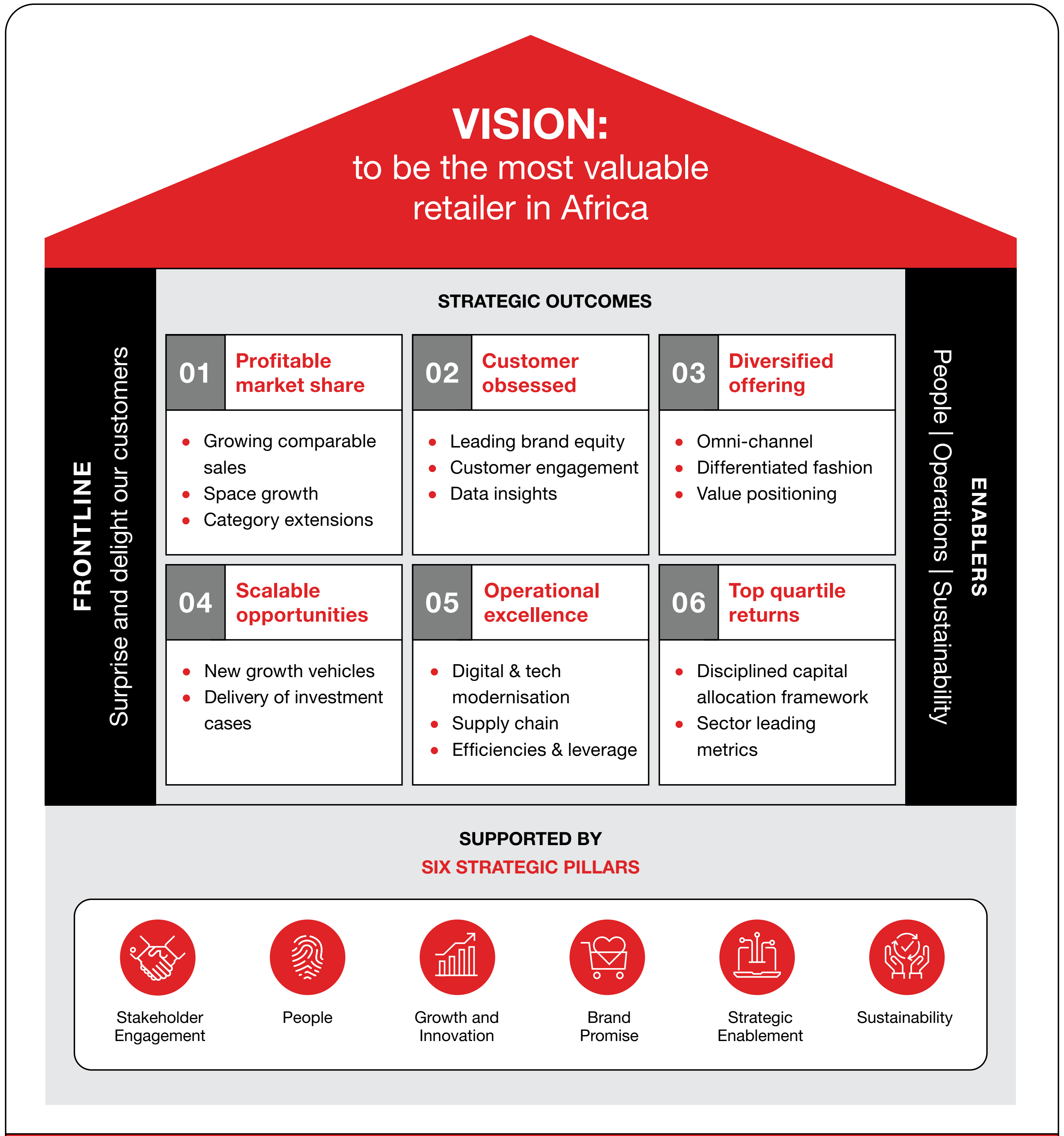
The strategy function's main responsibilities include:

- Research, identification and business case development of new growth vehicles and markets, whether organic or acquisitive in nature
- M&A activity
- Stakeholder management of strategic service providers
- Management and delivery of key strategic projects
- Strategic messaging
- Managing the group's strategic planning process and ensuring alignment between group and divisional strategic activities
- Ensuring strategies are translated into strategic KPIs
- Performance measurements via the quarterly KPI process, progress reporting and intervention to ensure consistent delivery of key strategic initiatives:
  - The success of strategic execution at both a group and divisional level is managed by robust quarterly performance reporting
  - Remedial plans and actions implemented when KPIs are at risk of not being achieved
  - Stretch targets are implemented when actual results exceed expectations



Group Strategy Framework

The group's strategy continues to be built on and aligned to its six strategic pillars that guide decision making and long-term value creation. These pillars are stakeholder engagement, people, growth and innovation, brand promise, strategic enablement, and sustainability. The pillars support the group's strategic focus areas, which define how the strategy is executed. These focus areas include profitable market share gains, customer obsession, diversified offerings, pursuing scalable opportunities, and ensuring operational excellence - all while delivering top quartile returns.



PAGES 97 - 112

Capital Allocation Framework

Over the past four years, the group has enhanced its strategic planning processes and established a filtering process to analyse and approve capital allocated to new opportunities (including store investments) while ensuring that capital is allocated at appropriate pace and level to deliver our strategic enablement plans. These processes are actioned within the group's capital allocation framework and governed by clearly defined capital return thresholds.

The capital allocation model considers cash generated and capital available from external funding sources over a minimum of five years. All investment decisions are thoroughly analysed to ensure capital is directed toward a balanced portfolio of high-return growth vehicles and capacity-building investments, including strategic enablement.

Growth-related capital allocations are further guided by the group's core investment principles, which include a disciplined approach to risk, specifically avoiding simultaneous exposure to multiple dilutionary investments.

APPROACH

- Long-term investment horizon focusing on the most attractive opportunities
- Improving returns profile potential and scalability remain key
- Revenue and earnings growth are central to group strategy, informing investment decisions
- Stable dividend pay-out ratio of 63%
- Research informs capital allocation into new growth vehicles:
  - Acquisitions:
    - Level of earnings accretion
    - Long-term metric profile
    - Access to new customer or merchandise segments
    - Access to skills not currently housed in the group
    - Growth potential and stage of growth are key considerations
    - Investment requirements to scale
  - Organic growth:
    - Leverage internal skills and build brand halos
    - Size of opportunity and time to scale are key considerations
    - Path to profitability and associated investment for appropriate returns

STRATEGIC PILLARS*

Stakeholder Engagement

CAPITALS

I F N H M S

OBJECTIVE:

Stakeholder relationships are based on the true spirit of partnership and the group is ranked as the leading retailer in 'engagement and delivery'

STAKEHOLDERS

PERFORMANCE RATING:

FY2025 ACTIVITIES & PROGRESS:

- Continued execution of stakeholder engagement strategy with focus on:
  - Transparent and collaborative strategic communication, enhanced communication of group performance and tailored engagements with key stakeholder groups
  - Successfully hosted the group's inaugural Capital Markets Day
  - Ongoing analysis of stakeholder relationship health with emphasis on identifying areas of improvement and reinforcing value-adding activities
- Group average stakeholder engagement score of 81.2%, reflecting the continued effectiveness of the stakeholder engagement strategy
- Recognition by Extel among South African mid-cap companies for leading Investor Relations Officer and the third Best Corporate Investor Relations

People

CAPITALS

I F H S

OBJECTIVE:

The group's energised environment and unique culture drive performance and position the group as the most sought-after retail employer

STAKEHOLDERS

PERFORMANCE RATING:

FY2025 ACTIVITIES & PROGRESS:

- Top Employer status maintained
- Annual organisational engagement score of 70%, places group in the 'exceptional' workplace category as per Gallup
- Remuneration strategy enhanced via the cost to company model, and updates to the policy for short-term and long-term incentives
- Wellness, DEIB (Diversity, Equity, Inclusion, and Belonging) and LEAD (leadership development) strategies delivered
- Progressed against our employment equity targets:
  - Top management 18%
  - Senior management 40%
  - Professionally qualified 60%
- Succession plans in place and implementation evaluated

Growth and Innovation

CAPITALS

I F H M

OBJECTIVE:

To be the top performer in total shareholder returns in the retail sector

STAKEHOLDERS

PERFORMANCE RATING:

FY2025 ACTIVITIES & PROGRESS:

- Retail sales increased 7.8%
- Online contribution: 2.1%
- Capital allocated to higher yielding internal initiatives – 184 new stores, (28 of which were the organic concepts of Mr Price Kids and Mr Price Cellular)
- Acquisitions contributed R11.7bn to group retail sales and R1.2bn in operating profit in FY2025 - earnings accretive
- Key financial metrics:
  - ROE: 27.2% (26.6% in FY2024)
  - ROA: 12.2% (11.7% in FY2024)
  - Cash conversion: 94.9% (86.9% in FY2024)
  - Stock turn: 3.2x (3.1x in FY2024)
  - TSR: 34.6% (26.2% in FY2024)
  - R2.2bn paid in dividends
  - No change to dividend policy
  - Recognised for working capital management and supply chain finance at the Working Capital Forum

*Performance ratings based on progress against predetermined KPI targets

STRATEGIC PILLARS*
continued

Brand Promise

CAPITALS

I F
H M S

OBJECTIVE:

Grow brand value by surprising and delighting customers with the wanted item at great value and a satisfying all round experience

STAKEHOLDERS

PERFORMANCE RATING:

FY2025 ACTIVITIES & PROGRESS:

- #1 ranked most valuable fashion-value retailer in South Africa (Kantar BrandZ)
- 4th strongest brand amongst South Africa's Top 100 (Brand Finance)
- Hold the highest brand equity in South Africa in the apparel and homeware sectors (NiQ and Borderless Access)
- Group market share increased 50bps (RLC)
- Improved sectoral Net Promoter Score:
  - Apparel improved 300bps
  - Homeware improved 130bps
- Continued success of 'One Card' and Insiders Rewards programme

Strategic Enablement

CAPITALS

I F
H M

OBJECTIVE:

Entrench group culture and differentiation by leading with technology and innovation across our strategic enablement capabilities

STAKEHOLDERS

PERFORMANCE RATING:

FY2025 ACTIVITIES & PROGRESS:

- Continued delivery of cybersecurity strategy
- Delivery against roadmaps to ensure strategic technology and logistics needs can be met
- Led by the Mr Price Advance team:
  - Continued enhancement of data visualisation to drive data driven decision making
  - Augmentation of processes with robotic process automation
  - Aided decision making via machine learning
  - Introduced additional artificial intelligence tools, particular focus on assortment allocations to stores
- Technology and supply chain investment of R218m
- Gosforth Park DC project on track for delivery in H2 2026
- R492.1m of capex allocated to stores
- Opened 184 stores, adding 61 724sqm of trading space

Sustainability

CAPITALS

I F N
H M S

OBJECTIVE:

To be recognised by stakeholders as a relevant, ethical and sustainable proudly South African company

STAKEHOLDERS

PERFORMANCE RATING:

FY2025 ACTIVITIES & PROGRESS:

- Maintained inclusion in FTSE4Good Index since 2020
- Recognised as ESG leader and achieved 'C' rating from ISS
- Rated lowest risk of all South African apparel retailers by Sustainalytics
- R33.1m donated to Mr Price Foundation
- Established new Mr Price Foundation strategy
- 96.6% tier 1 and tier 2 factory visibility
- Reduction of 68.3m single-use plastic shopper bags
- 64.7m products sold contain a sustainable material or cleaner production attribute
- 127.7m units procured in South Africa

*Performance ratings based on progress against predetermined KPI targets

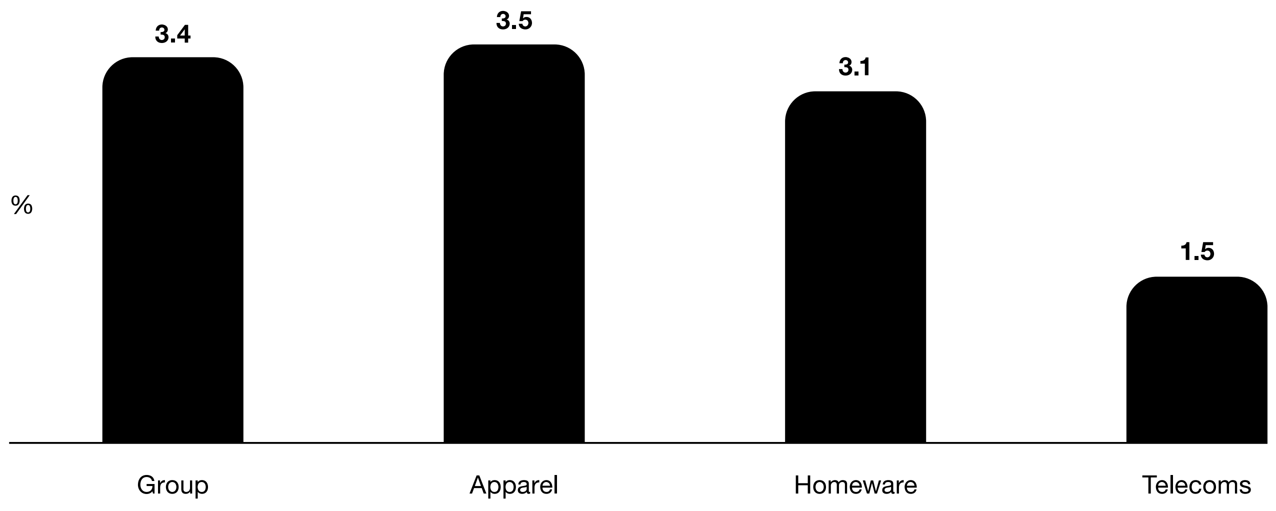
DESIRED STRATEGIC OUTCOMES

progressing the group towards its vision of becoming the most valuable retailer in Africa

01 Profitable Market Share

COMPARABLE SALES GROWTH

Progress: FY2025



Trade-offs: FY2025

- Delayed investment in-store revamps or updated visual merchandise branding based on divisional affordability, capex availability and returns
- Disciplined approach to stock investment, balancing stock turn, cash conversion and trading opportunities

Future progress through:

- Review of revamp strategy and increased capital allocated to store revamp program
- Continued focus on effective marketing, promotion and basket builder strategies
- Continued refinement of location planning and merchandise hierarchies to maximise store allocations

SPACE GROWTH

Progress: FY2025

- Milestone of opening the group's 3000th store in November 2024
- Opened 184 new stores
- Added 61 724sqm of trading space
- Weighted trading space grew 4.3%
- New store ROOA exceeded internal thresholds

Trade-offs: FY2025

- Declined stores that did not meet group ROOA thresholds
- Closed 54 stores

Future progress through:

- Continued refinement of criteria for new stores
- Space strategy focuses on a mix of new stores, relocations and expansions to deliver targeted ROOA
- Focus on underpenetrated divisions
- Disciplined approach to underperforming stores

CATEGORY EXTENSIONS

Progress: FY2025

- Expanded differentiated fashion-value offerings through private label fashion and strategic collaborations and partnerships with brands and local artists
- Growing portfolio of licensed and exclusive brands and labels
- Extension of gifting in homeware divisions

Trade-offs: FY2025

- Investment required to increase inventory to ensure enhanced availability, value positioning and differentiation assessed relative to group metric requirements
- Categories with limited scale or dilutive margins not pursued

Future progress through:

- Testing of new categories across multiple departments (disciplined measurements of success)
- Continued exploration of strategic partnerships and collaborations
- Continue to scan market for appropriate brand partnerships
- Use of market share data to identify categories with market share opportunities

DESIRED STRATEGIC OUTCOMES

progressing the group towards its vision of becoming the most valuable retailer in Africa

02 Customer Obsessed

LEADING BRAND EQUITY

Progress: FY2025

- Mr Price Apparel and Mr Price Home continue to hold the highest brand equity in their respective segments
- Mr Price Sport holds the highest brand equity in the sportswear sector
- Sheet Street holds the third highest brand equity in the homeware sector
- Significant improvement in Power Fashion's brand equity from 0.7 to 1.1 (FY2024 to FY2025)

Trade-offs: FY2025

- Marketing investment allocated per our strategic profit model and tends to be lower than competitors as a percentage of sales
- Appropriate investment in labour and service levels for a value-retail model

Future progress through:

- Additional marketing investment aligned to our strategic profit model, driven by affordability and performance

CUSTOMER ENGAGEMENT

Progress: FY2025

- Social media footprint:
  - Instagram: 2.8m
  - Facebook: 7.9m
  - X: 440k
  - TikTok: 852k
  - Website and app visits: 105m
- Net Promoter Score increased 220bps to 70.3%
- Insiders program driving increased frequency of spend

Trade-offs: FY2025

- Delayed investment in CRM, allocating focus and capacity to higher priority technology projects in the year

Future progress through:

- Appropriate investment in CRM
- Further investment in customer engagement, customer journey and customer experience

DATA INSIGHTS

Progress: FY2025

- Seasonal merchandise process underpinned by data analysis (trade data, customer insights, RLC and other research)
- Mr Price Money's BI team continues to drive credit utilisation, increased basket size and spend frequency
- Mr Price Advance team leads data analytics, visualisation and insights to support our focus on being the customers' Value Champion
- Enhanced store and real estate reporting during FY2025

Trade-offs: FY2025

- Delayed investment in CRM limits customer data available for analysis
- Continued partnerships with external data providers as well as internal research to ensure we are delivering on customer expectations

Future progress through:

- Appropriate investment in CRM
- Continue to explore partnerships and research providers to support our data insight journey

DESIRED STRATEGIC OUTCOMES

progressing the group towards its vision of becoming the most valuable retailer in Africa

03 Diversified Offering

OMNI-CHANNEL RETAILING

Progress: FY2025

- Online sales growth of 7.9%
- 66% of orders are click-and-collect
- 38% of click-and-collect orders result in additional in-store purchases
- 1 in 2 customers research online and shop in-store
- 105m website and app visits
- E-commerce modernisation project progressed according to plan in FY2025

Trade-offs: FY2025

- Omni-channel investment directed toward profitable growth initiatives in line with customers' shopping preferences
- E-commerce modernisation project and store investment during the year

Future progress through:

- E-commerce modernisation programme to continue in FY2026
- Optimisation of extensive store footprint
- Improve visibility of stock
- Evaluation of CRM

DIFFERENTIATED FASHION

Progress: FY2025

- Continued focus on delivering our differentiated private label offerings
- Supplemented private label with exclusive and licensed brands to deliver on value expectations of our customers
- Continued investment in AI tools to support our internal trend departments – key to deliver our differentiated fashion offerings

Trade-offs: FY2025

- Testing remains a key step in merchandise process with disciplined approach to investment and number of tests for each division, each season

Future progress through:

- Leveraging our supply chain agility
- Executing seasonal merchandise plans
- Remain focused on private label differentiation supplemented with collaborations, exclusive ranges and trending ambassadors

VALUE POSITIONING

Progress: FY2025

- 92% of customers recognise that the group provides either the same or better value for money than last year (Customer VFM survey)
- Mr Price continues to lead the fashion-value matrix ahead of Shein and all other competitors on ladies and menswear

Trade-offs: FY2025

- Value equation is a balance between price, quality, fashionability, convenience and experience and the group continually trade-off's investments across these elements to deliver appropriate value for each division

Future progress through:

- Maintain our leading value positioning through our differentiated fashion offering

DESIRED STRATEGIC OUTCOMES

progressing the group towards its vision of becoming the most valuable retailer in Africa

04 Scalable Opportunities

CONSIDERATION OF NEW GROWTH VEHICLES

Progress: FY2025

- Continued research into merchandise and customer categories, and markets where the group currently holds limited market share
- Evaluated several organic and acquisitive opportunities
- Reviewed and updated guiding principles for future investments

Trade-offs: FY2025

- Evaluated opportunities were not pursued as they did not meet the group's investment criteria
- Prioritised updating divisional growth strategies with new management teams over pursuing new growth vehicles in FY2025

Future progress through:

- Continuous research and evaluation of group opportunity matrix
- Targeted M&A pursuits
- Continual evaluation of organic concepts

DELIVERY OF INVESTMENT CASES

Progress: FY2025

- Power Fashion, Yuppiechef and Studio 88 collectively:
  - Contributed R11.9bn to group revenue and 29.3% to group sales
  - Delivered R1.2bn in operating profit
  - Total store footprint: 1 266 | New stores: 107
  - Reported strong market share gains across each division
- Mr Price Kids
  - Total store footprint: 39 | New stores: 8
  - Gained 50bps of market share (RLC)
- Mr Price Cellular:
  - Reported sales growth of 13.1%
  - Total store footprint: 61 | New stores: 20
  - Gained 40bps of market share (GfK)

Trade-offs: FY2025

- Power Fashion, Yuppiechef and Studio 88: Light-touch integration approach with focus on available financial and human resources, to determine pace and scale of annual integration plans
- Mr Price Kids: focused on best new store opportunities, declining locations that do meet investment criteria
- Mr Price Cellular: declined stores that did not meet size, location or adjacency requirements

Future progress through:

- Power Fashion, Yuppiechef and Studio 88:
  - Continued profitable market share gains and margin expansion
  - Continual evaluation of integration opportunities that unlock efficiencies
  - Growing store footprint and omni-channel expansion
- Mr Price Kids and Mr Price Cellular:
  - Expansion of merchandise offerings, target under-indexed categories and grow store footprint Mr Price Cellular
  - Increase private label sales contribution, extend white labelled accessories and grow store footprint

DESIRED STRATEGIC OUTCOMES

progressing the group towards its vision of becoming the most valuable retailer in Africa

05 Operational Excellence

DIGITAL AND TECHNOLOGY MODERNISATION

Progress: FY2025

- Digital transformation
  - Ongoing efforts to decouple and modernise legacy estate
  - Continued leveraging of available cloud capabilities
  - Appropriate integration of acquired businesses to support growth and leverage technology investments
  - Continued focus on strengthening cyber security
- Scientific decision making
  - Increased use of data science tools (AI and ML)
  - Increased automation capabilities to drive efficiency and reduce risks in business processes
- Customer focus
  - Ongoing evaluation of appropriate CRM for the group

Trade-offs: FY2025

- Pace and level of investment slowed to ensure appropriate capacity to deliver modernisation project
- Reviewed delivery timelines to ensure business can manage level of change and disruption in systems and processes

Future progress through:

- Ongoing investment in the group's journey of digital transformation, scientific decision making and customer focused deliverables enabling the group's achievement of its vision

SUPPLY CHAIN

Progress: FY2025

- Further supply chain investment of R97m supporting expansion to enhance the group's network and further progress triangulation
- Ongoing detailed studies on transport and inventory deployment for Studio 88

Trade-offs: FY2025

- Pace and scale of integrating acquired businesses into the group's distribution network balanced to available capacity both in division and supply chain team

Future progress through:

- Reconfiguration of the Gosforth Park DC further entrenching the group's triangulated network
- Power Fashion and Studio 88 to access functionality, network and process for optimisation and integration into group network
- Power Fashion to integrate into consolidated group DC
- Integrate Yuppiechef store fulfilment into group network

EFFICIENCIES AND LEVERAGE

Progress: FY2025

- Centres of excellence key to managing central cost structure while providing trading divisions with subject matter experts across technology, supply chain, finance, human resources, real estate and sustainability. Remain focused on delivering group cost: RSOI targets
- Sector (apparel, homeware and financial services) structures leverage scale and knowledge

Trade-offs: FY2025

- FY2025 saw a greater focus on technology, supply chain and people investments
- Prioritised highest return automation and digitisation projects in the year

Future progress through:

- Continued focus on modernising ways of working, process re-engineering and cost structure optimisation

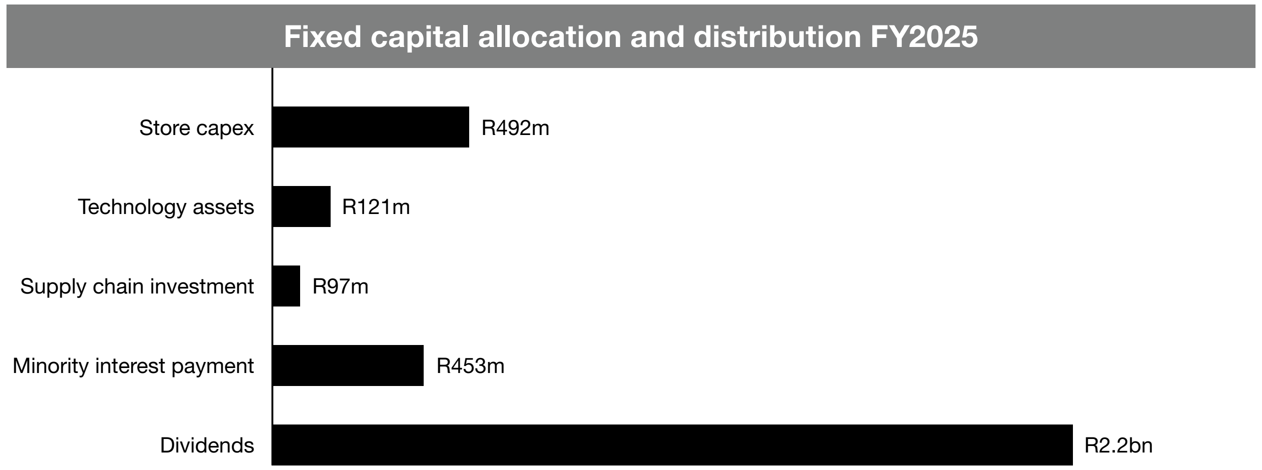
DESIRED STRATEGIC OUTCOMES

progressing the group towards its vision of becoming the most valuable retailer in Africa

06 Top Quartile Returns

DISCIPLINED CAPITAL ALLOCATION FRAMEWORK

Progress: FY2025



Trade-offs: FY2025

- Allocation of capital to highest priority projects with best return profiles
- Did not pursue opportunities that did not meet capital allocation framework

Future progress through:

- Ongoing detailed analysis of investment decisions ensuring capital is directed towards a balanced portfolio of high-return growth vehicles and capacity building investments

INDUSTRY LEADING METRICS

Progress: FY2025

Key operating metrics	FY2025	FY2024	Medium-term target	Achieved
Returns				
ROE	27.2%	26.6%	24% - 26%	✓
ROA	12.2%	11.7%	12% - 14%	✓
Dividend payout ratio	63.0%	63.0%	63.0%	✓
Cash generation				
Cash conversion ratio	94.9%	86.9%	>80.0%	✓
Stock turn	3.2x	3.1x	>4.0x	✗
Profitability				
Gross profit	40.5%	39.7%	40% - 42%	✓
Expenses/RSOI*	27.9%	27.3%	<28%	✓
Operating magin	14.2%	14.0%	13% - 15%	✓
Gearing				
Debt: Equity^	0.97	1.01	Accretion considered	✓

Trade-offs: FY2025

- Intra year calibration of budgets and capital allocation aligned to current performance

Future progress through:

- Execution of strategic planning process aligning budgeting decisions to continue delivering leading growth metrics and top quartile returns

Enterprise Risk Management

The group's strategy has remained largely unchanged since the previous reporting period. Consequently, the group's risk philosophies, adopted approaches, structures, emanating risk themes and their interconnected impacts have remained consistent. Where required, incremental adjustments have been implemented in response to changes in the internal and external risk landscape.

Philosophy, Approach, and Structure

The group adopts a philosophy where effective risk management is integral in achieving its goals and objectives by addressing threats and leveraging opportunities. Enterprise Risk Management (ERM) frameworks and processes are embedded into every strategic decision, fostering responsible risk-taking and enhancing the likelihood of successfully meeting the group's objectives.

Key risks are continuously identified through a formal assessment process that evaluates the impact and likelihood of each risk, highlighting their interconnectedness and cumulative effects. Aggregated risk movements, impacts, and emerging events are reported and reviewed quarterly by executive management and the Risk and IT Committee (RITC). The RITC holds ultimate accountability for effective risk management, approving key risks including emerging threats and ensuring that they are adequately mitigated and/or accepted.

The group's culture of autonomy and empowerment enables leaders across the group to continually identify, evaluate, and manage risks. Concurrent with the strategic planning process, each trading division and centre of excellence (COE) conducts risk assessments that focus on materiality, risk controls, and specific local risks relevant to their operations.

The group risk director oversees, guides, and reports on ERM processes and outcomes, ensuring comprehensive attention to risk management across the group. The board is ultimately accountable for effective risk management and agreeing on key risks including emerging threats facing the group and ensuring that these are successfully managed.

Risk Model

The risk model below is representative of how the group approaches, structures and manages risks. Its purpose is to enable the group to understand the relationships between risks across multiple trading divisions and COEs that reflect its core business operations. It is used to:

1. Ensure visibility of all risks to identify material risk exposures
2. Aggregate risk information and undertake an analysis of trends for insight to better understand the changing risk profile
3. Provide a shared and consolidated view of risks as they emerge across the trading divisions and COEs
4. Capture material risk exposures generated from different perspectives

Risk model structure

The risk model is built around four perspectives that define and design the group's risk approach. It is a structured, consistent, and continuous process that addresses:

1. **Enterprise risks:** Critical risks of strategic importance that have the potential to impact the group's ability to achieve its imperatives
2. **Tactical risks:** Risks identified by divisional executives as part of delivering their annual business plans
3. **Operational risks:** Risks identified in the delivery of common operational areas
4. **Specialist risks:** Technical risks unique to a business context and environment

Integration of risk management

Risk and IT Committee — ENTERPRISE RISKS

Executive Committee

Trading Divisions

Mr Price Apparel, Mr Price Sport, Mr Price Home, Sheet Street, Mr Price Money, Miladys, Power Fashion, Yuppiechef, Studio 88*

Centres of Excellence

People, Real Estate, ESG, Risk, Technology, Sourcing and Logistics, Finance, Stakeholder Engagement

TACTICAL AND OPERATIONAL RISKS

Business continuity | **Risk and ERM** | **Information security** | **Programme and project risks** | **Legal** — SPECIALIST RISKS

RISK MANAGEMENT

INTERNAL AUDIT

*ERM implementation in progress and maturing

KEY AREAS OF FOCUS

Risk Strategy

a continuously evolving approach

In enhancing the group's ERM capabilities, considerable time and effort has been expended over the last five years in developing streamlined, purpose-driven processes and frameworks. While the desired levels of risk maturity and improved capabilities have been reached, the group's growth ambitions introduce risks that are proportional to this expansion. To address this, a medium- to long-term ERM strategy was finalised with the following key objectives:

- Achieve greater consistency in the application of the ERM Framework across the group
- Reduce the response time between risk identification and management action
- Increase the number of complex risks analysed and addressed through treatment plans
- Enhance the utilisation of formal risk management techniques prior to major decision-making
- Decrease the number of issues over time

This strategy aims to ensure that as the group grows, its risk management practices remain relevant, robust and effective.

Risk Assessments

continuous and interactive

Formal risk assessments are conducted for all trading divisions and COEs, with aggregated results detailing the movement of risks reported to the Divisional Risk Committee. These assessments involve comprehensive engagement with divisional leadership teams and are further enhanced through formal deep dives to better understand and respond to risks with higher complexity.

Business Resilience

a proactive approach

The group recognises that while it cannot predict for all crisis risk events, it can enhance its preparedness and respond with greater agility. Over the past five years, strengthening resilience plans and conducting simulation tests in response to unanticipated and potential high-impact events (e.g. social unrests, electricity grid collapse, water outages and cyber-attacks) have significantly bolstered the group's overall resilience. A key focus area in 2024 was the preparation for potential pre and post national election unrest scenarios.

Acquisitions

integration in a responsible and value-adding manner

During the year, the group initiated the integration of its ERM process with Studio 88. Formal risk assessments were conducted and a 12-month plan has been established to support Studio 88's complete integration into the group's process. The integration approach has been carefully considered in context of all other integration priorities and existing capacity of the business. Power Fashion and Yuppiechef were fully integrated in the previous reporting year.

Combined Assurance

ever maturing

The group's integrated assurance model has simultaneously matured as part of the group's ERM strategy. The 'three lines of defense' approach clearly defines roles and accountabilities, thereby enhancing the understanding of risk management and control. The model highlights the levels of risk management oversight needed within the group. Ultimately, when these three lines are correctly structured, the business increases its capabilities for effective risk mitigation.

In the last financial year, KPMG provided independent assurance to the group on the accuracy of the current risk mitigations in response to the group's top ten risks.

Insurance

a risk transfer mechanism

The group considers insurance as a key risk transfer tool that is integral to its ERM Framework. The group's insurance philosophy is to take insurance cover for catastrophe and to self-insure predictable losses up to predetermined levels of tolerance. The self-insurance is managed through a structure of deductibles, stop losses, aggregate excesses, and limits. During FY2025, focus was placed on renewal processes to ensure sufficient coverage across various risk classes, considering the evolving global risk landscape and the available options within the insurance market. Focus was also placed on integrating key areas of cover for Yuppiechef and Studio 88 within the group's insurance portfolio.

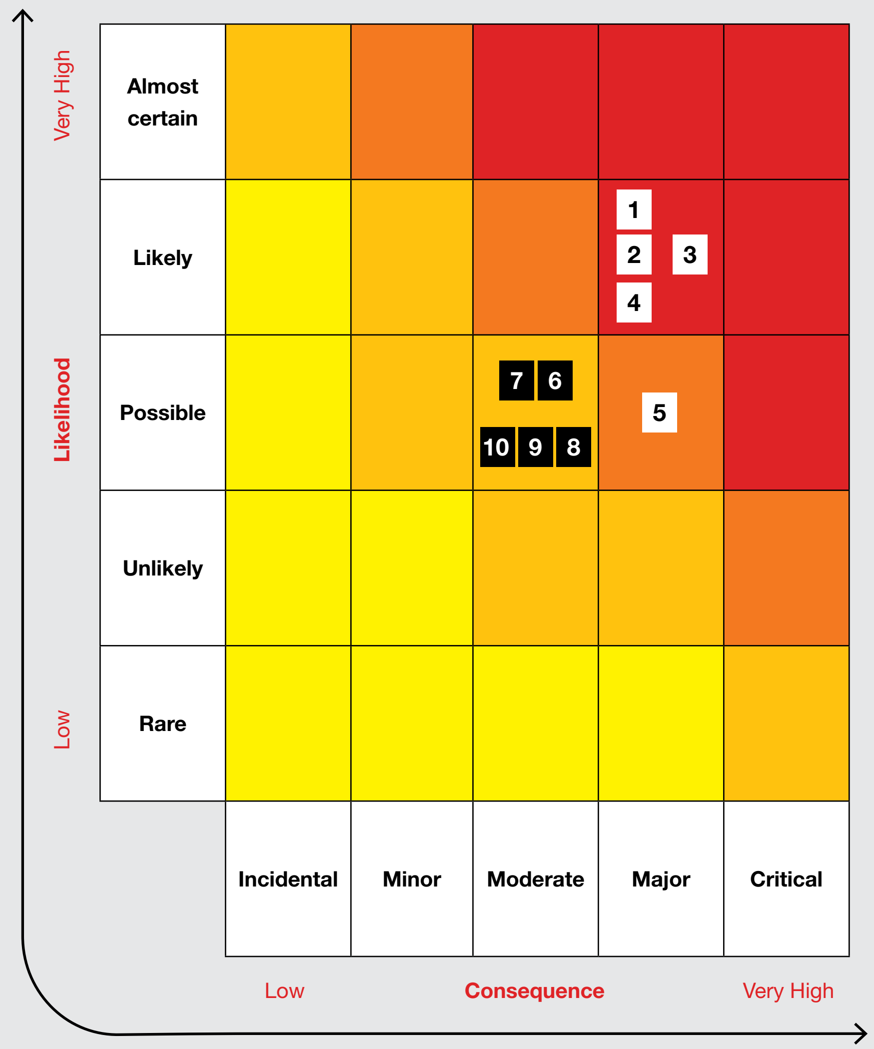
GROUP RISK THEMES

Risk Theme	Risk Statement	Interconnected Potential Risk/Impact		Risk Movement Since Prior Year	Strategic Pillar
01 **MACRO, SOCIO-POLITICAL, SOCIO-ECONOMIC, AND REGULATORY ENVIRONMENT**	The risk that adverse international and local political actions, social unrest, deteriorating economic conditions and onerous legislative requirements impact the group's growth imperatives	• Geopolitical impacts and political uncertainty • Exchange rate volatility • Constrained discretionary spend due to higher cost of living • Disruption of business activities	• Impact on growth • Loss of talent • Increased cost of doing business • Cost of compliance • Cost and availability of insurance cover	Elevated (due to geopolitical risks at an inherent level)	GROWTH AND INNOVATION
02 **COMPETITIVE LANDSCAPE**	The risk that actions of existing competitors or new entrants to the market threaten the organisation's competitive advantage or longevity	• Competitor imitation strategies • Increased online presence of local and foreign competitors • Aggressive discounting increasing consumer price sensitivity	• Availability of quality store space • Aggressive technology investments by competitors • Market share loss • Impact on growth potential • Evolution of customer service expectations	Unchanged	GROWTH AND INNOVATION
03 **TALENT ATTRACTION AND RETENTION**	The risk that the group's inability to attract and retain key skills impacts its ability to execute its strategy	• Unsustainable cost growth and remuneration disparities to attract and retain key talent • Loss of intellectual property to competitors	• Elevation of execution risk • Deterioration of employee wellbeing • Reduced leadership capacity • Business continuity	Unchanged	PEOPLE
04 **SUPPLY CHAIN**	The risk of an inefficient, ineffective, and unreliable supply chain that will result in poor inventory management impacting the group's competitive advantage	• Geopolitical uncertainty • Disruption of business activities • Increased logistics costs • Unsustainable rise in input costs	• Increased working capital costs • Concentration risk of suppliers and territories • Increased lead times • Merchandise critical path impacted	Reduced	GROWTH AND INNOVATION
05 **BRAND REPUTATION**	• The risk that group associates, or parties with whom the group transacts, conducts themselves in a manner that damages the reputation of the group's image • The risk of brand equity erosion due to outdated stores and/or poor customer service • The risk of the group's inability to respond to climate change and environmental degradation that impacts its ability to continue operations	• Reputational damage • Deterioration of organisational health • Poor service and/or quality of product • Escalation of social media risks	• Deterioration of customer service • Compromised ability to deliver on brand promise • Negative investor relations • Customer boycott	Unchanged	BRAND PROMISE

GROUP RISK THEMES
continued

Risk Theme	Risk Statement	Interconnected Potential Risk/Impact	Risk Movement Since Prior Year	Strategic Pillar
06 INFORMATION TECHNOLOGY	• The risk that the group's IT systems lack capability and capacity to support operations and future growth • The risk of financial loss or reputational damage resulting from inaccurate or lost data, a breach in security of customer information or the inability to prevent illegal penetration of the group's systems	• Inadequate investment in IT systems and management structures to facilitate improved execution of business operations and delivery of growth initiatives • Increased occurrence of cyber security attacks on group systems or related infrastructure • Delivery of key IT projects	Elevated (due to increase in cyber risks at an inherent level)	STRATEGIC ENABLEMENT
07 TRANSFORMATION	The risk that the group's slow pace of transformation will result in adverse reputational and commercial damage	• Considered to be an undesirable corporate citizen • Reputational impacts • Legal penalties • Workforce distraction and disruption due to dissatisfaction with pace of change • External market pressures (e.g. JSE, DoL, DTI, BEE Commissioner, etc.) • Unsustainable cost growth to attract and retain talent	Elevated (due to the introduction of revised legislative targets)	PEOPLE
08 STRATEGY	The risk that the lack of a clearly articulated and executed growth strategy will result in the group's inability to achieve its goals	• Distraction and deviation from core principles • VUCA environment (Volatility, Uncertainty, Complexity and Ambiguity) • Misalignment of priorities • Elevation of execution risk • Deterioration of employee wellbeing • Reduced leadership capacity • Business continuity	Unchanged	GROWTH AND INNOVATION
09 LEADERSHIP AND ORGANISATIONAL AGILITY	The risk that leadership behaviour and resultant impact on the organisational health impacts the group's ability to achieve its goals	• Inability to innovate, experiment and grow • Dilution of entrepreneurial mindset • Loss of customer relevance • Siloed thinking • Redundant people and/or processes • Deterioration of leadership capacity • Lack of leadership capability to lead engaged and high performing teams	Reduced	PEOPLE
10 CULTURE AND BEHAVIOURS	The risk that the group's culture and behaviours does not engender the right values, and behaviours to protect organisational health	• Deterioration of organisational health • Loss of entrepreneurial thinking and risk taking • Siloed thinking • Poor agility • Disengaged teams • Lack of accountability on leaders to live the values and DNA of the group	Unchanged	PEOPLE

GROUP RISK: MAPPING THE RISK THEMES



Material Matters

The group's material matters, risks and opportunities are identified through an ongoing, structured and embedded ERM process.

The group continually monitors and adjusts its responses to the dynamic internal and external risk landscape, ensuring effective mitigations are in place. Its ERM processes are circular, ensuring that changes in the operating and trading environments are addressed through continuous evaluations of risk ratings and responses to manage risks within acceptable limits. Risk themes that could exceed the group's approved risk appetite and affect its ability to meet strategic objectives have emerged as the following six material matters:

1. Challenging retail environment
2. Competitor landscape
3. Supply chain disruptions
4. Digital transformation
5. Human capital preservation
6. Brand reputation protection

MATERIAL MATTERS

RISK THEMES

01 Macro environment | 02 Competitive landscape | 04 Supply chain | 08 Strategy

1. Challenging Retail Environment

GROWTH AND INNOVATION | Risk Themes 01 02 04 08

As the group's trading activity is predominantly based in South Africa (SA), the challenges facing the country's retail environment renders it a material matter. The following factors are of particular concern for the group's growth aspirations:

- Weak economic growth and uncertainty of future performance
- Changes in tax rates
- Reduced disposable income due to high cost of living
- Constrained consumer spending and resultant impact on discretionary demand
- Increased reliance on credit and poor collection due to pressures on disposable income
- Increased competition through aggressive discounting
- Increased cost doing of business e.g. compliance, insurance, security, municipal charges, etc
- Infrastructure deterioration
- SA political risks
- Volatility of the US dollar
- Geopolitical risks
- Trade wars and resultant global inflation

OUR RESPONSE

- Execution of growth strategy both organically and acquisitively
- Diversification of customer base guided by the group's opportunity matrix
- Use of RLC data as a tool to adjust trade activities in real-time
- Credit risk management
- Leveraging strong retail skills in the value retailing segment
- Leverage strong merchandise disciplines
- Brand strength and value
- Increased cash contribution to total sales, with low reliance on consumer credit to drive sales

2. Competitor Landscape

GROWTH AND INNOVATION | Risk Themes 01 02 04 08

Prolonged constraint on consumers' discretionary spend has led to increased competitor activity in the value retail sector. Factors elevating competitor risks include:

- Increased presence of local and foreign retailers targeting all customer segments
- Competitor imitation of the group's divisional strategies and cornerstone categories
- Rise in launch of organic concepts by competitors
- Increase in acquisitive activity in the sector – scaling fixed cost base and access allowance of smaller competitors' technology investments
- Inconsistent implementation of levies on foreign entrants
- Increased consumer price sensitivity
- Change in consumer spending behaviour i.e. more wear/buy demand
- Increased competition for store space in prime/strategic locations

OUR RESPONSE

- Progress towards diversification of target customer market and execution of growth strategy
- Future acquisitions to be focused on expanding the group's offerings and diversifying customer segments
- Other strategic/continued innovation initiatives
- Continued focus on differentiated fashion-value offerings
- Preservation of Every Day Low Price model
- Continue positive momentum of market share gains by attracting, delighting and surprising customers with differentiated fashion-value offerings
- Cash-based business, with low reliance on consumer credit to drive sales

3. Suppy Chain Disruptions

GROWTH AND INNOVATION | Risk Themes 01 02 04 08

Local and international supply chain disruptions continue to impact the retail sector. The timeous movement of merchandise by road and sea has evolved into a material matter due to:

- Increased potential of global shipping disruptions
- Slow pace of SA's logistical infrastructure reforms
- Inconsistent port service levels and reliability
- Road disruptions due to roadworks, poor maintenance and strike activity
- Elevated levels of crime and attacks on road carriers/merchandise on route

OUR RESPONSE

- Agile sourcing strategy
- Supply chain optimisation strategy
- Strategic supplier partnerships with strong feedback loops
- Supplier performance measurement and visibility of production cycles
- Ongoing focus of divisional management teams on OTIFs (on time, in full)
- Approved economic operator status registration
- Procurement of locally manufactured products to increase agility and flexibility
- Crisis response plans
- Transport risk management
- System enhancements with early warning indicators

MATERIAL MATTERS
continued

RISK THEMES

03 Talent attraction and retention
05 Brand reputation
06 Information technology
07 Transformation
09 Leadership and organisational agility
10 Culture and behaviours

4. Digital Transformation

STRATEGIC ENABLEMENT | Risk Theme | 06

The group acknowledges the crucial role of system capabilities in ensuring business continuity, facilitating future growth, and to differentiate itself in a competitive landscape. The reliance on and transformation of technology systems remains a material matter for the group due to:

- Speed of technological advances
- Return on capital investments on system enhancements
- Reliance on information generated to base key decisions
- Information security, especially with increased local and global cyber attacks
- Legislative compliance (Data Privacy, POPIA, Payment Card Industry)
- Potential of interruptions to business activities

OUR RESPONSE

- Execution of technology modernisation and digital transformation strategy
- Annual review to ensure alignment of information technology and cybersecurity objectives to the group's business imperatives
- Execute and evolve group cybersecurity roadmap
- Embedded IT disaster recovery response plans
- E-commerce optimisation
- Continuous improvement to core merchandise solutions as well as other core business activity areas such as Finance, HR, ESG, etc
- Mr Price Advance accelerating the use of AI, ML and RPA

5. Human Capital Preservation

PEOPLE | Risk Themes | 03 | 07 | 09 | 10

The group recognises that its performance and reputation is highly dependent on the quality of associates and leaders it hires, their ability to navigate a constantly evolving retail environment, and the organisational culture developed to nurture talent. There is continuous improvement in the measurement and monitoring of organisational health metrics across the group, increasing its ability to effectively address the following challenges:

- SA's retail skills shortage and resulting competition to attract and retain essential talent
- The rapid pace of change and the challenges posed by the VUCA environment requires skills and capabilities that support adapting to new ways of working
- The costs associated with recruiting and developing the necessary skills affecting the group's value model
- Reputational risks linked to behaviour and decision making throughout the organisation

OUR RESPONSE

Execution of the group's People strategy focuses on leadership, culture, talent, wellbeing and transformation through the following key initiatives:

- Leadership Development Framework
- Reward re-set including cost to company migration and introduction of a new short-term incentive scheme for support centre associates
- Performance management through its Connect Framework
- Stronger link between performance and reward through clearly defined leadership measures tied to incentives
- Engagement survey feedback to inform action plans to strengthen group culture
- Associate wellbeing
- Transformation focused on diversity, equity, inclusion and belonging
- Succession plans developed for all business areas
- Building change readiness for divisional management teams
- Organisational Health Index providing real-time insights
- Top Employer Certification process allows for gaps and areas of improvements to be identified

6. Brand Reputation Protection

BRAND PROMISE | Risk Theme | 05

The group's size and vast workforce who represent the brand, whether in their personal capacity or while acting on behalf of the group, introduce an inherent risk of brand damage. Although there are mechanisms in place to manage such incidents, certain circumstances, particularly given the rapid dissemination of information, can exceed the organisation's risk appetite. Consequently, the risk of brand disrepute is considered a material matter.

OUR RESPONSE

- Group Code of Conduct
- FairCalll whistleblower hotline available to all associates and partners
- Ethics awareness and training
- Social media policies
- Social media screening
- Escalation guidelines
- Supplier Code of Conduct
- Group communication function

> Despite volatility in the operating environment, the group remained focused on executing its differentiated fashion-value and Every Day Low Price business models — both of which have consistently proved resilient through various economic cycles."

Praneel Nundkumar - Chief Financial Officer

CFO's Report

Financial Performance Highlights

In my report last year, I outlined the macro-economic challenges facing both South Africa and our business. While the start of the 2025 financial year saw similar conditions persist, the latter half of the year marked a welcome shift in the economic cycle, bringing relief to both businesses and consumers, as discussed in the **operating environment** section. Despite the two distinctly different economic periods, we are pleased to have closed the year on a positive note.

Revenue	EBITDA	Operating profit	HEPS	Cash reserves
R40.9bn	R8.9bn	R5.8bn	1 424.0c	R4.1bn
+7.9%	+8.2%	+8.9%	+10.7%	+48.2%

The financial performance highlighted above clearly demonstrates the ability of our group to navigate varying economic conditions and ensure consistent delivery of value to our customers. Revenue increased by 7.9% to R40.9bn and the group gained 50bps of market share (per the RLC). The gross margin expanded 80bps to 40.5% and a record operating profit level was achieved of R5.8bn, up 8.9% on the prior year. Headline earnings per share grew 10.7%, with dividends to shareholders maintained at the 63% payout ratio. Cash reserves were up 48.2% to R4.1bn, despite R2.2bn returned to shareholders in the form of dividends and capital expenditure of R830m. The latter was apportioned to fund 184 new stores, store revamps and expansions, and allocations to technology and logistics for improving the group's strategic enablement capabilities.

Despite volatility in the operating environment, the group remained focused on executing its differentiated fashion-value and Every Day Low Price business models — both of which have consistently proved resilient through various economic cycles.

Key Focus Areas

FINANCIAL METRIC MANAGEMENT

The focus on enhanced disclosure over the past 18 months resulted in the group publishing targets for its key operating metrics to shareholders in the FY2024 analyst presentation. This aimed to provide improved guidance on medium-term financial objectives of the group and are reviewed annually by the board.

The outcomes for FY2025 are depicted in the table below. An intentional and focussed effort by management teams of the trading divisions resulted in all key metrics being achieved within target ranges. Whilst we were satisfied with the results for FY2025, we will continue to mature the key metric management process, to enable performance in the higher end of the target ranges, together with increasing range bands where we have overachieved.

KEY OPERATING METRIC PERFORMANCE

	Key Operating Metric	FY2025 Outcome	Medium-term Target	Target Achieved
1	Gross profit margin	40.5%	40% - 42%	✓
2	Expenses / RSOR*	27.9%	<28%	✓
3	Operating profit margin	14.2%	13% - 15%	✓
4	Return on equity	27.2%	24% - 26%	✓
5	Cash conversion ratio	94.9%	>80%	✓

*Retail sales and other revenue

INTERNAL CONTROL ENVIRONMENT

Maturing the internal control environment continued to be an area of focus for the group and divisional finance teams. Strong progress was made on key financial controls and the independent assessment by the internal auditor (KPMG) provided comfort to the board that internal financial controls, as designed, were operating effectively throughout the period and the overall internal financial control environment was rated as acceptable.

FINANCE TRANSFORMATION

A key focus area over the past 12 months has been the formulation of a finance strategy for the group that culminated in the documentation of an automation and simplification roadmap to enhance the maturity of the group's finance function. Supporting the "future of finance" strategy, we have reviewed all areas of people, process and technology, with targeted actions mapped out for the next 2-3 years. In FY2025, we invested in resources and partnered with the technology team to successfully implement over a dozen projects which include the introduction of automation, workflows, RPA bots and the integration of systems. This will continue to be a focus area into FY2026.

WORKING CAPITAL OPTIMISATION

The group continued to gain momentum and mature its Supply Chain Finance (SCF) programme introduced a few years ago. To date, we have unlocked over R2bn in working capital and the significant effort of our teams in FY2025 ensured that we converted more than 80% of our suppliers onto the programme. In the past six months, the group has received four international awards for the success of the programme.

PRIOR YEAR RESTATEMENT

During FY2025, an Annual Financial Statement's restatement was identified regarding the recognition of financial liabilities at the acquisition date (1 October 2022) of Blue Falcon Trading 188 (Pty) Ltd (the "Studio 88 Group"). The group acquired 70% of the equity of the Studio 88 Group with the terms of the remaining 30% of equity to be purchased in three tranches set out in the shareholders' agreement. As the group does not have the right to avoid acquiring the remaining shares from the non-controlling interest shareholders, a financial liability has been recognised. There was no impact to the group income statement. We have assessed and analysed the disclosure of the restatement and evaluated the root cause, as well as implemented corrective actions to controls to reduce future risks. See note 24 of the Annual financial statements for further information.

Financial Commentary

GROUP INCOME STATEMENT

R'm	FY2025	FY2024	% change
Revenue	40 933	37 944	7.9%
Gross profit	16 046	14 603	9.9%
Expenses	11 361	10 332	10.0%
Operating profit	5 780	5 307	8.9%
Net finance (expense/income)	(605)	(645)	(6.2%)
Profit before taxation	5 175	4 662	11.0%
Taxation	1 386	1 238	12.0%
Profit after taxation	3 789	3 424	10.7%
Profit attributable to non-controlling interests*	142	144	(0.8%)
Profit attributable to equity holders of parent	3 647	3 280	11.2%

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

REVENUE

Revenue increased to R 40.9bn, up 7.9% on the prior year. Group retail sales grew 7.8% to R39.4bn and comparable store sales increased 3.4%. In the second half, retail sales and comparable store sales accelerated to 9.9% and 5.7% respectively. Other revenue increased 6.6% to R1.3bn. Group store sales increased 7.8% and online sales 7.9%, reflecting the instore shopping preference of the group's customers. Group unit sales increased 3.6% and retail selling price inflation of 3.7%, enabled its leading value positioning. The group opened 184 new stores across its 15 trading chains, expanding its total store footprint at 3 030 stores. Weighted average trading space increased 4.3%. Store returns continue to perform significantly above internal thresholds. The group continues to trade solely in Africa with its primary market focus being South Africa, contributing 92.1% to total retail sales. Cash sales grew 7.9% for the period contributing 89.3% to retail sales, further entrenching the cash-based business model. Credit sales grew 3.8% as the conservative credit posture was maintained in the first half, but easing consumer credit conditions allowed for growth of the approval rate in the second half to a peak of 23.8% by year end.

GROSS PROFIT

The group's gross profit margin expanded 80bps to 40.5%, and the merchandise gross profit margin expanded to 41.3%. This performance was due to strong merchandise execution and lower markdowns across trading segments. Additionally, further gains were made in each of the acquired businesses as the upward margin trajectory continued due to improving sourcing practices and operational efficiencies.

EXPENSES

Total expenses increased 10.0%, partly due to the group's new weighted average space growth increasing 5.1% and a higher operating cost environment driven by the national minimum wage increase of 9.6%, together with the NERSA electricity increase of 12.7%. The group's expense to retail sales and other revenue ratio of 27.9% was within its targeted range of <28%.

All other expenses were carefully managed, resulting in the operating margin expanding 20bps to 14.2%, in the middle of the group's medium-term target range.

PROFIT FROM OPERATING ACTIVITIES

Profit from operating activities increased 8.9% to R5.8bn, with strong growth of 11.7% in H2.

The group's interest earned on cash reserves increased by 35.7% on the prior year due to the increase in cash reserves from R2.8bn in FY2024 to R4.1bn this year.

Profit attributable to equity holders of the parent increased 11.2% to R3.6bn. A marginal increase in the weighted average number of shares of 0.2% was noted. Headline earnings per share increased 10.7% for the period to 1 424.0 cents (up 12.7% in H2).

Segmental Analysis

The group is organised and managed in three core trading segments: Apparel, Homeware and Telecoms.

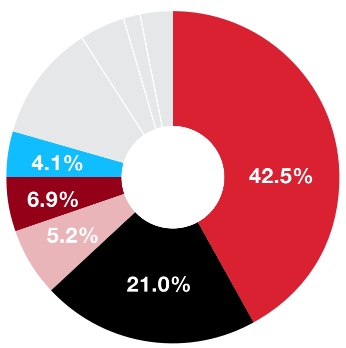
APPAREL SEGMENT

The Apparel segment increased retail sales by 7.9% to R31.4bn and comparable retail sales increased 3.5%.

In H2, retail sales grew 9.8%, and comparable sales growth accelerated to 5.8%. The segment gained 50bps of market share (RLC), marking two consecutive years of gains. Mr Price Apparel gained over R700m in market share from competitors in the last year and reported strong gross profit margin gains.

Power Fashion remains the fastest growing division in the segment, continuing its long run of market share gains while Studio 88 performed strongly in H2, delivering double-digit sales growth against a strong base. Mr Price Sport and Miladys both delivered improved performance in H2, adding to the segment's strong momentum going into the new financial year.

Retail sales: divisional contribution



Mr Price Apparel | Studio 88 | Mr Price Sport | Power Fashion | Miladys

Segment sales contribution 79.7% (LY:79.7%)

% change	FY2025	H2
Retail sales	+7.9%	+9.8%
Operating profit	+9.1%	+14.6%
Sales drivers	**FY2025**	**H2**
Comp sales growth	+3.5%	+5.8%
Unit growth	+4.1%	+5.0%
RSP inflation	+3.2%	+4.5%
Sales density	37 807m²	

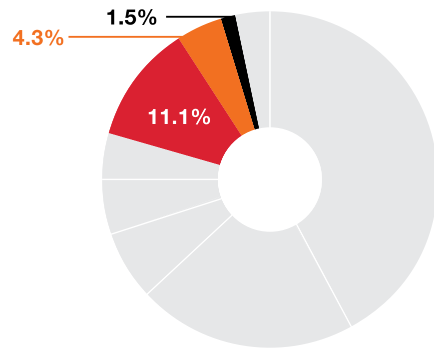
HOMEWARE SEGMENT

The Homeware segment continued its recovery, reporting retail sales growth of 6.4% to R6.7bn. Retail sales in H2 accelerated as the segment recorded growth of 7.7% and comparable store sales growth of 5.8%.

Each division in the segment reflected this accelerating sales growth trend and importantly delivered significant gross and operating margin improvements.

Mr Price Home continued to hold the highest brand equity across all homeware retailers and remains the most loved homeware brand according to NiQ. Sheet Street recorded the greatest sales growth recovery between H1 and H2, while Yuppiechef continues to deliver double-digit growth and strong gross profit margin gains with its omni-channel expansion.

Retail sales: divisional contribution



Mr Price Home | Sheet Street | Yuppiechef

Segment sales contribution 16.9% (LY:17.1%)

% change	FY2025	H2
Retail sales	+6.4%	+7.7%
Operating profit	+21.9%	+31.3%
Sales drivers	**FY2025**	**H2**
Comp sales growth	+3.1%	+5.8%
Unit growth	+1.8%	+4.6%
RSP inflation	+4.0%	+2.9%
Sales density	28 528m²	

TELECOMS SEGMENT

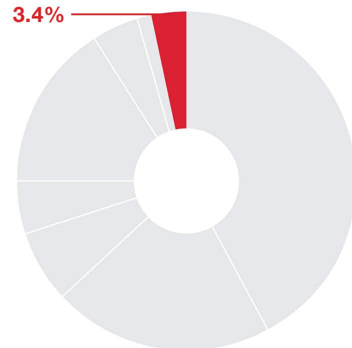
The Telecoms segment reported another year of market share gains, up 40bps (GfK), as the combined retail sales of Mr Price Cellular and Powercell increased by 13.2% to R1.3bn.

The segment, which primarily sells handsets and accessories through 562 store-in-store concepts and 61 standalone stores, continues to grow in profitability.

The launch of the group's white label device, Salt, as well as a high accessory attachment rate of 69%, supported gains in both gross and operating margin.

The segment continues to be a strategic channel to increase customer engagement as it leverages the Mr Price brand halo.

Retail sales: divisional contribution



Mr Price Cellular and Powercell

Segment sales contribution 3.4% (LY:3.2%)

% change	FY2025	H2
Retail sales	+13.2%	+13.2%
Operating profit	+13.6%	+12.7%
Sales drivers	**FY2025**	**H2**
Comp sales growth	+1.5%	+3.3%
Unit growth	(9.7%)	(5.5%)
RSP inflation	+28.5%	+21.6%
Sales density	281 943m²	

Statement of Financial Position

R'm	29 March 2025	30 March 2024
Non-current assets	16 867	16 838
Current assets	15 762	12 978
Inventories	7 894	7 078
Trade and other receivables	3 134	2 969
Cash and cash equivalents	4 147	2 798
Other current assets	497	133
Total assets	32 539	29 816
Shareholder equity	14 420	13 421
Total liabilities	18 119	16 395
Total equity and liabilities	32 539	29 816

INVENTORY

The gross inventory balance increased 10.6% on last year due to the earlier arrival of stock than anticipated at year end, ahead of the Easter shift from March 2025 to April 2025. Stock freshness (0 – 3 months) remained high at 85.1%. The inconsistency of inventory lead times due to local and international supply chain disruptions was well managed throughout the year. By year end, additional lead time buffers were relaxed owing to the improved performance. Due to the shape of the stock improving compared to the prior year, the inventory provision reduced to 6.7% (from 7.9% last year). Inventory turn (excluding stock on the water) was in line with last year at 3.2 times, with improved inventory turn noted by Studio 88.

Gross inventory

+10.6%

Stock freshness: 85.1%

TRADE AND OTHER RECEIVABLES

Trade and other receivables grew 5.5% on last year, with debtors' interest and fees on the retail credit book growing 6.1% despite a reduction in the repo rate of 75bps during the period. Improvement in the credit cycle in the second half provided an opportunity for the group's credit granting scorecard to be re-assessed and increase its account approval rate.

Credit sales to customers grew 3.8% on last year, and the net bad debt to book ratio (7.8%) returned to its historic range, with the book well provided for, at an impairment provision ratio of 13.2% (down from 13.9% last year).

Trade and other receivables

+5.5%

Net bad debt to book ratio: 7.8%

TRADE AND OTHER PAYABLES

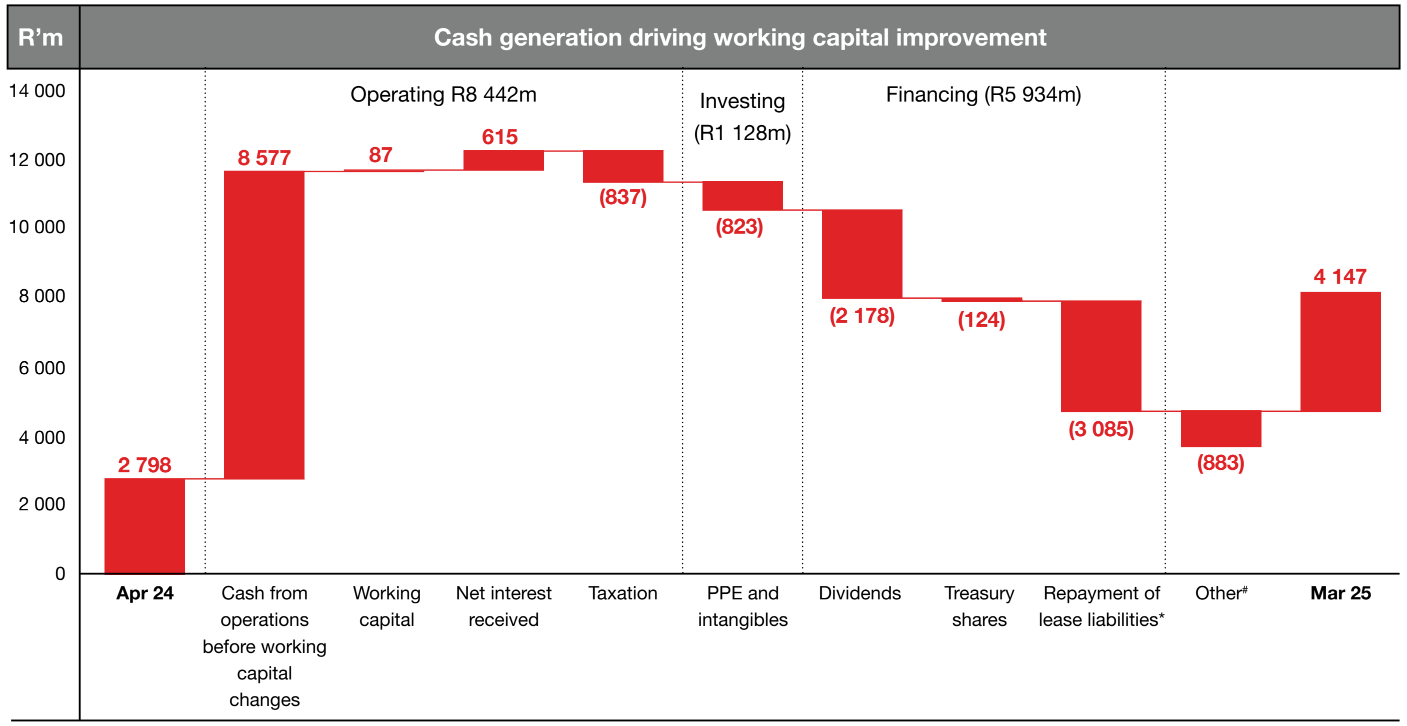
Trade and other payables increased 24.1% on the prior year, mainly due to the increased conversion of the supply base onto the SCF programme, with terms extending to 90 days. Both local and foreign suppliers have access to the programme and the group has unlocked over R2bn in working capital to date. The significant effort of our teams in FY2025 ensured that we converted over 80% of our suppliers onto the programme.

Trade and other payables

+24.1%

Supply chain finance program: >80%

Cash Flow Movements



*And instalment sale agreement
#Including NCI acquisition of R453m

The group's cash conversion ratio of 94.9% increased significantly (FY2024: 86.9%) and was far ahead of the medium-term target. Cash generated from operations increased by 8.2% to R8.7bn, with positive net working capital of R87m, due to the impact of the supply chain finance program. Net interest received increased by 17.1% to R615m due to higher cash balances held throughout the period.

The majority of the group's investing activities were related to capital expenditure of R830m, which was apportioned towards new stores, expansions and revamps (similar to the prior year).

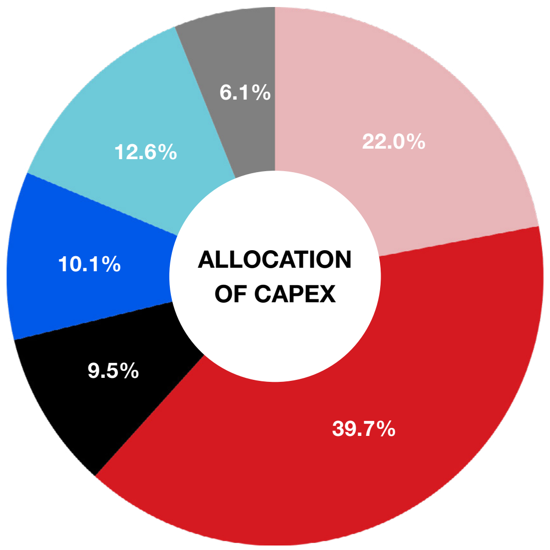
New store returns continued to perform well and were above management's thresholds, hence continues to be a primary channel of capital allocation. A total of 184 new stores were opened during the period across the group's 15 retail trading chains.

The remaining capex was primarily allocated to key strategic enablement projects within the technology and supply chain functions.

During the period, the group's cash financing activities resulted in distributions of R2.2bn to shareholders in the form of dividends, maintaining the payout ratio of 63.0%, together with R3.1bn being allocated to repayment of lease liabilities. Net asset value increased 7.4% to R14.4bn. The group's net debt to equity ratio is 0.97 and its current and quick ratios closed at 1.54 and 0.77 respectively, further reinforcing the strength of the group's balance sheet. Return on equity at 27.2% remains high relative to the sector, however it was impacted by the inclusion of Studio 88 whose capital structure is heavier than the traditional group balance sheet.

The high level of cash generation noted above contributed to the cash balance rising to R4.1bn, while the group remains debt free.

Funded wholly from cash reserves



New stores | Store revamps | Logistics
Other | Store expansions | Technology

Capital expenditure FY2025

R830m

Primarily allocated to stores (59.3%)

Outlook

The global economy has been characterised by uncertainty in 2025. Significant shifts in trade partnerships and potential of US enforced tariffs have threatened growth prospects across markets. The South African economy has not been spared from this impact and its forecast GDP growth has been revised downwards from the previously bullish outlook at the end of 2024.

Prior to this, South Africa's GDP growth over the previous decade of 0.7% has not been conducive to fostering a healthy business environment. A highly competitive and low growth economy requires the government reform agenda to be accelerated in order to create higher levels of employment and stimulate economic activity.

The consumer environment remains volatile. In the short-term, consumer relief was supported by low inflation, lowering petrol prices and interest rate cuts of 100bps which collectively increased disposable income. Real wage growth has experienced some level of recovery, however sustainability of an improving consumer environment in South Africa in the medium-term could be challenging due to the uncertainty transcending from the global and domestic economies.

Notwithstanding the volatile environment, the group remains committed to delivering differentiated fashion-value merchandise, which continues to be recognised and supported by its loyal and growing customer base. Forecast capital expenditure for FY2026 is anticipated to be R1.6bn, with approximately 200 new stores and increased investment into store revamps, supply chain and technology.

Appreciation

Reflecting on the year that has passed, there has been many achievements to be proud of, in particular, the milestone of reaching 3 000 stores, surpassing R40bn in revenue and delivering double-digit growth in HEPS, in a challenging retail environment. This could not have been achieved without the passion and resilience of our people and the unique performance culture that our CEO and board drive throughout the organisation. Later this year, we will be celebrating the 40th anniversary of the launch of Mr Price, and I am excited to be contributing to the next growth phase of this iconic business.

Lastly, I would like to express my gratitude to all the finance teams across the business who work tirelessly to ensure we actively manage our results and targets monthly, while maintaining strong controls and governance across the business. You remind me every day that ordinary people can indeed do extraordinary things!

Praneel Nundkumar
Chief Financial Officer

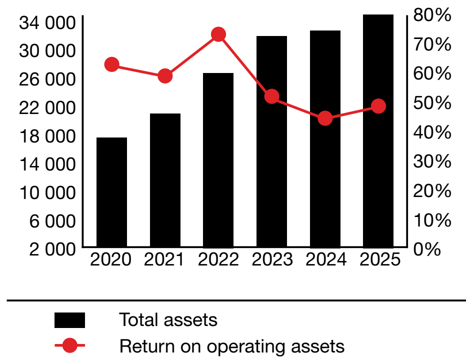
Six-year Review

Abridged Statements of Financial Position, Cash Flows and Income

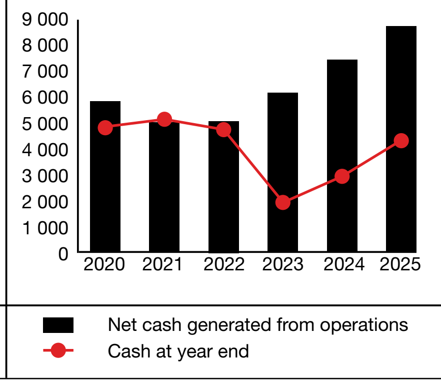
R'm	39-year compound growth %	5-year compound growth %	2025	2024[4]	2023[4]	2022	2021	2020
Statement of financial position								
Assets								
Non-current assets			**16 867**	16 838	17 003	11 296	9 288	6 950
Property, plant and equipment			**4 254**	4 072	3 598	2 518	2 236	2 137
Right of use assets			**7 187**	7 237	7 737	6 315	5 000	4 202
Other			**5 426**	5 529	5 668	2 463	2 052	611
Current assets			**15 672**	12 978	11 778	11 381	10 587	10 244
Inventories			**7 894**	7 078	7 321	3 956	3 298	2 719
Trade and other receivables			**3 134**	2 969	2 733	2 551	2 155	2 268
Cell captive structure			**163**	124	-	-	-	-
Reinsurance asset			**-**	-	219	190	154	182
Term deposits			**313**	-	-	-	-	-
Cash and cash equivalents			**4 147**	2 798	1 442	4 612	4 949	4 726
Derivative financial instruments			**15**	2	51	64	24	342
Taxation			**6**	7	12	8	7	7
			32 539	29 816	28 781	26 677	19 875	17 194
Equity and liabilities[4]								
Equity attributable to equity holders of parent[4]			**13 432**	12 363	11 412	12 056	10 838	9 428
Non-controlling interest (NCI)			**988**	1 058	914			
Non-current liabilities[4]			**7 959**	8 491	9 068	6 002	4 800	4 032
Lease liabilities			**6 355**	6 512	7 028	5 951	4 776	4 014
Non-controlling interest liability[4]			**1 257**	1 576	1 602	-	-	-
Other non-current liabilities			**347**	403	438	51	24	18
Current liabilities[4]			**10 160**	7 904	7 387	4 619	4 237	3 734
Trade and other payables			**6 424**	5 175	4 877	2 895	2 542	2 136
Lease liabilities			**2 331**	2 126	2 093	1 460	1 164	1 027
Reinsurance liabilities			**-**	-	44	43	45	46
Non-controlling interest liability[4]			**742**	429	-	-	-	-
Other			**663**	174	373	221	486	525
			32 539	29 816	28 781	22 677	19 875	17 194
Statement of cash flows								
Cash flows from operating activities			**8 442**	7 146	5 940	4 807	4 767	5 661
Cash flows from investing activities			**(1 128)**	(976)	(4 270)	(925)	(1 945)	(472)
Cash flows from financing activities			**(5 934)**	(4 813)	(4 841)	(4 207)	(2 550)	(3 655)
Net increase/(decrease) in cash and cash equivalents			**1 380**	1 357	(3 171)	(325)	272	1 534
Cash and cash equivalents at beginning of the year			**2 798**	1 442	4 612	4 949	4 726	3 150
Exchange (losses)/gain			**(31)**	(1)	1	(12)	(49)	42
Cash and cash equivalents at end of the year			**4 147**	2 798	1 442	4 612	4 949	4 726
Income statement								
Retail sales	17.2%	12.7%	**39 439**	36 586	31 498	26 683	21 690	21 686
Retail sales and other revenue	17.3%	12.4%	**40 715**	37 783	32 668	27 865	22 553	22 707
Profit before finance costs and finance income	19.0%	7.8%	**5 780**	5 307	4 920	4 946	3 864	3 979
Profit attributable to shareholders and NCI	21.1%	7.0%	**3 789**	3 424	3 115	3 347	2 648	2 704
Headline earnings attributable to shareholders	21.0%	6.2%	**3 667**	3 306	3 102	3 305	2 762	2 716

Notes:
1. 2021 was 53-week period
2. The 39-year compound growth rates are calculated from the date of acquiring joint control in 1986
3. FY2020 income statement was re-presented for discontinued operations
4. FY2023 and FY2024 equity attributable to parent and liabilities were restated for non-controlling interest liability

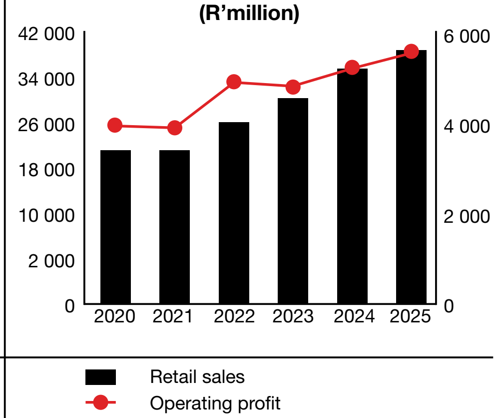
Total assets (R'million) and return on operating assets (%)



Cash generated and cash at year end (R'million)



Retail sales and operating profit (R'million)



Stores and Productivity Measures

Ratios / indicators	39-year compound growth %	5-year compound growth %	2025	2024	2023	2022	2021	2020
Operating statistics								
Depreciation as a % sales [a]			**1.5%**	1.5%	1.1%	1.2%	1.5%	1.5%
Employment costs as a % sales [b]			**11.7%**	11.4%	10.8%	11.0%	10.3%	10.7%
Occupancy costs as a % sales [c]			**8.5%**	9.2%	7.9%	7.9%	7.9%	8.1%
Total expenses as a % sales [d]			**28.8%**	29.1%	27.3%	26.6%	28.4%	27.3%
Number of stores by segment								
Mr Price Apparel			**665**	630	595	558	538	532
Mr Price Sport			**178**	175	169	157	136	124
Power Fashion			**324**	295	262	209		
Studio 88			**951**	890	825			
Miladys			**265**	266	255	251	239	232
Total Apparel stores			**2 383**	2 256	2 106	1 175	912	888
Mr Price Home			**231**	229	216	205	183	177
Yuppiechef			**21**	20	14	7		
Sheet Street			**334**	354	354	333	322	313
Total Home stores			**586**	603	584	545	505	490
Mr Price Cellular (Standalone)			**61**	41	12	1		
Total Cellular stores			**61**	41	12	1		
Franchise			**12**	8	8	8	8	9
Total group stores	8.9%	17.0%	**3 042**	2 908	2 710	1 729	1 426	1 387
FT associates[e]			**29 988**	27 775	20 767	20 443	17 831	17 986
Trading area								
- weighted average new m²			**1 037 238**	994 824	857 853	733 569	651 875	641 246
- closing average net m²	9.2%	10.1%	**1 050 558**	1 015 229	962 763	752 044	657 763	649 700
Total sales (R'm)	17.2%	12.7%	**39 439**	36 586	31 498	26 683	21 690	21 686
Traditional comparable sales growth %			**3.4**	1.8	(3.4)	14.1	-5.1	-1.4
Retail selling price inflation %			**3.7**	12.2	15.1	(6.4)	5.3	1.4
Cash sales %			**89.3**	88.9	87.3	86.1	86.4	84.3
Credit sales %			**10.7**	11.1	12.7	13.9	13.6	15.7
Sales per store (R'm)			**13**	13	12	16	15	16
Sales per full time associate (Rand)			**1 664 109**	1 317 223	1 516 733	1 305 227	1 216 396	1 205 739
Sales density exluding sales to franchise (Rand per weighted average net m²)			**37 123**	36 760	36 678	36 316	31 346	32 958

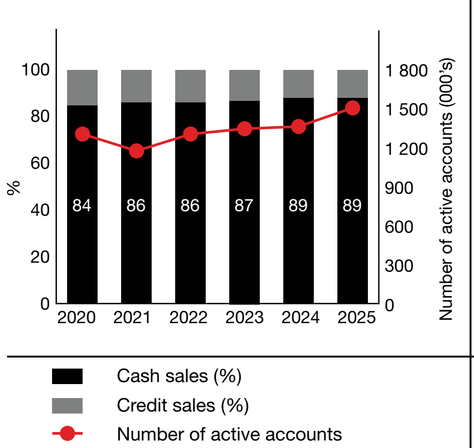
Notes:
1. 2021 was 53-week period
2. The 39-year compound growth rates are calculated from the date of acquiring joint control in 1986
a Depreciation on property, plant and equipment only
b Employment costs include salaries, wages & other benefits, share based payments, restraint of trade expenses, defined contribution pension fund expense, defined benefit pension fund net expense and post retirement medical aid benefits
c Occupancy costs include depreciation on right of use asset, interest on lease liability and rental expenses associated with short-term, low value and Holdover leases.
d Total expenses includes interest on lease liability
e FT: Full time

Returns, Profitability and Share Information

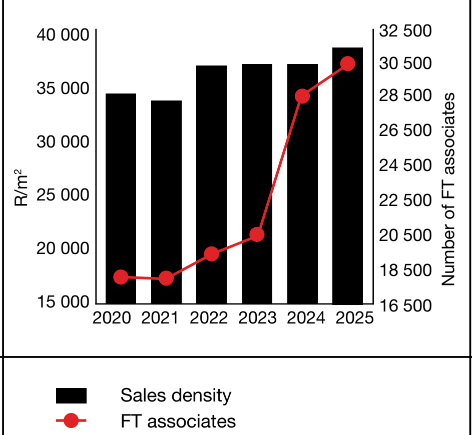
Ratio / indicators	39-year compound growth %	5-year compound growth %	2025	2024[5]	2023[5]	2022	2021	2020
Productivity ratios								
Net asset turn[5]			**2.7**	2.7	2.5	2.2	2.0	2.3
Gross margin (%)			**40.5**	39.7	39.5	40.7	42.6	40.7
Operating margin (%)[3]			**14.2**	14.0	15.1	17.7	17.1	17.5
EBITDA margin (%)			**21.9**	22.5	23.0	25.8	25.5	25.9
Profitability and gearing ratios								
Return on net worth (%)[5]			**27.2**	26.5	27.3	27.8	24.4	28.7
Return on average shareholders equity (%)[5]			**27.2**	26.6	26.5	29.2	26.1	29.9
Return on capital employed (%)[5]			**22.2**	24.3	24.0	27.3	24.7	34.4
Return on operating assets (%)			**46.6**	43.0	51.0	74.6	63.5	66.7
Solvency and liquidity ratios								
Current ratio[5]			**1.5**	1.6	1.6	2.5	2.5	2.6
Quick ratio[5]			**0.8**	0.7	0.6	1.6	1.7	1.9
Inventory turn			**3.1**	3.1	3.4	4.4	4.2	4.8
Total liabilities to total shareholders equity[5]			**1.3**	1.2	1.3	0.9	0.8	0.8
Per share performance (cents)								
Headline earnings	18.2%	6.3%	**1 424.0**	1 286.2	1 205.7	1 282.1	1 067.9	1 047.0
Diluted headline earnings	18.1%	6.0%	**1 379.3**	1 252.6	1 178.4	1 254.0	1 049.0	1 029.4
Dividends	19.4%	23.6%	**897.1**	810.3	759.6	807.3	672.8	311.4
Operating cash flow			**3 278.8**	2 780.3	2 308.8	1 898.2	1 843.0	2 182
Net worth			**5 212.5**	4 813.7	4 437.0	4 686.2	4 199.7	3 636
Dividend payout ratio			**63.0**	63.0	63.0	63.0	63.0	29.7
Stock exchange information								
Number of shares in issue ('000)			**257 677**	256 828	257 194	257 264	258 067	259 309
Number of shares on which earnings based ('000)			**257 484**	257 016	257 274	257 778	258 671	259 419
Shares traded ('000)			**317 349**	401 707	287 613	282 496	361 695	392 932
Percentage of shared traded (%)			**123.2**	156.3	111.8	109.6	139.8	151.5
Earning yielded (%)			**6.3**	7.4	8.4	5.9	5.4	8.8
Dividend yield (%)			**4.0**	4.7	5.3	3.7	3.4	2.6
P:E ratio			**15.9**	13.6	11.9	16.6	19.3	11.0
Market capitalisation (R'm)			**57 977**	44 633	37 029	55 475	50 672	31 008
Share price (cents)								
- high			**29 774**	18 005	22 575	24 498	19 811	25 001
- low			**15 670**	12 407	13 450	18 066	11 092	10 374
- closing	19.9%	13.7%	**22 500**	17 381	14 420	21 599	19 798	11 848
Foreign shareholding at year end (%)			**31.2**	34.0	45.6	41.0	44.4	51.5

Notes:
1. 2021 was 53-week period
2. The 39-year compound growth rates are calculated from the date of acquiring joint control in 1986
3. Operating margin calculated as operating profit/retail sales and other revenue
4. Market capitalisation is calculated based on number of shares in issue and closing share price
5. FY2023 and FY2024 equity attributable to parent and liabilities were restated for non-controlling interest liability

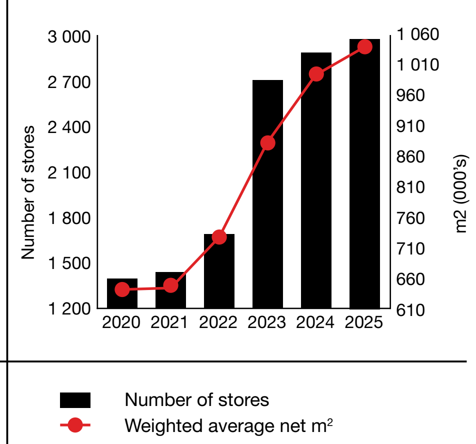
Credit sales and group number of active accounts



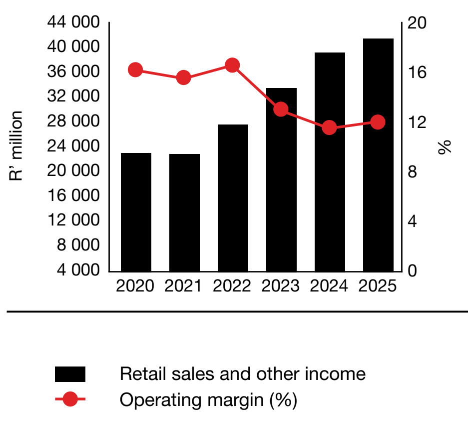
Sales density and number of FT associates



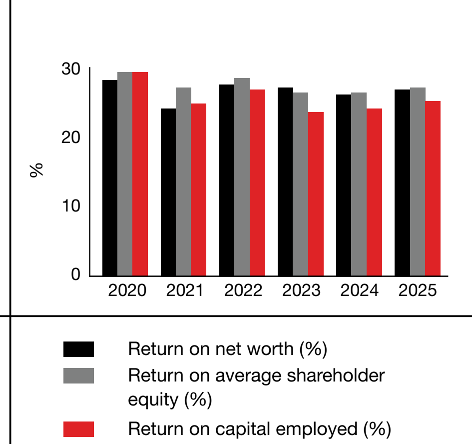
Number of stores and trading area



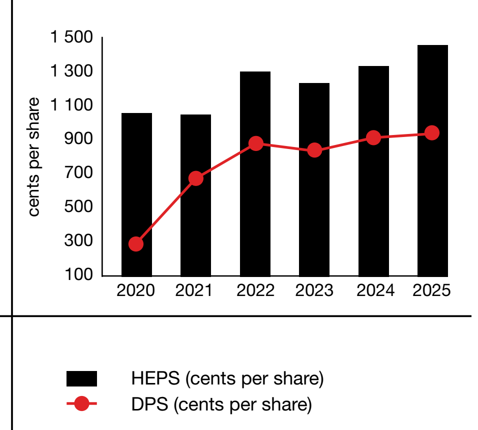
Retail sales and other revenue and operating margin



Return on net worth, equity and capital



Headline earnings and dividend per share



mr price group limited

Administration and Contact Details

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Mr Price Money Mr Price Mobile	214 Dr Pixley KaSeme Street, Durban, 4001 PO Box 4996, Durban, 4000	031 334 1011		mrpmoney.co.za
KPMG FairCall	BNT 371, PO Box 14671 Sinoville, 0129	0800 00 6465		www.thornhill.co.za/kpmgfaircall-report/questionnaire/main/
Customer Care		0800 212 535		
Account Services		0861 066 639		

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Domicile and Country of Incorporation

Republic of South Africa

Sponsor

Investec Bank Limited

Registration Number

1933/004418/06

Independent Auditors

Deloitte & Touche

Tax number

9285/130/20/0