

SPAR 

THE SPAR GROUP LTD

Integrated Annual Report

2025



Introducing this report

Our story this year

**Focused on our core –
distribution excellence that
empowers independent retail**

Welcome to The SPAR Group Ltd (SPAR or the Group) integrated annual report (the report). This report covers the 52 weeks ended 26 September 2025.

The report provides key insights that the Board considers crucial for stakeholders to gain a clear understanding of our business, its performance and outlook.

SPAR is a wholesale, warehousing and distribution business serving independently owned retailers under the SPAR brand. We hold the licence for SPAR across Southern Africa, including South Africa, and in Ireland, with a joint venture in Sri Lanka.

Our voluntary trading model allows retailers to remain independent while benefiting from the Group's scale, expertise and brand strength. By sourcing locally and growing together, we help build stronger regional economies and lasting community relationships.

Our **purpose** is to unleash the power of independent retail.

Our **vision** is to be the first-choice brand in the communities we serve.

This year marked meaningful change. The successful disposal of SPAR Poland and SPAR Switzerland and the advanced progress of the South-West England sales process are strategic milestones that simplify the Group and reduce net debt. Our focus is now firmly on operational excellence, margin improvement and sustainable growth in our core markets. For this report, Switzerland and South-West England are classified as discontinued operations and no longer included as territories (see Group CFO's financial review, page 38).

Despite tough trading conditions, momentum improved across most brands. Through disciplined cost management and focused capital allocation, we strengthened our balance sheet. With a clearer strategy, simpler structure and sound financial position, we are well placed to build on this progress.

Group turnover¹ +1.6% to R132.4 billion (2024: R130.3 billion)	Operating profit +2.3% to R2.8 billion Margin: 2.1% (2024: R2.7 billion; 2.1% margin)	Cash generated from operations +13.3% to R5.4 billion (2024: R4.8 billion)
Headline earnings per share² -8.9% to 795.8 cents (2024: 874.0 cents)	Group leverage ratio³ 1.74x (2024: 2.14x)	Return on capital employed⁴ 14.4% (2024: 14.0%)
Retail loyalty⁵ 78.9% (2024: 78.7%)	Sites using SPAR2U solution 636 stores (2024: 525 stores)	Sites using Uber Eats solution 300 stores (2024: 0)
Supplier Development Hub 261 jobs (2024: 204 jobs)	Investment in Supplier Development Hub +38% to R13.8 million (2024: R10.0 million)	Investments in CSI +15.3% to R23.3 million (2024: R20.2 million)

On the adoption of the 52/26 weeks reporting cycle, the results for September 2025 and 2024 have been adjusted to present 364 days for both periods. All commentary on operations are presented on this basis unless otherwise indicated.

¹ Turnover represents revenue from the sale of merchandise.

² Diluted Headline earnings per share.

³ Net debt to earnings before interest, tax, depreciation and amortisation (EBITDA).

⁴ September 2025 adjusted for impairments. September 2024 and 2023, has been adjusted to take into account the SAP losses in KZN.

⁵ Adjusted for trading days

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Our reporting suite

Our 2025 reporting suite is available on SPAR's website and consists of the following:

Integrated annual report

This report is the primary communication tool for stakeholders, including financial capital providers. It highlights how SPAR creates value for its stakeholders, including the full remuneration and governance reports.

Independent retailer-owned store operations are not included in SPAR's financial reporting.



Sustainability report

Details SPAR's strategy and performance across environmental, socio-economic and governance matters. It is prepared in line with the Corporate Sustainability Reporting Directive, which SPAR has voluntarily adopted and aligns with global standards, applying double materiality to enable a view of sustainability risks, opportunities and performance through quantitative and qualitative disclosures.



Climate change report 2022

SPAR's climate change report provides comprehensive and transparent disclosure of the Group's approach to and consideration of climate change and the management of material climate-related impacts, risks and opportunities.



Consolidated annual financial statements

Audited financial statements showcasing the Group's performance and financial position.

<https://thespargroup.com/resource-centre/results-announcements/>



Annual results presentation and webcast

Our reporting to shareholders, the investment community and analysts on the Group's financial position and performance.

<https://thespargroup.com/sustainability/#Reports>



SPAR has been a CDP participant since 2009. Submissions on water, climate change and forests are available on the CDP website.

Reporting framework, standards and guidelines

This report adheres to the principles and content elements of the Integrated Reporting Framework (2021). It also applies the following standards and regulations:

- International Financial Reporting Standards (IFRS)
- Companies Act, No. 71 of 2008 (as amended)
- JSE Limited Listings Requirements
- The King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)¹

In addition, the reporting suite considers guidance from CDP and the United Nations Sustainable Development Goals. Although King V was released in October 2025, SPAR has proactively aligned elements of this integrated annual report to the emerging principles of King V.

Timeframes used in this report

- Short term: 1–2 years
- Medium term: 2–3 years
- Long term: >3 years

¹ Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Your journey through this report

Our 2025 reporting suite is available on SPAR's website and consists of the following:

Report enhancements

We refined this year's report to further strengthen alignment with the Integrated Reporting Framework and enhance flow and connectivity across sections. Guided by recommendations from the Integrated Reporting Committee of South Africa (IRCSA), we improved the structure and sequencing of chapters to create a more cohesive link between our strategy, performance and outlook. We also strengthened our materiality process and expanded our stakeholder disclosures to provide greater clarity on the matters most material to our value creation. We have also begun aligning our governance disclosures with the newly released King V Code ahead of full transition.

This interactive report features hyperlinks that provide easy access to the information you need, including additional details where we reference the SPAR website or other reports in our suite.

Hyperlinks are underlined.

We encourage you to navigate the report based on your specific information needs.

If you are new to SPAR, we recommend starting with the chapter on **getting to know the basics** (page 3).

If you would like to understand how we identified the matters that most impact SPAR's performance and long-term value creation, refer to the section on **materiality** (page 18), which outlines our refreshed materiality determination process, which was informed by internal and external research and executive input and approved by the Board.

If you are familiar with SPAR and are focused on this year's results, begin with the chapter **reflecting on 2025** (page 17), which includes insights from our Chairman, Group Chief Executive Officer (CEO), Group Chief Operating Officer (COO) and Group Chief Financial Officer (CFO).

More specific performance details can be found in the chapter on **Reporting on our 2025 performance** detail (page 42).

For additional information on SPAR's territories and brands, or a summary of the financials, refer to the **detailed insights and additional information** chapter (page 98).

Shareholders and investors can find relevant information for voting at the SPAR Annual General Meeting (AGM) in the chapter on **informing shareholder decisions** (page 111).

For readers interested in how SPAR engages with our stakeholders, information can now be found in the **stakeholder universe** section (page 12). This consolidated disclosure, developed through interviews with internal stakeholder relationship owners, provides an authentic reflection of SPAR's engagement practices.

Information on our remuneration policy and its implementation is provided in the chapter **explaining remuneration practices and outcomes** (page 77).

Those interested in SPAR's governance in 2025 may start with **reflections from our Chairman** (page 26), followed by more detailed information in the chapter on **understanding our governance ecosystem** (page 56).

Ensuring the integrity of this report

SPAR's Board of Directors (the Board) acknowledges responsibility for this report.

The Audit Committee reviewed the report's integrity and recommended it for Board approval. In this process, the Board and Audit Committee relied on SPAR's combined assurance model:

- **Non-financial information:** Management oversaw the collection and verification of all non-financial information. Accredited external service providers, mPowerRatings, measured and assured the 2024 Broad-Based Black Economic Empowerment (B-BBEE) Codes of Good Practice verification. Scope 1 and 2 data submitted to the CDP were externally verified.
- **Financial information:** PricewaterhouseCoopers (PwC), SPAR's external auditor for eight years, audited and provided an opinion on the consolidated annual financial statements for 2025, which are available online.

The Board also notes the recent release of the King V Report on Corporate Governance for South Africa (October 2025) and has begun incorporating its emerging principles into this report, reflecting SPAR's commitment to best practice governance. The Board is confident that this report fairly presents the Group's performance, risks, opportunities and prospects, guided by the Integrated Reporting Framework and has approved it for release to stakeholders.

Mike Bosman
Chairman

Angelo Swartz
Group CEO

Reeza Isaacs
Group CFO

Megan Pydigadu
Group COO

Shirley Zinn
Deputy Chairperson

Funke Ighodaro
Independent non-executive director

Liesbeth Botha
Independent non-executive director

Marie Jamieson
Independent non-executive director

Sundeep Naran
Independent non-executive director

Pedro da Silva
Independent non-executive director

Lwazi Koyana
Independent non-executive director

12 December 2025

Getting to know the basics

Our business model and value chain	4
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This chapter provides an overview of SPAR's value chain, business model and global network of operations, and introduces our leadership. It outlines our strategic framework, demonstrates how we create value for our stakeholders, and presents our investment case.



Our business model and value chain

Building it better, every step



THE SPAR GROUP LTD

SPAR is a globally recognised brand, owned by SPAR International, the world's largest voluntary trade food retail chain and independent supermarket network. For more details, visit <https://spar-international.com/>

SPAR International

- Oversees the SPAR brand globally
- Licences to 48 member countries
- Headquartered in Amsterdam, Netherlands

Voluntary trading model

In South Africa, retailers can use the SPAR, SPAR Health, Build it and (recently launched) Pet Storey brands by signing a membership agreement with the SPAR or Build it Guild of Southern Africa and accessing SPAR's procurement and distribution services.

The SPAR and Build it Guilds of Southern Africa

The Guilds are non-profit organisations which co-ordinate SPAR and Build it's development in Southern Africa. Retailers and wholesalers contribute through subscriptions, which fund SPAR's marketing and promotions.

South Africa is organised into operational regions, each managed through its local distribution centre. This structure unites wholesalers and retailers as a collaborative body.

In 2025, The SPAR Group Ltd, as detailed in this report, held licences in eight countries



Southern Africa (Botswana, eSwatini, Lesotho, Mozambique, Namibia, South Africa)



Ireland



Sri Lanka (joint venture)

Poland, Switzerland and South-West England (discontinued operations)



A resilient and responsible value chain

SPAR's value chain reflects the core operational elements that drive our business that enable us to respond to market needs, deliver consistent service to retailers and create sustainable value.

Farms and suppliers (Upstream)

We rely on farmers and suppliers to deliver products to our distribution centres and stores efficiently. Our supplier base balances large-scale suppliers, enabling economies of scale and competitive pricing, with small-scale and local suppliers, supporting local economies and community impact.



All suppliers are expected to comply with SPAR's codes of conduct and relevant regulatory standards. Through our supplier development programme, we support suppliers to operate responsibly and maximise local impact. SPAR's voluntary trading model allows independent retailers to source directly from the communities they operate in, keeping wealth within local economies.

Across our territories, including Ireland and Southern Africa, this approach allows us to serve diverse markets and meet local needs while maintaining operational resilience.

Wholesale distribution and central offices (Own operations)

Our distribution centres form the backbone of SPAR's wholesale and retail operations. They connect suppliers to stores, manage logistics and inventory, and enable efficient delivery across our network, including fresh, grocery, liquor and private label products.



Operational priorities include:

- Reducing fuel consumption and travel time, optimising routes and delivery schedules.
- Minimising stock holding times and improving inventory turnover.
- Implementing digital and technology solutions, including enterprise resource planning (ERP) and warehouse management systems, to improve forecasting, order accuracy and operational efficiency. ERP rollout is on track for completion by early 2028.
- Business continuity and risk management across all distribution centres to address geopolitical, energy and operational risks.

Our distribution network also supports speciality formats such as Build it and SPAR Health, ensuring that these segments benefit from the same logistical efficiencies.

Consumers and communities (Downstream)

Consumer trust and convenience are key to our success. SPAR delivers value through competitive pricing, high-quality products and digital access via SPAR2U and Uber Eats, with plans to roll out the Build it 2U app across our network.



While our core business focuses on operational resilience and retailer support, we also contribute to local communities by helping retailers source locally and offering targeted social investments such as surplus food redistribution and supplier development.

Retail stores (Downstream)

SPAR stores are independently owned by entrepreneurs operating under SPAR's service and quality standards.



Retailer loyalty drives performance. We build this through support, service, competitive pricing, operational guidance and resource efficiency. Our response to changing market conditions includes offering more affordable options and supporting retailers in implementing cost-saving and operational improvements.

We also support future retailers through initiatives such as the NextGen Entrepreneurs Programme, which provides training and mentorship to prepare the next generation of SPAR store owners and the Retail Academy, which provides practical skills development and business leadership training. Where necessary, we temporarily manage corporate stores until they are sold to independent retailers.

SPAR business model

Our business model integrates six capitals to deliver on SPAR's purpose of unleashing the power of independent retail. It explains how we deploy our resources, capabilities and relationships to support independent retailers, deliver competitively priced products to consumers and create sustainable value for shareholders and communities.

Our model reflects how we optimise our balance sheet, strengthen operational performance, modernise systems and support resilient retail businesses across our territories.

Inputs – the resources we rely on



Financial capital: Funding from operations and capital providers used to invest in infrastructure, technology, retailer support and sustainable growth.



Intellectual capital: Brands, specialised knowledge of categories, merchandising systems, data analytics and retail expertise that support competitiveness.



Manufactured capital: Distribution centres, transport fleets and retailer store networks essential to reliable product availability and cost-efficient service.



Social and relationship capital: Trusted partnerships with independent retailers, suppliers, communities and regulators that underpin our decentralised model.



Human capital: Employee skills, operational expertise and leadership capabilities that support logistics, store operations, stakeholder engagement and culture.



Natural capital: Energy, water, packaging and other resources managed through efficiency programmes, waste reduction and responsible sourcing.

Activities – how we create value

- Strategic procurement and category management
- Inventory optimisation, forecasting and stock-flow management
- Efficient distribution and logistics execution
- Retailer support across marketing, training, operations and financial services
- Technology modernisation and digital enablement
- Sustainability initiatives that reduce emissions, waste and resource use
- Community programmes and enterprise development
- Commitment to advancing diversity, equity and inclusion, as well as employee development

Outputs – what we deliver

- Competitively priced quality products and private label offerings
- Reliable distribution, merchandising and operational support for retailers
- Store formats and design solutions fit for local markets
- Digital tools that enhance retailer performance and customer engagement
- Community initiatives and supplier development programmes
- Sustainable business practices across the value chain

Capital

Challenges

Value creation outcomes – the impact on the six capitals

Read more



Financial capital

- Balancing investment needs with disciplined deleveraging
- Managing exit impacts from Switzerland and South-West England
- Optimising working capital and improving cash conversion

A strengthened balance sheet, improved quality of earnings and disciplined capital allocation.

Improving turnover
Cash generated from operations up by 13%
Reduced debt by 40%
Optimised long-term borrowings



Manufactured capital

- Supply chain resilience amid infrastructure constraints and rising operating costs
- Efficiency pressures in logistics and store refurbishment cycles

Continued investment in infrastructure, logistics efficiency and retail formats.

R908.4 million total capex
SPAR2U expansion to 636 stores
Upgraded stores and distribution capabilities



Human capital

- Scarcity of experienced digital and logistics skills
- Retaining critical operational talent in a competitive labour market

A more engaged and capable workforce supporting operational excellence.

84% participated in employee engagement survey
Investment in development and leadership programmes
Implemented the first phase of our living wage initiative



Intellectual capital

- Competitive pressure from discounters and changing consumer behaviours
- Modernising core systems while maintaining operational continuity
- Escalating cyber security and data protection risks

Systems and data investments underpinning modernised operations and retailer competitiveness.

Omnichannel volumes up by 136%
SPAR Rewards members up by 33% to 11.4 million
SAP implementation on track for completion in 2027



Social and relationship capital

- Economic pressure on consumers and retailers
- Maintaining strong retailer loyalty during a strategic reset
- Navigating increasing regulatory expectations

Strong retailer loyalty and meaningful community impact.

Improved to Level 3 B-BBEE
R23.3 million CSI investment
Retailer loyalty resilient at 78.9%
R13 837 million invested in Supplier Development Hub



Natural capital

- Rising energy costs and climate-related disruptions
- Need for accelerated progress towards lower emissions and sustainable packaging

Reduced resource use through energy efficiency and recycling initiatives.

10 055 623kWh solar energy generated
218 344t CO₂e total GHG emissions
23 446 tonnes of cardboard and plastic recycled through distribution centres

[Our Group CFO's financial overview](#)
[Shareholders and funders stakeholder focus](#)
[Audit Committee report](#)

[A message from our Group CEO](#)
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An overview of our network

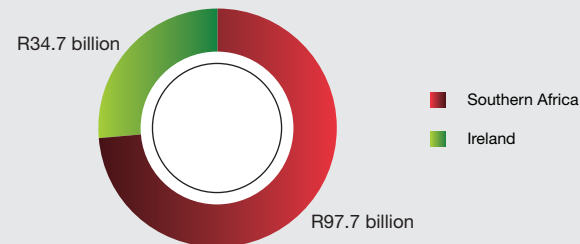
Connecting communities, every day

As a wholesaler, we provide products and value-added services to independent retailers in eight countries across three territories.

The term territories refers to the geographic regions in which we operate. SPAR Switzerland and South-West England, which are classified as discontinued operations, are excluded from this year's overview. Refer to our [CFO's financial overview](#) (page 38).

For a detailed look into the warehouse spaces, case dispatches, store format overviews and the number of stores per format, refer to the [unpacking our territories](#) appendix (page 99).

Group turnover contribution (R132.4 billion, excluding discontinued operations)



Note: Revenue on a comparable 52-week basis, for continuing operations.



Angelo Swartz
Group CEO

“ Our Southern African business demonstrates disciplined management and operational control, enabling us to unlock opportunities and strengthen our position in a highly competitive environment.



Southern Africa

Turnover	Distribution centres
R97.7 billion	9
Stores*	Employees**
2 523	4 657

Retailers in South Africa, Namibia, Botswana, Mozambique, Eswatini and Lesotho

Awards:

- » 2025 Advantage award: No 1 Retailer in Hardware/DIY or Build it
- » 2025 Advantage award: No 1 Retailer in Private Label for SPAR
- » Top Contributor at the Youth Employment Service (YES) South Africa ESG Awards 2025

* Including 933 liquor stores.

** Permanent employees.



Megan Pydigadu
Group COO

“ Our focus has been and will continue to be on empowering independent retailers and supporting entrepreneurship, while building adjacent businesses that drive growth and create opportunities.

Brands

SPAR

SUPERSPAR

KWIKSPAR

SPAR express

tops!

SaveMor

SaveMor Liquors

oncore

SPAR 2U

onengage

onengine

onpak

SPAR gourmet





John Moane
Group CEO, BWG Group

Ireland



“ *The combined strength of our retail, wholesale and foodservice business gives BWG greater opportunities for growth.* ”

Turnover¹

EUR1.7 billion

Distribution depots

25

Stores

1 161

Employees

2 121

Awards:

- » BWG Foods won the 2024 SEAI Energy Award for Transport, recognising excellence in sustainable energy in Ireland²
- » SPAR international Awards 2025 – Sustainability Award

¹ Revenue on a comparable 52-week basis, for continuing operations.

² <https://www.seai.ie/events/sustainable-energy-awards/award-categories/transport>

Brands

SPAR

EUROSPAR

Londis

MACE



BWG FOOD SERVICE

VALUE CENTRE





Kumar De Silva
CEO, SPAR Sri Lanka

Sri Lanka (joint venture)



“ SPAR Sri Lanka's independent retail model gained traction with 13 new SPAR SaveMor stores. Our partnership with SPAR South Africa strengthened capabilities in private label and operations. With rising customer volumes and enhanced offerings, we are well positioned to support independent retailers for the next phase of growth.

Joint venture with
Ceylon Biscuits Ltd

Turnover¹

Rs7.7 billion

Stores

42

Awards:

- » Glocal Brand of the Year at the 24th Sri Lanka Institute of Marketing Brand Excellence Awards.

Brands



¹ R940.3 million – SPAR's share is 50%, as reflected in equity accounting.



SPAR's strategic framework

Focusing on the core and unleashing the power of independent retail

Where we have come from

Last year, we noted that SPAR was in transition and laying the foundation for sustainable growth. We introduced a strategic framework built around four priorities:

- **Harden:** Protect and strengthen our market position through profitability and digital transformation
- **Grow:** Expand targeted categories, develop Build it as a standalone business and grow SPAR Health
- **Clarify:** Streamline structures and governance, optimise capital and reinforce our culture and values
- **Execute:** Align priorities with performance measures, enhance communication and drive disciplined execution

These priorities were supported by disciplined capital allocation, asset optimisation, credit risk management and the disposal of non-core assets, which were all designed to ensure financial stability and fund our strategic ambitions.

Where we are now

Over the past year, we completed the disposal of SPAR Switzerland and negotiations are underway for South-West England. This has helped streamline our portfolio and sharpen our focus. While our strategy continues to evolve, it is now more defined and guided by a clear winning aspiration and deliberate choices on where and how we compete. Our strategic focus is supported by enhanced governance alignment in line with King V, strengthening the connection between our winning aspiration, value outcomes and stakeholder expectations.

Where we play

Southern Africa is our main market, where we will continue to focus on wholesale rather than direct retail. We will continue to serve our core categories while exploring segments where independent retailers can thrive and selectively expand into adjacent offerings. Physical stores will remain the primary channel, complemented by digital and on-demand solutions.

Internationally, we continue to invest in excellent, well-run businesses in Ireland and Sri Lanka to provide good dividend flow and currency diversification and exposure to global best practice. These businesses are complementary to, but not the primary drivers of our growth.

Winning aspiration

In Southern Africa, we aim to be the wholesaler that independent retailers choose for the strongest support and most efficient distribution. Our goal is to grow our network and expand retail segments.

How we win	Optimised supply chain	Retailer model	Standout shopping experiences	Building a scalable organisation	Robust risk management	Employees
Must have capabilities	Lead with unbeatable wholesale value – simple and efficient delivery	Empower retailers with freedom to grow, while removing the friction of running a business.	Win hearts locally with care, deliver standout experiences, where consumers need us.	Flexible, rapid scaling at marginal cost of operation, united through a single purpose.	Operate with disciplined agility, leveraging robust risk management and strong cash control.	Our trusted employees value every retailer we serve and dare to do things differently.
Enabling systems	Data	Tools and processes	Structures	IT systems		

Our 2030 winning aspirations

When successful, SPAR will be recognised as the wholesaler that empowers independent retailers to compete in their markets, that drives entrepreneurship and helps build communities. We are aiming for outcomes that will benefit all our stakeholders:

Return to cash-generative business	Sustainable operating profit margin of 3% and above
SA leverage ratio below 1.5 times	Strong dividends and returns
30% of sales from adjacent growth segments	Retail profitability above 3.5%
Sustained retail loyalty ≥80%	Easier access to capital
Improved resilience and brand strength	Localised, distinctive shopping experiences

Our stakeholder universe

More for everyone we touch

At SPAR, we recognise that a diverse range of stakeholders is central to the success and sustainability of our business. Their perspectives and needs shape our decisions, and we strive to build strong, two-way relationships founded on transparency, trust and collaboration.

Oversight of stakeholder engagement rests with the Social, Ethics and Sustainability Committee, which ensures our approach is inclusive, proactive and aligned with our commitment to responsible and ethical conduct. The release of the King V Code in October 2025 reinforces many of the principles that already underpin our approach, particularly around stakeholder inclusivity, ethical engagement and the creation of sustainable value.

Key principles guiding our stakeholder engagement include:

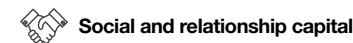
- Legislative compliance and good governance
- Safe and responsible products and offerings
- Economic, social and environmental impacts, including diversity, inclusion, people development and circular economy initiatives
- Responsible innovation, affordable and nutritious food and sustainable supply chains
- Collaboration with communities and governments to tackle systemic challenges such as gender-based violence, food security and infrastructure development

Our main stakeholders

Employees

Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Our people bring SPAR's purpose and values to life through their dedication and exceptional service.	• Safe work environment • Competitive pay • Career growth • Talent retention • Succession planning • Diversity and inclusion • Employee wellness • Support for employee concerns	• Management briefings • Live communication sessions • Surveys • Conferences • Union negotiations	SPAR strengthened trust and engagement across our workforce during a period of change. Investment in leadership and development programmes has begun to build a stronger internal talent pipeline and improve succession readiness. Change management and wellness initiatives contributed to higher morale and productivity, while inclusivity efforts deepened belonging and alignment with SPAR's values. As a result, our people are more motivated and equipped to deliver exceptional work.	• Employees experienced adjustment due to organisational changes, including a new management structure. The Board and executive management responded with proactive change management and operational stabilisation to maintain morale and create a rewarding work environment. • Career progression and skills development were supported through leadership programmes, management trainee initiatives, the Logistics Supply Chain Management programme and targeted upskilling for historically disadvantaged employees. • Flexible work practices and inclusive leave benefits were implemented to support work-life balance, well-being and motivation. • Employees were supported through mental health initiatives, including e-learning on dignity and harassment, Mental Health First Aider programmes and access to counselling and wellness services. • Youth employment was promoted through the national YES programme and the JumpStart initiative that provides structured onboarding and pathways to permanent employment. • Freedom of association was reinforced through coverage under collective bargaining agreements.

Legend



Independent retailers

Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Independent retailers are central to SPAR's business model and are our main strategic partners. Their success shapes SPAR's results, reputation and community presence. By empowering entrepreneurs to run sustainable, profitable businesses, we enable shared growth and long-term value across our network.	- Reliable, efficient wholesale and logistics services - Competitive pricing and product availability across all categories - Business support, training and operational guidance - Data and digital tools that enable store performance - Consistent brand standards, marketing support and consumer trust - Sustainable development of black retailers - Assistance during challenges	- Retail Academy - Guild meetings - SPAR Health retailer meetings - Surveys and retailer feedback mechanisms, including the Think Retail Survey	Through partnership, SPAR strengthens the competitiveness and sustainability of thousands of retailers, supporting local employment and community development. Retailer loyalty remains a key indicator of shared success and through focused and active engagement with our retailers, we are now better enabled to serve our network and increase loyalty.	- The Think Retail Survey served as a pulse check of retailer perceptions, helping us understand how to achieve frictionless retail in our relationship with them. Retailers reflected strong relationships with SPAR retail operations managers, while expressing a desire for more direct engagement with executives. - We collaborated with retailers on the co-creation of marketing and promotional campaigns to strengthen store visibility and consumer engagement. - We launched Flex, SPAR's retailer-focused personalisation platform whereby retail stores deliver tailored messages and promotions to their Rewards members. - Training was provided through the Retail Academy to support capability building. - We enhanced digital platforms, including SPAR2U, Build it 2U and Uber Eats and launched the Flex Academy app, which enables retailers to access assigned training modules and complete learning courses. - The launch of Pet Storey expanded the ecosystem of adjacencies available to retailers, offering new growth opportunities in a high-potential category. - Alignment on ERP systems, including SAP, was progressed to improve integration. - Engagements were held on distribution centre initiatives and other <i>ad hoc</i> operational matters.

Suppliers

Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Suppliers help us meet retailer and consumer needs through value and innovation.	- Support for enterprise and community suppliers - Access to store network and customer insights - Enhanced consumer value - Emerging supplier development - Legislative compliance	- Joint business planning meetings - Ongoing reviews - Annual trading terms revisions - SPAR and Build it national conventions	Collaboration with suppliers improved supply chain resilience, ensured food quality and compliance and strengthened SPAR's reputation through more secure, ethical and diversified supply networks. The Supplier Development Hub and related partnerships improved the commercial viability of emerging farmers through local sourcing, directly supporting rural livelihoods. Engagement on sustainable sourcing and ESG compliance advanced responsible procurement and reduced environmental risk exposure.	- Regular engagement was held to agree on mutually acceptable contract terms and maintain constructive commercial relationships. - Regional supplier visits were conducted to strengthen relationships and ensure compliance with food safety standards. - Suppliers were guided on SPAR's food safety policies and agreements, including certification requirements, recall liability and compliance with national laws and regulations. - We engaged suppliers through the Supplier Development Hub, which supports emerging farmers in transitioning from subsistence to sustainable commercial operations, expanding market access and improving profitability. - Engagements included support for ESG-related initiatives: - We collaborated with suppliers on sustainable sourcing initiatives, including cage-free eggs, sustainable seafood and net-zero deforestation products - Supplier performance and compliance were monitored across key commodities, such as palm oil and coffee, with ongoing engagement to encourage verification and responsible practices - Engagement with women farmers focused on support and capacity building, contributing to increased supply chain reliability and enabling many participants to transition to commercial farming.

Legend



Financial capital



Manufactured capital



Human capital



Intellectual capital



Social and relationship capital



Natural capital

Consumers



Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Consumer trust and loyalty to the SPAR brand ultimately determine our success.	- Excellent retail service - Quality products - Affordable and nutritious food - Ethical sourcing - Effective competition in on-demand shopping	- Consumer care departments - Broadcast, print and social media platforms - In-store advertisements - Socio-economic development initiatives	We maintained trust in the SPAR brand and reinforced our position in the communities we serve by focusing on quality, affordability and convenience. Investment in on-demand platforms and omnichannel initiatives improved accessibility and shopping experience, while responsible sourcing reinforced confidence in our products and values.	- An integrated customer care approach enabled real-time resolution of customer issues, with a first-call resolution rate exceeding the annual customer satisfaction benchmark. - The SPAR Women's Challenge attracted nearly 80 000 participants nationwide, providing a platform to engage directly on gender-based violence, period poverty and the SPAR Rewards and Loyalty Card. Significant donations were made to organisations addressing gender-based violence and period poverty, supported by substantial print and online media exposure. - The annual Win a Car in-store campaign was linked to the SPAR Rewards and Loyalty Card to encourage a culture of savings. - Stokvel community engagement sessions were held across Gauteng, reaching 15 stokvel clubs. - SPAR South Africa received several awards at the 2025 Consumer Goods Council of South Africa Summit Advantage Awards, including Number One Retailer in Hardware/DIY for the Build it brand and Number One Retailer in the Private Label category.

Communities



Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Being embedded in local communities supports SPAR's brand and societal impact.	- Food security - Local supplier support and job opportunities - Support for community initiatives, including youth development, ending gender-based violence and improved nutrition - Disaster relief	- Engagement via social and traditional media - Participation in community initiatives - Sponsorship of community sports events - Public awareness campaigns	SPAR's community partnerships strengthened our social licence to operate and advanced national development by creating tangible social and economic benefits. We leveraged our retail footprint to strengthen community resilience through our programmes to improve access to nutrition, prevent gender-based violence and empower youth.	- The Supplier Development Hub programme was expanded, supporting small-scale farmers to achieve profitability and GLOBALG.A.P. certification while strengthening their integration into SPAR's value chain. - Operation Hunger projects continued, providing food security and income-generating opportunities that foster self-sustainability in local communities. - The FoodForward SA programme was rolled out across all distribution centres, enabling co-ordinated food donations to communities in need. - Initiatives to combat gender-based violence were advanced in partnership with public and private stakeholders to help create safer communities: » Groceries, toiletries and other practical items were donated to the National Prosecution Authority's Thuthuzela Care Centres » We supported Lifeline's dedicated gender-based violence helpline - Programmes supporting youth development and improved nutrition were implemented, contributing to long-term social and economic empowerment in the communities SPAR serves. - SPAR South Africa was recognised as a Top Contributor at the Youth Employment Service (YES) South Africa ESG Awards in October 2025, receiving a certificate signed by President Cyril Ramaphosa.

Legend



Shareholders and financiers

Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Shareholders and financiers provide the financial capital that is essential for supporting growth and ensuring long-term success. Their confidence is critical to maintaining liquidity, supporting strategic investment and ensuring business continuity across all our territories.	- Consistent, sustainable financial returns - Transparent, timely and accessible information - Strong corporate governance and risk management stability safeguard capital - Full legislative and regulatory compliance - Responsible investment practices that consider long-term societal and environmental impact - A clear and disciplined capital allocation framework - Disclosures aligned to the emerging expectations of King V, supporting transparent, outcomes-based reporting	- Capital Markets Day - Annual and interim result presentations and roadshows - Investor conferences - Engagements with lenders - Annual general meetings - One-on-one and Group investor relations meetings	Through consistent engagement and communication, SPAR has prioritised strengthening investor confidence and communication. These efforts were recognised at the 2025 IRSSA Investor Relations Awards, where SPAR was named second runner-up in its category. Our relationship with our lenders continues to be strong with the successful restructuring of R4.5 billion in debt completed in the first half of the year, supported by a consortium of major South African banks.	- We engaged on the outcomes of the European strategic review and the subsequent disposals, explaining the rationale and expected impact on long-term value. - Discussions were held regarding the debt restructure, outlining how it strengthens the Group's financial position and supports operational flexibility. - Shareholders and financiers were updated on the progress of the SAP rollout and its benefits for process efficiency, data accuracy and decision-making. - The plans to improve the Group's Southern African profit margins including cost management and operational improvement initiatives were communicated to investors. - Progress on omnichannel initiatives was shared, highlighting enhancements to digital capabilities and integrated customer experiences.

Government and regulators

Why they matter	What we aim to deliver	Engagement platforms	Value created	Key engagements in 2025
Strong relationships with government and regulators matter because they enable us to navigate regulatory requirements effectively, influence policy and ensure smooth, compliant operations across all markets.	- Responsible funding - Public policy compliance - Policy advisory - Support for societal outcomes - Engagement on public health and safety	- Meetings with consumer goods councils - Department of Health - National Prosecuting Authority - Public policy advisory sessions	Constructive engagement with government and regulators reinforced SPAR's reputation as a responsible and compliant corporate citizen. By participating in public policy discussions and industry forums, we helped shape a balanced regulatory environment for retail and supported shared societal objectives.	- SPAR engaged with the Competition Commission of South Africa regarding approval processes for the Aptekor acquisition. - Constructive interaction took place with the BEE Commission to ensure alignment with transformation requirements and ongoing compliance with legislative obligations. - Engagements with the Department of Health (DoH) and the South African Health Products Regulatory Authority (SAHPRA) continued in support of responsible health-related retail practices. - The Minister for Women, Youth and Persons with Disabilities and her senior team met with SPAR to explore collaboration on gender-based violence (GBV) initiatives. This engagement led to the development of a Shelter Training Initiative, offering women in shelters skills training for entry-level roles such as cashiers, merchandisers and clerks. Successful participants will be included in a retailer-accessible database to support pathways into employment. - Ongoing collaboration with the National Prosecuting Authority's Sexual Offences and Community Affairs (SOCA) unit supported SPAR's work with Thuthuzela Care Centres and broader efforts to address GBV. - A minor data breach was formally reported to the Information Regulator in accordance with POPIA requirements.

Legend



Financial capital



Manufactured capital



Human capital



Intellectual capital



Social and relationship capital



Natural capital

Why invest in SPAR

More reasons to believe



Strong brand

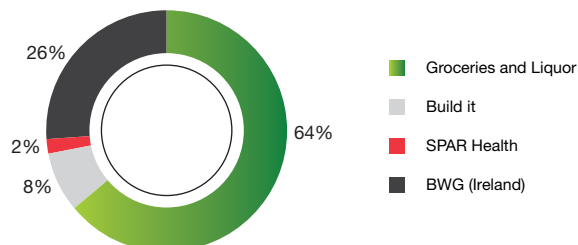
SPAR is a globally recognised retail brand with a ~60-year track record of community service and independent retail excellence. Our model enables entrepreneurs, drives retailer loyalty, and supports sustained consumer trust in our neighbourhood convenience and fresh food credentials. The brand's adjacency expansion through Build it, Pharmacy at SPAR and Pet Storey demonstrates our ability to evolve and monetise new value pools.

Defensive but evolving consumer exposure

SPAR's earnings are anchored in essential, high-frequency consumer categories – food, convenience and everyday household needs – providing inherent defensiveness across economic cycles. We complement this core with disciplined expansion into higher-growth and higher-margin adjacencies such as pharmacy, pet speciality, liquor and home improvement, broadening consumer relevance, capturing incremental wallet share and enhancing long-term earnings resilience.

Internationally, SPAR offers investors exposure beyond South Africa, with well-managed operations in Ireland and Sri Lanka that provide currency diversification.

Southern Africa turnover contribution by product segment



Robust distribution and retail network

Our well-established distribution infrastructure enables operational excellence while extending convenience through digital channels such as SPAR2U, Build it 2U and Uber Eats. We provide national buying power and distribution scale without the fixed-cost burden of store ownership, supported by six regional distribution centres. This ensures resilience and local responsiveness in dynamic markets. At the heart of our business model are over 2 000 entrepreneurial independent retailers whose local expertise drives sustainable growth across our footprint.

“ Our distribution centres are more than the backbone of our business. They are strategic enablers of our retail model. ”

Unique, scalable business model

SPAR's resilient business model is based on a capital-light structure, which minimises the need for heavy investments in fixed assets, instead focusing on efficient supply chain management and strategic partnerships with independent retailers. This approach not only reduces financial risk but also allows for rapid scalability, enabling us to expand our footprint across diverse territories without significant upfront costs.

Sustainability commitment and innovation

SPAR drives sustainable growth through a purpose-aligned sustainability strategy, meeting high standards while investing in future-ready technology and innovation, including the SPAR Accelerate data science initiative.



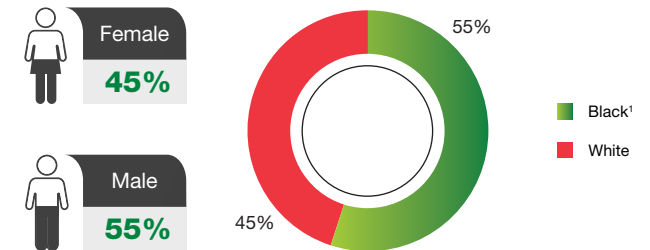
SPAR's sustainability strategy, “My SPAR, Our Tomorrow”, targets net-zero emissions by 2050, advances local supplier development and drives packaging and energy efficiency innovation. Our deep community footprint is an embedded strength.

Governance and leadership

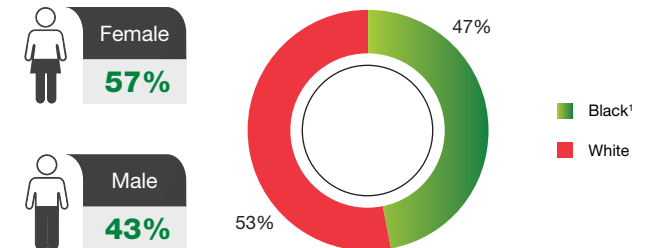
SPAR's governance has strengthened, supported by clearer accountability, stronger controls and more transparent decision-making.

Strategic stability is underpinned by a leadership team intentionally selected for complementary expertise and diversity.

Group Board



Executive management



¹ Black as defined by the B-BBEE Act, No. 53 of 2003.

Reflecting on 2025

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Our Group CFO's financial review	38

In this chapter, we outline the context in which we operated, including the material matters that influenced our performance and value creation, and how these were determined. SPAR's leadership also reflects on the Group's performance and strategic progress over the past year.



Materiality and the context of performance

Framing our future

Our success as a wholesaler depends on the performance of our independent retailers and relies on our shared ability to respond quickly to market trends and address the material matters that shape our strategy and long-term value creation.

An overview of our economic context

The decision to exit our businesses in Switzerland and South-West England allows us to redirect resources to our core operations in three territories, where reinvestment is expected to deliver stronger returns for the Group.

Southern Africa

The Southern African retail food sector continued to navigate challenging trading conditions, though some positive economic developments emerged.

In November 2024, annual consumer inflation fell to 2.9%, while food and non-alcoholic beverage inflation dropped sharply to 2.3%, the lowest since December 2010.¹ Consumer confidence improved slightly, rising from -15 to -12, supported by a more stable power supply, lower inflation and reduced fuel costs, which benefited low and middle-income households.

Ireland

Ireland's economy remains strong, with GDP projected to grow by 9% in 2025. Inflation is expected to average around 2% in 2025 and 2026, helped by easing energy costs and a tight labour market.²

Consumer confidence also improved modestly, with the Credit Union Consumer Sentiment Index increasing to 61.7 in September 2025 from 61.1 in August.

Employment continued to grow in the first half of 2025. The unemployment rate edged up slightly to 4.6% in the first nine months of the year and is expected to stay at a similar level in 2026 and 2027. Employment is set to continue growing, albeit at a more moderate pace.³

Sri Lanka

Sri Lanka's economy is recovering strongly following the economic crisis in 2022, which saw severe currency depreciation, high inflation and a sharp contraction in GDP. Year-on-year GDP growth was 4.8% in the first half of 2025, with inflation returning to positive territory at 1.5% in September.

The IMF has reached a staff-level agreement with Sri Lanka to complete the fifth review of its reform programme, unlocking approximately \$347 million in financing and supporting ongoing economic stability.⁴

¹ Statistics South Africa, Consumer Price Index, November 2024, statssa.gov.za

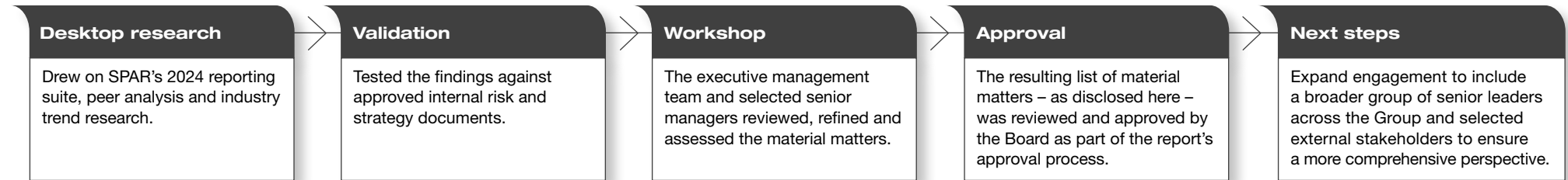
² EY Ireland, Autumn Forecast 2025: Irish Growth Amid Global Risks, ey.com

³ European Commission 17 Nov 2025

⁴ International Monetary Fund, Sri Lanka: IMF Staff Reaches Staff-Level Agreement on Fifth Review under EFF Arrangement, imf.org

Materiality review process

Materiality, as defined in the Integrated Reporting Framework, focuses on matters that materially affect an organisation's ability to create value over the short, medium and long term. To confirm the material matters that have affected SPAR this year and going forward, and that informed this report, we conducted a facilitated materiality review. The process involved the following steps:



Through this process, SPAR's material matters have evolved to reflect shifts in the economic and consumer landscape across our territories, as well as changes in governance, leadership and strategic priorities – to align with the Group's long-term direction and stakeholder expectations.

Most of these trends are relevant across our major markets in Southern Africa and Ireland, and are also evident in Sri Lanka, where we operate through the joint venture. These material matters are not ranked in order of importance and explored in more detail on the following pages.



Categorisation

Each matter is categorised according to SPAR's level of control and influence, reflecting the degree to which we can act to address or respond to it. For a detailed view of our sustainability-specific material matters, refer to the [sustainability report](#).



1 Independent retail enablement

Context, trends and drivers

Independent retailers are the cornerstone of SPAR's business model and a key differentiator from corporate retail chains. They operate across multiple brands, including SPAR, TOPS at SPAR, Build it, SPAR Health and Pet Storey. Retailer loyalty reflects the commitment of independent retailers to a brand or network. SPAR earns this loyalty by providing local business owners with the tools, training, systems and support needed to operate sustainable, competitive stores.

In both Southern Africa and Ireland, independent retailers are facing a challenging trading environment shaped by cost inflation, energy costs and shifting consumer behaviour. Shoppers are increasingly value-conscious, while expecting convenience, digital engagement and strong local relevance. In South Africa, rising costs continue to pressure margins, while in Ireland, regulatory change and competition from discounters are key challenges. Across markets, economic uncertainty, competitive pressures, technology, scale and sustainability are becoming critical differentiators, driving the need for capability uplift and greater collaboration between SPAR and its independent retailer network.

Implications for SPAR and our strategic response

Independent retail enablement is core to SPAR's strategy and long-term value creation. The Group continues to invest in supply chain efficiency, retail capability and digital innovation to enhance competitiveness and retailer resilience.

Strategic focus areas include optimising distribution networks, deploying data-driven insights to improve retail execution and evolving formats to meet changing shopper needs. We are also embedding sustainability across our retail network – from energy-efficient stores to local sourcing and enterprise development. Through these initiatives, we build a stronger, future-fit independent retail ecosystem that delivers shared growth for retailers and the Group.

Further detail is provided in [SPAR's strategic framework](#) (page 11), the [Group CEO's message](#) (page 30) and [strategic progress in the territories](#) (page 43).

Level of control and influence



Capitals impacted



2 Consumer and brand relevance

Context, trends and drivers

Evolving consumer behaviour continues to shape SPAR's retail and wholesale strategy.

Many households are making careful trade-offs, shifting from higher-priced products or brands to more affordable alternatives, a phenomenon often referred to as down-trading. Within this segment, shoppers tend to prioritise essentials, smaller pack sizes and promotional items as they manage household budgets.

At the same time, there is a distinct higher-spending segment that demonstrates different preferences. These consumers increasingly opt for fresh foods and healthy eating options, convenient meal solutions and products with sustainability credentials. The growing demand for convenience has also driven increased uptake of e-commerce and home delivery channels.

Across markets, trust, quality and brand authenticity are increasingly decisive factors in purchase behaviour. In areas such as food safety, precise labelling and product traceability expectations are high and are reinforced by regulatory requirements. In a competitive retail landscape, trust is cultivated through delivering quality products and consistent practices, ethical behaviour and active engagement within the community.

Implications for SPAR and our strategic response

Our strategy focuses on how consumers are changing. Localism guides our approach, with community-based retailers offering personalised, trusted shopping experiences. Affordability drives demand, so we prioritise competitively priced, high-quality products and promotions that meet households' immediate needs.

Increasing consumer interest in private label products – spanning both value and premium segments – has prompted us to broaden and diversify our own-brand portfolio through focused initiatives such as SaveMor and Gourmet within the South African market. Recognising that more than 60% of South African households are pet owners and noting the growing demand for premium pet care, we have recently launched Pet Storey, a specialised retailer dedicated to quality pet products. In Ireland, our brands continue to perform strongly through a focus on quality, freshness and sustainability credentials.

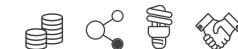
Our local, community-based retail model strengthens emotional connection and loyalty. Ongoing investment in responsible marketing, product safety and transparent communication reinforces SPAR's reputation as a trusted, community-rooted brand.

See [SPAR's strategic framework](#) (page 11), the [Group CEO's message](#) (page 30), [understanding our governance ecosystem](#) (page 56) and in the [Affected communities, consumers and end users section in the sustainability report](#) (page 56) for more detail.

Level of control and influence



Capitals impacted



Legend



3 Talent and leadership capability

Context, trends and drivers

Attracting and retaining specialist skills in logistics and retail remains a key challenge in our industry and across our territories. At the same time, employees increasingly seek purpose, flexibility and inclusion.

Workforce needs are shifting due to automation, demographic changes and evolving business requirements. This has increased demand, particularly for digital, technical, data-driven and compliance roles.

Workforce transformation, diversity and inclusion are increasingly recognised as business imperatives. In South Africa, transformation carries both regulatory and societal significance.

Implications for SPAR and our strategic response

We focus on attracting and developing adaptable, skilled employees who can navigate change and contribute to sustainable growth. Skills shortages in supply chain, digital and finance roles, along with evolving expectations for flexible, purposeful work, demand a refreshed talent strategy. Our employee value proposition emphasises purpose, empowerment and career development.

SPAR is strengthening leadership and investing in training across retail, logistics and support functions. Mentorship, diversity programmes and digital learning embed a culture of performance and help build a skilled, resilient workforce ready to lead in a rapidly changing retail environment.

Refer to our [stakeholder universe](#) (page 12), the [Group CEO's message](#) (page 30) and the [Own workforce and workers in the value chain](#) section in the [sustainability report](#) (page 50) for more information.

Level of control and influence



Capitals impacted



4 Operating model and governance effectiveness

Context, trends and drivers

The global retail landscape is being reshaped by consolidation among major players, informal trade growth and heightened cost pressures, including energy, labour and transport, which puts pressure on margins.

These dynamics demand improved co-ordination across distribution centres, shared services and independent retailers to sustain competitiveness and operational excellence. Agility, efficiency and cost management have become essential for businesses like SPAR that support independent retailers and aim to scale sustainably.

Our decentralised structure supports agility and local responsiveness but requires continuous alignment to drive consistency, accountability and efficiency. Operating model optimisation is essential to unlock efficiency and strengthen accountability across the Group.

Implications for SPAR and our strategic response

In Southern Africa, efforts are focused on refining the relationship between the Group, distribution centres and independent retailers to ensure operational consistency, cost competitiveness and service excellence. In Ireland, the business has developed a strong vision, purpose and values that is closely aligned with the SPAR Group, to ensure the future requirements of the business are met.

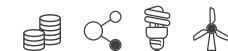
We are optimising our operating model to support efficient, scalable growth across our value chain. This includes enhancing logistics, improving cost management and strengthening cash flow and capital discipline. Through these initiatives, we are driving a simpler, more agile Group with strategic clarity, improved decision-making and the capacity to deliver on transformation and growth priorities.

See the [Group CEO's message](#) (page 30), an [interview with our Group COO](#) (page 34) and [strategic progress in the territories](#) (page 43) for more detail.

Level of control and influence



Capitals impacted



Legend



Financial capital



Manufactured capital



Human capital



Intellectual capital



Social and relationship capital



Natural capital



High



Medium



Low

5 Digital transformation and data intelligence

Context, trends and drivers

Technology is transforming retail and logistics by enabling new efficiencies, channels and customer experiences. E-commerce, digital loyalty programmes, subscription models and on-demand delivery are expanding rapidly among competitors in response to consumers seeking convenience.

Simultaneously, data analytics and AI are transforming how businesses optimise supply chains, understand consumers and manage risk. However, increasing digital dependency introduces cyber security and privacy challenges, demanding strong governance and resilience.

SPAR's future success depends on our ability to harness data effectively.

Implications for SPAR and our strategic response

We are integrating digitisation and automation across our core wholesaling operations to improve efficiency and gain deeper insights into our retail customers. Our data strategy focuses on converting insights into action by enabling efficiency and personalisation, while creating opportunities for new revenue streams.

Our focus is on supporting independent stores and enhancing convenience for their time-pressed customers through SPAR2U, Build it 2U and Uber Eats. These platforms complement physical stores and strengthen our omnichannel offering.

In both South Africa and Ireland, technology modernisation supports data accuracy, sustainability tracking and digital engagement with retailers and consumers. Robust data governance, cyber security and compliance frameworks underpin all digital initiatives. By embedding technology across every stage of the value chain, SPAR is building a more responsive, cost-effective and insight-driven business model.

See the [Group CEO's message](#) (page 30) and the [Business Transformation Committee report](#) (page 75) for more information.

Level of control and influence



Capitals impacted



6 Environmental and social responsibility

Context, trends and drivers

Stakeholders expect businesses to operate responsibly and contribute to sustainable development.

There is growing pressure to manage environmental, social and governance impacts across the supply chain as they are shaping business resilience and long-term value creation. Companies are increasingly expected to disclose this information.

In Southern Africa, social instability and economic inequality make private sector participation in community upliftment and resilience particularly important. In Europe, new regulatory frameworks such as the CSRD are raising disclosure and performance standards across value chains.

Implications for SPAR and our strategic response

Environmental and social responsibility is embedded in SPAR's commitment to building better communities. Through our sustainability strategy, we improve resource efficiency by reducing water and electricity use and lowering carbon emissions. In regions where municipal infrastructure is unreliable, initiatives such as solar power generation and water harvesting not only reduce our environmental impact but also enhance operational resilience.

We divert waste from landfill and prioritise packaging that is reusable or recyclable. We also focus on responsible procurement through our sustainable procurement policy to ensure the products and materials we source align with our sustainability and ethical standards.

Our social priorities include supporting local enterprise development and collaborating with small-scale farmers to enhance agricultural practices and empower rural communities, promoting nutrition and food security, and advancing gender equality and inclusion. In Ireland and Southern Africa alike, SPAR partners with independent retailers to drive community-led sustainability initiatives.

Refer to the [Environmental impacts](#) section in the sustainability report (page 34) for detailed information.

Level of control and influence



Capitals impacted



Legend



Financial capital



Manufactured capital



Human capital



Intellectual capital



Social and relationship capital



Natural capital



High



Medium



Low

Managing our risks

Anticipating challenges, safeguarding value

Our business faces a range of strategic, operational and external uncertainties that could affect performance and long-term growth. Key risk areas in 2025 reflect the Group's focus on maintaining retailer loyalty, strengthening digital and operational capabilities, protecting data and IT systems and navigating market and economic volatility. These risks are monitored and managed to ensure business continuity, support strategic objectives and safeguard value for all stakeholders.

The table below summarises the Group's principal risks and the management actions in place to mitigate them. For further details on oversight and governance of risk, refer to the Risk Committee report (page 71).

Risk matrix



Top risks

Risk No	Risk
1	Decrease in retailer loyalty that impacts wholesale profitability
2	Continued margin and cost pressure
3	Business disruption due to suboptimal system rollout
4	Limited digital and online e-commerce capabilities to deliver business growth
5	Cyber security risk
6	Digitised enablement for future-fit business
7	Talent and culture risk
8	ESG and climate transition risk
9	Inability to sustain revenue and profit growth due to the downturn in the global economy, geopolitical issues, socio-economic conditions and country infrastructure challenges



1 Decrease in retailer loyalty that impacts wholesale profitability

Trend

SPAR's trading ecosystem may weaken if retailer profitability, participation and loyalty continue to decline, resulting in market share loss and reduced competitiveness.

Context

The SPAR wholesale model depends on a mutually beneficial partnership with independent retailers. Reduced loyalty or store exits diminish volume throughput and weaken economies of scale, thereby eroding Group competitiveness in key markets. Sustained margin pressure and the emergence of alternative buying groups further threaten network cohesion and long-term brand equity.

Material matters



Capitals impacted



3 Business disruption due to suboptimal system rollout

Trend

Failure to implement and stabilise core business systems such as SAP could disrupt business processes, inventory visibility and operational efficiency.

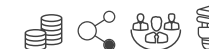
Context

The rollout of core ERP systems represents a material transformation of SPAR's operating model. Any deficiencies in system design, testing, or governance oversight can create business continuity risks—affecting order fulfilment, financial accuracy and retailer confidence. Weak integration between IT and business may undermine efficiency and data-driven benefits of the digital transformation journey.

Material matters



Capitals impacted



2 Continued margin and cost pressure

Trend

Persistent cost pressures within a low-growth economy may erode profitability and limit reinvestment capacity.

Context

Operating in a low-growth and inflationary environment, SPAR faces rising logistics, utilities and labour costs while consumer affordability remains constrained. The inability to realign pricing and cost structures across the supply chain compresses gross margins and limits capital reinvestment. Sustained cost escalation without structural efficiency gains could weaken competitive pricing and the Group's ability to invest in innovation and sustainability initiatives.

Material matters



Capitals impacted



4 Limited digital and online e-commerce capabilities to deliver business growth

Trend

SPAR's online and digital platforms are not evolving rapidly enough to capture growth in the e-commerce and convenience segments.

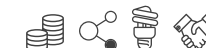
Context

Consumer behaviour is shifting rapidly toward online and convenience shopping. Competitors with advanced delivery platforms are capturing the urban convenience shopper, eroding SPAR's relevance among tech-savvy consumers. The absence of a unified digital capability limits customer insight, data monetisation and brand differentiation across markets.

Material matters



Capitals impacted



Legend

Financial capital Manufactured capital Human capital Intellectual capital Social and relationship capital Natural capital Increasing Stable Decreasing

1 Independent retail enablement

2 Consumer and brand relevance

3 Talent and leadership capability

4 Operating model and governance effectiveness

5 Digital transformation and data intelligence

6 Environmental and social responsibility



5 Cyber security risk

SPAR remains exposed to evolving cyber threats and data breaches.

Trend



Context

The increasing digitalisation of operations exposes SPAR to heightened cyber security threats. A major breach could compromise sensitive data, disrupt operations and damage stakeholder trust. Legacy infrastructure, third-party vendor dependencies and limited cyber security awareness amplify vulnerability. Strengthening cyber governance, detection and recovery capabilities is critical to maintaining operational continuity and reputational integrity.

Material matters

4 5

Capitals impacted



6 Digitised enablement for future-fit business

Failure to modernise and scale technology infrastructure may constrain SPAR's digital transformation and operational growth.

Trend



Context

Technology is a key enabler of agility and competitiveness. Delayed or insufficient investment in scalable IT platforms constrains business intelligence, integration and automation. Over time, this technological lag could result in inefficiencies, data fragmentation and higher maintenance costs, preventing SPAR from realising the benefits of advanced analytics, omnichannel retailing and supply chain optimisation.

Material matters

1 2 5

Capitals impacted



7 Talent and culture risk

SPAR's ability to deliver its strategy may be affected by gaps in leadership, succession and culture transformation.

Trend



Context

As SPAR evolves its strategy, leadership depth and organisational culture become critical differentiators. Failure to cultivate future-ready leadership and a high-performance culture may reduce resilience, increase turnover and limit the Group's ability to execute complex change across regions.

Material matters

1 3 4 5 6

Capitals impacted



8 ESG and climate transition risk

Failure to integrate ESG priorities may limit differentiation and expose SPAR to compliance and reputation risk.

Trend



Context

Stakeholders increasingly expect strong ESG performance and transparent disclosure. Weak climate transition planning or limited ESG data maturity could restrict access to sustainable finance and erode investor confidence. Integrating ESG principles into operations and governance is essential for long-term resilience and stakeholder trust.

Material matters

2 3 4 6

Capitals impacted



9 Inability to sustain revenue and profit growth due to the downturn in the global economy, geopolitical issues, socio-economic conditions and country infrastructure challenges

Macro-economic and geopolitical instability could disrupt supply chains, consumer demand and cost structures.

Trend



Context

Persistent global and regional volatility – including inflation, energy costs and supply chain disruptions – continues to test SPAR's operating resilience. South Africa's energy and logistics constraints, coupled with currency volatility and regional political unrest, elevate operational and cost risks. These macro factors directly influence consumer spending patterns, retailer sustainability and import-export efficiencies, requiring agile scenario planning and financial prudence.

Material matters

1 2

Capitals impacted



Legend

Financial capital Manufactured capital Human capital Intellectual capital Social and relationship capital Natural capital Increasing Stable Decreasing

1 Independent retail enablement 2 Consumer and brand relevance 3 Talent and leadership capability 4 Operating model and governance effectiveness 5 Digital transformation and data intelligence 6 Environmental and social responsibility



Reflections from our Chairman

Steering SPAR through change

2025 was a year of deliberate focus and disciplined execution while navigating a challenging operating environment. Through these challenges, we made bold strategic choices – focusing on our core markets, optimising capital and reaffirming the unique value of SPAR's independent retail model.

Mike Bosman

Chairman



Q&A

How is SPAR navigating today's challenging operating environment, and what strategic decisions have been most significant in shaping the Group's performance this year?

Navigating uncertainty

The world we operate in remains uncertain: inflation persists, consumer affordability is under pressure, global volatility is having real world impacts and competition is evolving. Across all SPAR's territories, business leaders are operating in an environment of constant change (detailed in our [Material Matters](#) and [Risk Reports](#) on pages 18 and 23). Yet, SPAR remains guided by its purpose – to build better communities through trusted partnerships.

Our model, anchored in independent retail and shared value, continues to differentiate SPAR and connect us deeply to the communities we serve. The Board's role throughout the year has been to ensure that every strategic decision strengthens this foundation, balances risk and opportunity, and positions the Group for sustainable, long-term success.

The release of the new King V Code provides timely reinforcement of principles that already underpin the Board's approach. Much of the work undertaken during the year – strengthening our governance guardrails, deepening accountability and ensuring rigorous oversight of strategy, culture, risk and stakeholder relationships – is aligned with the direction introduced by King V.

As we look ahead, King V's emphasis on stewardship, ethical leadership, fair and transparent decision-making and sustainable value creation will continue to guide the Board's ongoing governance enhancements and oversight focus.

Exiting Europe and South-West England reflects disciplined capital stewardship

The Board supported and oversaw the difficult but necessary decision to exit our businesses in Poland, Switzerland and South-West England in order to strengthen our balance sheet and sharpen our strategic focus. Notably, the process was implemented responsibly, with limited impact on jobs, reflecting our values of care and accountability. For details on the disposals, refer to the [Group CFO's financial review](#) (page 38).

This transition strengthens SPAR's balance sheet, reduces long-term debt by 40% and enables reinvestment into high-impact areas such as digital transformation, supply chain optimisation and retailer support. These steps directly reinforce our material focus on independent retail enablement, as well as operating model and governance effectiveness, ensuring that capital allocation translates into sustainable value creation.

“ We are particularly encouraged by the continued strength and resilience of our Southern African business, which reflects the commitment and entrepreneurial spirit of thousands of family-run retail stores. ”

Continuing operations are performing well

SPAR's Southern African business remains the backbone of the Group and reflects the commitment and entrepreneurial spirit of thousands of family-run retail stores. Despite infrastructure challenges and cost pressures, our independent retailers continue to demonstrate exceptional resilience and entrepreneurship – once again proving the strength of the SPAR partnership model.

In Ireland, our multi-brand strategy has delivered solid results and enables us to serve diverse customer segments and learn from the operational flexibility this model encourages. The team's operational discipline and ability to innovate across convenience, health and value propositions have driven growth and sustained customer loyalty.

Our joint venture in Sri Lanka continues to gain momentum in a dynamic, fast-growing market, where local partnerships and strong brand execution are building a solid platform for future returns.

These outcomes collectively reinforce the value of a decentralised model underpinned by shared systems, values and governance – allowing local agility while ensuring Group-wide coherence and accountability.



What lessons has SPAR learned from its international experience?

Appreciating geographic nuances

The Board has reflected deeply on SPAR's international journey. Expansion into new markets requires long-term commitment, strong local partners, careful capital allocation and, if necessary, a clearly defined exit strategy where strategic fit or scale proves limited. The Board has spent time over the past two years thoroughly reviewing the best approach for each operation and considering all options, including organic growth, acquisitions, restructuring or potential disinvestment.

A rigorous approach to capital allocation

Maintaining financial stability remains central to supporting the Group's long-term ambitions – every investment must demonstrate clear strategic alignment, defined returns and measurable impact. Capital allocation is approached with rigour, ensuring that investment decisions are sharper, data-informed, and anchored in performance accountability.

A capital-light and cash-generating model

We are refocusing on our capital-light, cash-generating business model, ensuring we do so responsibly, sustainably, and with positive community impact. It is this blend of focus, discipline and care that makes SPAR a truly special business. With an aligned executive team and focused attention on the key strategic levers, we are well positioned to deliver sustainable value over the coming years.

Immediate priorities include further investment in distribution centres, expanding into adjacent categories like pet retail and maintaining cost discipline while supporting growth initiatives. We are focused on building a business that delivers strong cash generation, prudent debt management and reinvestment into areas that enhance competitiveness, retailer capability and stakeholder confidence.



What are the key drivers of SPAR's strategy and performance?

Over the past year, management refined the Group's strategy to focus on key priorities, with the Board serving as a sounding board and providing constructive guidance throughout.

Retailer loyalty

Retailer loyalty is a key performance driver, with every percentage increase in loyalty translating into greater distribution throughput and Group revenue. Loyal retailers source more consistently through our distribution centres, uphold the SPAR values and standards in their stores and contribute to local economies by sourcing products from the communities in which they operate. As a result, strengthening independent retail enablement through enhanced supply chain efficiency and data-driven retail support is a key area of focus, along with advancing digital transformation across wholesale, logistics and consumer-facing platforms.

Disciplined cost management

Internally, the Board is pleased with the Group's continued focus on disciplined cost management while modernising the distribution centres and logistics operations. Although some operational challenges remain, these are no longer debilitating, and we are taking a measured and deliberate approach to transforming the distribution network to ensure long-term efficiency and sustainability.

Strong Board and executive management

Strong leadership has also been a key driver of SPAR's performance. Over the past few years, the Board has become more diverse and complementary, bringing a wider range of experience and perspectives to oversight and decision-making.

The same applies to the executive management team, which the Board deliberately shaped to ensure the right balance of skills and leadership styles. Our executive team, led by Angelo Swartz, has shown remarkable resilience and unity of purpose. The appointments of Megan Pydigadu and Reeza Isaacs have added vital depth, technical expertise and collaborative leadership styles that are shaping a high-performing culture.

How does SPAR ensure that its business creates positive social and environmental impact while remaining commercially successful?

At SPAR, sustainability is not a compliance exercise – it's a business imperative. We recognise that commercial success and community well-being are inter-connected.

The Group continues to prioritise food security, ensuring affordable access to quality food in the communities we serve. Initiatives like the Supplier Development Hub empower small-scale farmers, support local employment, and strengthen regional food systems. During the year, we expanded solar capacity at our distribution centres by a total of 2.9 MW. We are also reducing our environmental footprint through waste reduction and sustainable packaging. These initiatives directly support our material matter of environmental and social responsibility and align with emerging CSRD requirements across our markets.

By integrating social and environmental responsibility into our business model, we enhance resilience, relevance and long-term value creation.

What are the Board's priorities for the coming year?

The Board's priorities for 2026 will include:

- Strengthening our relationship with retailers and working together to improve our mutual financial performance
- Advancing succession planning and leadership development to ensure long-term stability and capability across the Group
- We will prioritise achieving a 3% operating profit margin in South Africa by 2028
- Returning capital to shareholders, including the option of a share buyback, as soon as it is responsibly possible to do so
- Driving efficiencies in our supply chain and procurement activities, with a particular focus on improving on-time, in-full performance

Employees, directors and shareholders

This has been a year of meaningful operational progress and renewed confidence, and I am proud of the work that has been achieved at SPAR by our employees who live our values every day. I would like to extend my heartfelt thanks to my fellow directors for their invaluable contributions, to our shareholders for their support and confidence in the business and its leadership.

Independent retailers and partners

Then, to our independent retailers and partners, for whom I have the greatest respect. I am continually impressed by the dedication our retailers bring to the business. Many families are personally involved every day and have deep, personal connections in their communities. They lie at the heart of our success and underscore why trust and support are so essential to what we do.



Mike Bosman
Chairman





A message from our Group CEO

Building momentum, creating opportunities

SPAR entered 2025 on firmer ground, the result of decisive actions taken over the past two years to simplify our portfolio, strengthen the balance sheet and refocus on our core purpose. The benefits of these decisions are beginning to show. Across our markets, we are translating challenge into progress and uncertainty into renewed confidence. Our foundation is solid: a resilient network of independent retailers, trusted brands and a deeply rooted culture of community. These strengths define our next chapter – one focused on consistent execution and shared value creation and growth.

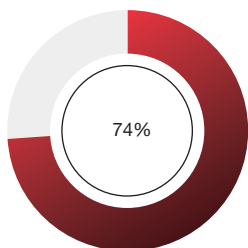
Angelo Swartz

Group CEO



A snapshot of our performance

Contribution to Group turnover



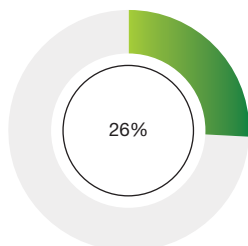
Southern Africa



R97.7 billion
Turnover

Southern Africa, our largest business, delivered steady performance. While revenue growth was muted, disciplined cost management and effective navigation of pricing pressures supported margins. The trajectory is in the right direction. Our SPAR brand grocery stores and TOPS at SPAR continued to perform well, while Build it and SPAR Health, including Pharmacy at SPAR and Scriptwise, showed strong growth. Pet Storey was successfully launched as a new growth platform, reflecting diversification and innovation in action.

Contribution to Group turnover



Ireland



R34.7 billion¹
Turnover

Our Irish business maintained steady performance. Investments in technology, logistics and store modernisation have positioned it for the next phase of growth, while our foodservice and wholesale operations continue to strengthen earnings diversity.

Our Sri Lankan business, in partnership with Ceylon Biscuits Limited, remained stable. With oversight shared between our local partner and SPAR Board representation, the business' steady growth and stability truly underscore the value of local expertise and partnership in markets where we do not hold operational control.

Our CFO, Reeza, discusses the financial performance in detail in the [Group CFO's financial review](#) (page 38).

Closing the loop on last year's priorities

Over the past year, we have executed against the priorities set out in 2024: portfolio simplification, financial strengthening and operational discipline.

Optimising the balance sheet

We made strong progress in strengthening the balance sheet, supported by the divestments. Banking liquidity improved and debt levels have reduced significantly and are being managed prudently, leaving the Group in a stronger financial position and enabling potential shareholder returns through dividends or share buy-backs.

European review and disposals

We completed the planned divestments of Poland and Switzerland and commenced the process of exiting South-West England. The closing of this complex chapter has enabled us to refocus capital for reinvestment in our core businesses. Moreover, our experience in these markets has affirmed our longstanding recognition that strong local management and in-depth knowledge of local market dynamics are essential. These principles will continue to shape our approach as we assess future opportunities.

Our international business model

Our international strategy remains centred on achieving appropriate returns relative to capital deployed. In Ireland, the business is stable and well diversified across multiple retail banners, which suits the market. In Sri Lanka, our joint venture continues to operate efficiently under local management, requiring minimal Group intervention.

¹ €1.7 billion

Note: On a comparable basis, for continuing operations.

The profitability of the South African business

In Southern Africa, a clear path has now been established to gradually increase profitability, underpinned by focused working capital management, cost control and investments in digitisation. These investments, including upgrades to backend systems, omnichannel capability and data infrastructure, will taper off over time while supporting medium-term margin growth. Preparations are also underway for the full rollout of the ERP system across national distribution centres by early 2028.

“ We took a step back to reflect deeply on what lies at the heart of our business and refined our purpose: To unleash the power of independent retail. ”

The ERP rollout challenges in KwaZulu-Natal in 2023 provided important lessons on sequencing, training and readiness and have informed our approach to business transformation. We have strengthened change management oversight and aligned technology rollout with operational readiness. Cross-learning between territories, particularly Ireland and South Africa, is accelerating in areas such as IT, logistics and marketing. This culture of learning is central to SPAR's intellectual capital and ensures that modernisation does not disrupt our longstanding entrepreneurial ethos.

In South Africa, a high-control approach has ensured operational discipline as we evolve the model to balance central oversight with local execution. We have continued to refine our operating model in line with our strategic shift towards growth through adjacent categories, rather than expansion into new geographies.

This was reflected in the launch of Pet Storey in South Africa, the acquisition of quick-service restaurant franchises and the introduction of Brevato, a new coffee brand in Ireland and SPAR Health's recent acquisition of a well-established pharmaceutical wholesaler.

Our purpose and strategy

The past year has been pivotal in shaping SPAR's strategic direction. To develop this strategy, we brought together our top 30 executives from across the Group.

SPAR exists to be in the service of entrepreneurs, it is fundamental to our DNA, and because of that, the quality of our relationships defines the strength of our brand. We then translated this purpose into a strategy that sets clear priorities as they relate to key stakeholder groups.

Through a collaborative process, we defined the areas where we must win and set measurable objectives. The result is a strategy that creates alignment and clarity across the Group while maintaining the flexibility that enables our independent retailers to respond effectively to changing market conditions and evolving consumer needs.

Sustainability is embedded in this strategy, not as a separate agenda, but as a way of operating responsibly every day. Our efforts to advance nutrition, empower independent retailers and address societal challenges, including the scourge of gender-based violence, are directly aligned with our purpose and strengthen SPAR's identity as a nurturer of communities.

As our strategy becomes further embedded and evolves, we will continue to share our progress and outcomes. An overview is provided on page 11.

Building a stronger, more connected SPAR

With portfolio realignment largely complete and the balance sheet strengthened, SPAR enters a phase of consolidation and renewal. Over the next three to five years, we will focus on:

- Driving growth in Southern Africa and Ireland through operational excellence and retailer enablement
- Expanding selectively into adjacent categories beyond health, building and pet care with a focus on private label
- Simplifying the operating model for speed, consistency and accountability
- Embedding digital and data capabilities to enhance efficiency and insight
- Advancing sustainability goals aligned to global reporting standards such as the CSRD

The fundamentals of our business are strong. We have clarity of purpose, the right leadership in place and an exceptional network of retailers and employees united by a shared belief in independent retail. Our task now is to build on these strengths with renewed purpose and stronger collaboration across our territories so that we continue to empower independent retailers and create shared value for all stakeholders.

My sincere appreciation goes to our Board and Chairman, our executive teams and every SPAR employee across our territories for their commitment and contribution to our journey. A special thanks to the thousands of independent retailers across our networks in South Africa, Ireland and Sri Lanka; through your efforts our brands become part of the fabric of the communities we serve. Together, we are building a more connected, agile and sustainable SPAR – one that continues to create opportunity, empower entrepreneurs and serve communities for generations to come.

Angelo Swartz
Group CEO

For our **independent retailers**, we aim to simplify their operations through the services we provide, provide unbeatable wholesale value and support their growth.

For **consumers**, our goal is to deliver personalised and localised experiences through our retailers that truly resonate within their communities.

For **employees**, we strive to build a culture of purpose, empowerment and inclusion that enables them to thrive and contribute meaningfully.

For **shareholders**, we are committed to maintaining financial discipline and transparent governance to ensure sustainable, long-term returns.





An interview with our Group COO

Refining focus, unlocking new growth

My focus is on aligning strategy, operations and growth initiatives to create long-term value. We are simplifying the SPAR portfolio, expanding into new categories and strengthening systems that empower our independent retailers to thrive.

Megan Pydigadu
Group COO



Q&A

You do not hold a traditional COO position. How would you describe your current focus and responsibilities?

My role is to translate our Group strategy into action by aligning operations, capital allocation and growth initiatives to create long-term value. I focus on simplifying the portfolio, driving disciplined investment and developing new growth platforms that complement our core grocery and liquor businesses.

Over the past year, much of my attention has been on balance sheet optimisation and portfolio reshaping. Completing the disposals of Poland and Switzerland strengthened the Group's financial position and allowed us to redirect capital to areas with higher strategic and financial returns, as both businesses required ongoing funding and were not generating returns above our weighted average cost of capital. These decisions were about focus and ensuring that every part of SPAR contributes meaningfully to long-term value creation.

In parallel, I have been shaping the strategic direction of our SPAR Health and Build it divisions and overseeing the launch of Pet Storey, which positions us to capture growth beyond our core grocery and liquor segments. These initiatives are central to our goal of diversifying SPAR's earnings base.

You mentioned growth in adjacent categories. How is SPAR approaching this opportunity?

Retail is a mature market, particularly in the formal grocery space and diversifying our earnings is key to resilience. To grow meaningfully, we have to increase our share of wallet, that is, encourage consumers to spend more across a broader range of categories under the SPAR umbrella. Adjacencies like pharmacy, building materials and now the pet sector, offer that opportunity.

SPAR Health strengthened its healthcare footprint with the acquisition of the Aptekor Group, a leading pharmaceutical wholesaler in the Western and Northern Cape on 1 November 2025. This step allows us to support independent pharmacists under the trusted SPAR brand while leveraging our scale, marketing, loyalty programmes and supply chain efficiencies.

“ I am confident in SPAR's direction because our purpose, to unleash the power of independent retail, remains our anchor. It differentiates us and keeps us close to our retailers and communities. ”

The launch of Pet Storey demonstrates how quickly we can extend our ecosystem into new, high-potential categories that align with changing consumer lifestyles. It is performing ahead of expectations and shows how we can combine supply chain expertise, brand trust and local relevance to capture new markets.

These adjacencies are growth drivers, and they deepen customer engagement and reinforce the relevance of the SPAR brand in consumers' everyday lives – evidence of our ability to innovate within our decentralised model.

What changes have been made to improve operational and capital discipline?

We have consolidated oversight of retailer loans and head-lease management under a single Loans and Leases Committee. This integrated approach improves governance, transparency and strategic alignment. We now use a single data-driven framework for site selection and feasibility evaluation, ensuring that decisions are consistent across regions and informed by robust analytics.

This is part of our broader operating model and governance effectiveness agenda to simplify structures, standardise processes and enhance accountability. It is about ensuring that our decentralised business operates with clarity and coherence.



Digital innovation and omnichannel retailing are becoming increasingly important. How is SPAR adapting?

Omnichannel thinking is no longer optional. It is essential in meeting modern consumer expectations.

In May, we launched SPAR Mobile, a mobile virtual network operator developed in partnership with megsApp, a technology business backed by MTN. Operating on MTN's network ensures stable and reliable coverage across South Africa. SPAR Mobile uses a rewards-based model that allows consumers to earn free data through their regular in-store shopping and promotional purchases, with all data costs covered by SPAR.

For many South Africans, data is a valuable commodity. By linking connectivity to shopping behaviour, we are creating a unique incentive that is already driving measurable increases in both mobile adoption and in-store sales.

We have continued our focus on SPAR2U as our online presence. We believe that the shopper ultimately decides how they shop and as a result have partnered with Uber Eats and have seen very strong uptake in this channel.

Our next step is to implement a fully integrated omnichannel strategy that unites our digital, loyalty and data initiatives. This will enable personalisation, strengthen retailer loyalty and support smarter marketing and supply chain decisions. Data will increasingly power how we manage relationships and optimise operations across the Group.

How has SPAR revised its approach to the ERP and warehouse management rollout following previous challenges with SAP?

We have reset our approach to systems transformation and integration, starting with finance enablement in the first half of 2026 through a single SAP platform which will ensure a single chart of accounts across all distribution centre finance departments. This will enable immediate data harmonisation and standardisation. In the latter half of 2026, we will commence with the transition to the CSnX warehouse system.

Warehouse transformation will follow a phased rollout, starting with a pilot in the Eastern Cape distribution centre before extending to all distribution centres. Standardised logistics processes will improve inventory accuracy, inbound and outbound operations, network visibility and cost efficiency.

Our focus has shifted from speed to stability and accuracy. Technology is not viewed as a cost but as a multiplier of retailer profitability, stock accuracy, logistics efficiency and disciplined working capital management. This phased approach will ensure that our investments build a strong foundation for future growth.

What are your operational priorities for the coming year, and what gives you confidence in SPAR's ability to deliver?

A major focus will be the rollout of our ERP system, including the SAP implementation. Stabilising this system will ensure it becomes an enabler rather than a distraction, freeing up capacity for innovation and growth.

We will continue the drive towards a 3% operating margin recovery in the medium term, driven by disciplined cost management and sharper execution across the supply chain. At the same time, we will continue to pursue grocery growth through initiatives such as retailer loyalty programmes and more data-driven marketing. Lastly, we remain focused on growing private label penetration and expanding our adjacent-category growth platforms responsibly and profitably.

Over the past year, we have simplified the portfolio, strengthened the Group, and established a governance foundation that supports effective execution. The year ahead will be one of consolidation and progress, focused on getting the fundamentals right while leveraging our strengths in local relevance and independent entrepreneurship to create long-term, sustainable value.

M Pydigadu

Megan Pydigadu
Group COO







Our Group CFO's financial review

Building foundations for disciplined growth

2025 has been a year of building a stronger foundation for sustainable growth. Performance was modest but on a clear upward path and SPAR has demonstrated resilience and discipline. By strengthening the balance sheet and aligning capital allocation with strategic priorities, the Group is well positioned to support our retailers and invest in long-term growth.

Reeza Isaacs

Group CFO



The external drivers of SPAR's performance

Understanding the external environment and responding effectively to its challenges and opportunities has been critical to SPAR's performance and will continue to drive sustainable growth in the year ahead.

South Africa's challenging growth environment

South Africa's economy is under pressure, with real GDP growth projected at around 0.9% according to the World Bank. However, inflation has moderated, including for food and non-alcoholic beverages, and fuel price inflation has turned negative year-on-year.

In the retail context, lower inflation has provided some support to topline growth, particularly in food retail sales. However, low growth placed pressure on disposable income and certain categories, for example meat, which continued to experience double-digit inflation.

From a cost-to-serve perspective, the reduced fuel price inflation relieved pressure on logistics and transport costs.

A highly competitive retail environment

In all our territories, particularly in South Africa, retail competition is exceptionally intense. South African retailers are world-class and we face strong competition, especially in online and on-demand channels.

Structurally, SPAR is positioned as a convenience option for consumers, but the definition of convenience is evolving. We recognise that our investment in online and on-demand has not kept pace with competitors, and this is an area of focus.

Macro-economic conditions in our international territories

Ireland's economy continues to be stable, with low inflation and easing energy costs supporting growth. Consumers are feeling slightly more confident, although the recent budget has increased pressure on middle-income earners.

In Sri Lanka, the economy is on an upward trajectory, with growth picking up and inflation stabilising, while international support strengthens ongoing economic stability.

These conditions supported steady sales growth and footfall in both markets, and SPAR Ireland and SPAR Sri Lanka invested in own-brand expansion.

Evolving consumer preferences

Across our territories, consumer preferences are diverse, from value-focused to premium segments. SPAR performs strongly in the value segment, supported by our trusted offering and accessibility.

In higher-end segments, we have invested in product innovation and introduced the SPAR Gourmet format. We are also exploring adjacencies, such as SPAR Health and Pet Storey, to enhance our offering and capture new opportunities.

Disposal of SPAR Switzerland and intention to exit South-West England

We continued to focus on exiting low-value or non-core businesses and redeploying capital towards operations that generate superior returns, measured by the spread between return on capital employed (RoCE) and weighted average cost of capital (WACC). This ensures we retain only businesses capable of creating value within our portfolio.

Following the disposal of SPAR Poland, we divested from SPAR Switzerland.

- In May 2025, SPAR Switzerland was classified as an asset held for sale and a R3 billion impairment was recognised
- In September 2025, we entered into a sale and purchase agreement with Tannenwald Holding AG, disposing of our entire shareholding in SPAR Holding AG (SPAR Switzerland) for a total equity value of CHF46.5 million (approximately R1 025 million)

We are entitled to potential earn-outs of up to CHF30 million (approximately R660 million) based on SPAR Switzerland's earnings before interest, taxes, depreciation, and amortisation (EBITDA) performance in 2026 and 2027. Tannenwald Holding AG assumed all debt outstanding to third-party financiers, and all guarantees we had issued in relation to the Swiss business were released.

Our investment in Switzerland was originally made to diversify our geographic footprint and revenue streams. However, following a strategic review of our European assets, we determined that the business no longer fits our investment thesis and cannot generate the returns achievable elsewhere in our portfolio.

The transaction resulted in a cash outflow of CHF31 million (R683 million), including a CHF11.5 million (R253 million) settlement of a fine imposed by the Swiss Competition Commission¹. Any further proceeds will be applied to further deleveraging the Group.

Our business in South-West England has been classified as a discontinued operation, and we are engaging interested parties we believe are capable of growing the operations.

¹ In July 2025, we settled a CHF11.5 million (approximately R253 million) fine issued by the Swiss Competition Commission relating to compensation received by SPAR Switzerland from a trading and service co-operative. The fine was paid as part of the sale of SPAR Switzerland to enable a smooth strategic exit.

On the adoption of the 52/26 weeks reporting cycle, the results for September 2025 and 2024 have been adjusted to present 364 days for both periods. All commentary on operations are presented on this basis unless otherwise indicated.

Financial management priorities

Strengthening the finance function and financial management

Our finance function underpins the Group's integrity and performance. Over the past year, we focused on four key areas to strengthen financial management and support long-term transparency and SPAR's financial health.

We brought in the skills required to support critical functions, including a dedicated treasury capability. This has filled important gaps and strengthened our financial expertise.

We reviewed the structure of the finance function to clarify roles and reporting lines, particularly within the Group leadership teams.

We are strengthening internal controls to safeguard the business and ensure financial integrity. This work addresses previous gaps and reduces the risk of errors or irregularities in the systems and controls, providing greater confidence to stakeholders.

We are modernising our finance systems as part of a broader transformation journey. This includes the implementation of SAP and enhancements to reporting systems. This improves accuracy, efficiency and the timeliness of information for decision-making.

Decisive balance sheet transformation

Over the past year, we stabilised and strengthened the Group's balance sheet, creating a more secure foundation for strategic investments.



We successfully renegotiated our South African banking facilities, establishing R8.8 billion in term and general facilities. The new structure and notable changes supported by disciplined cash management resulted in:

- reduced gearing in South Africa from 1.87 times to 1.75 times; and
- lowered total net debt by 40% to R5.4 billion across Southern Africa and Ireland, of which R3.2 billion relates to South Africa.

A key element of our deleveraging framework was the disposal of the underperforming international operations. The sale of Switzerland materially reduced debt, while allowing us to remove all cross-border and parental guarantees previously treated by banks as local debt.

Our Irish business has a stable balance sheet and continues to generate strong cash flows. This enabled the removal of our parental guarantee and the start of repatriation of dividends.

We have also taken a disciplined approach to capital allocation. Group capital expenditure was reviewed, and several projects were reconsidered to ensure that investment is tightly managed and aligned with our deleveraging priorities. We continue to review and identify optimisation opportunities across non-core assets, with positive progress to date. At the same time, we have strengthened working capital management through improved inventory management, revised creditor payment terms and refined debtor management strategies.

“ The Group is now in a significantly stronger and more sustainable financial position than at the same point last year.

In addition, our focus on improving earnings before interest and tax (EBIT) margins to support long-term cash generation has been well received by lenders, who have renewed confidence in our strategy and growth plans.

Disciplined approach to capital returns

With the balance sheet now significantly stronger, the key question for shareholders is the timing and form of capital returns. At our interim results presentation, we indicated a timeframe of 18 to 24 months for the potential return of capital through either dividends or share buy-backs.

As we generate excess cash over the next 12 to 18 months, we are committed to resuming returns to shareholders over the short to medium term. The current valuation of our shares makes buy-backs particularly compelling. We want to meet shareholders' expectations while being disciplined so that we do not run the business with a balance sheet that is either inefficient or too conservative. The actions we take over the coming period will support long-term value creation and ensure that our capital structure reflects the strength of our cash generation.

As our position continues to strengthen and stabilise, dividends will form an important part of our long-term capital allocation framework.

Capital allocation aligned with our strategy

Our capital allocation is driven from the top down and is tightly aligned to the Group's strategic priorities. We have set clear objectives for the medium term:

Real mid-single digit revenue growth

Positive operating leverage

RoCE > WACC by at least three percentage points

Target SA gearing range of 1.5 to 2.0 times

This framework, which has been approved by the Board, guides every capital allocation decision we take.

SPAR has been criticised in the past for certain large investments, including acquisitions and the SAP programme. The discipline of this framework now ensures that our capital is deployed in a more structured and deliberate way. When operational cash flow is generated, debt repayment is prioritised if gearing is above target. Maintenance capital expenditure is also not neglected in order to protect the core business.

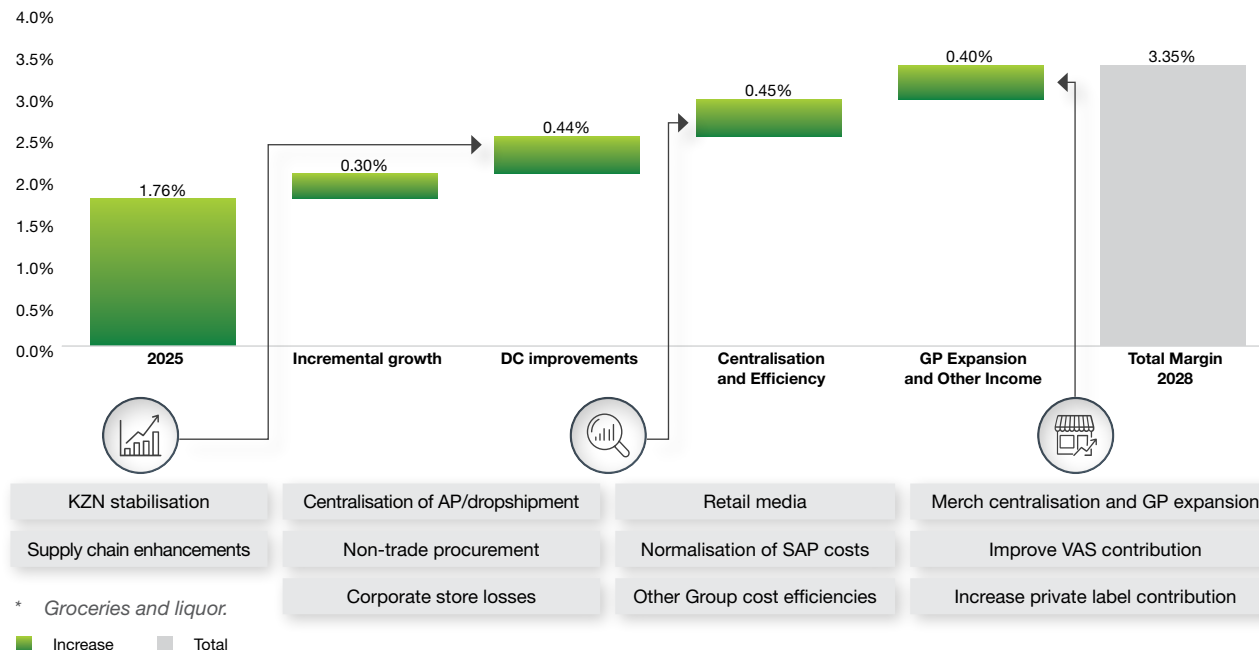
At this stage, management is not focused on pursuing inorganic growth. This reflects our recognition of the substantial capital requirements and management attention that acquisitions demand. Our experiences in Poland and Switzerland have underscored these challenges – these operations required significant investment of time and resources, and the process of unwinding them has proven equally complex. Both the Board and management are aligned in prioritising focus on the core business.

A significant element of that focus is the Group's technology investment, including the SAP rollout, which is essential for modernising our systems and strengthening the operational backbone of SPAR. Our capital allocation framework ensures that these investments support long-term value creation and are aligned with our strategic priorities.

Sustainable profit margin

Resetting to 3% South African operating profit margin

G&L* margin improvement by initiative



Implementation will follow a sequenced rollout prioritising finance and merchandise functions, with a DC-by-DC implementation thereafter commencing with the Eastern Cape DC in Q4 of FY2026. This approach protects supply chain continuity while unlocking value in organisational capabilities in finance and merchandise.

This represents a controlled execution model and is designed to minimise operational risk while enabling steady technology adoption.

“ Since joining SPAR, I have been struck by how deeply relationship-driven this business is. People often say this about SPAR, but it is not a cliché. It is a defining feature of how we work and create value together. We operate at the heart of a complex network of suppliers and retailers, and the strength of these partnerships is real and tangible. ”

Focus areas for the year ahead

The year ahead will be one of consolidation and focus. We enter it with a reasonably stable outlook, supported by lower inflation and a return to modest growth. We are more positive about the South African consumer, as households carry lower debt and interest rates have eased, providing some upside to consumer spending.

We will continue to simplify the business to improve efficiency while maintaining a diversified portfolio centred on our core operations in South Africa and Ireland. In South Africa, our priority is to strengthen operations and ensure we are competitive in the market. This includes supporting our independent retailers fully, stabilising growth and addressing inefficiencies across the business.

At the same time, we are building strong foundations through technology investments that will enhance operational performance and reporting. We are addressing operational challenges to provide better support to our retailers and maintain a high level of service.

A continued focus on our balance sheet underpins all decisions, ensuring the Group is financially robust and well positioned to seize opportunities. Improving capital allocation remains a key priority, with the aim of resuming dividends and delivering tangible value to shareholders.

I have a great appreciation for SPAR's independent retailers and employees. On a personal note, I would also like to thank the Board and executive management for their support and collaboration since I joined.

M.R. Isaacs

Reeza Isaacs
Group CFO

SAP implementation and operational focus

The Group has adopted a measured and risk-controlled approach to its SAP deployment, to both ensure business continuity and maximise value. To date, approximately R1.5 billion, of the originally budgeted R2.2 billion, has been invested in the programme. The remaining investment, estimated at around R700 million, is projected to be expended over the next three years, with the final allocation in the 2028 financial year (FY2028), when the rollout is scheduled to be complete. The majority of capital expenditure for this initiative has already been completed.

Reporting on our 2025 performance

Strategic progress in the territories	43
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This chapter presents SPAR's key territories and their strategic responses to market conditions in 2025, highlights the distribution centres that underpin our operations, and summarises the Group's environmental, social and sustainability performance and impact.



Group financial highlights¹

Group turnover increased
by **1.8%** in constant
currency
(H2: 2.6%)

Gross profit grew
4.4% in South Africa
and **2.2%** in Ireland

Net borrowings
reduced by **40%**

Substantial
working capital
improvements

South African operating
profit² up **6.8%**
Ireland's operating
margin at **3.3%**

South African gearing
at **1.75x**
Ireland's gearing
at **1.71x**

HEPS from continuing
operations declined
8.9%

¹ All results are presented on a comparable basis, for continuing operations, unless stated otherwise.

² Operating profit before extraordinary items.

Strategic progress in the territories

Southern Africa

Grocery and liquor retail performance overview

The groceries and liquor business reported a year-on-year sales increase of 1.9% compared to 2024, with retail sales up 2.4% on a like-for-like basis.

SaveMor continued to deliver steady growth, reinforcing its position as a value-focused supermarket brand. Retail sales and transaction volumes increased, with average basket spend also up. At year end, SaveMor operated 61 stores in South Africa, with the largest concentration in the North Rand (17 stores) followed by the Eastern Cape (13 stores). The average store spans approximately 500 to 600 m², offering a compact and efficient shopping experience tailored to local communities. Current market penetration indicates that securing suitable locations is not a barrier to further expansion.

We also expanded our retail proposition with the launch of the SPAR Gourmet premium convenience and fresh-food offering. SPAR Gourmet complements the Group's existing retail formats

and strengthens our ability to meet diverse customer needs across the full retail spectrum, from affordability-led offerings to high-quality, differentiated shopping experiences.

Liquor sales also performed well, supported by strong demand in both South Africa and cross-border markets. Transaction volumes rose, with a modest increase in basket size.

Store expansion and reinvestment continued, with retailers reinvesting in refurbishments to enhance store standards and customer experience.

Ongoing digital transformation initiatives, including SAP implementation, value-added service and loyalty system upgrades, category management and the SPAR2U platform, continue to drive efficiency and support value creation across the Group.

Omnichannel growth

SPAR's omnichannel initiatives grew strongly in FY2025, with order volumes up by 136% year-on-year. By the end of the year, SPAR and TOPS 2U were available at 636 sites, while Uber Eats covered 300 sites. This dual-platform approach helps reach more customers while keeping delivery costs manageable.

SPAR Mobile – our own mobile network

The SPAR mobile virtual network operator (MVNO) launched in March 2025, giving retailers a new source of revenue and helping retain loyal customers. Fully integrated with the SPAR Rewards programme, it is the first grocery MVNO in South Africa with its own mobile app. The service is active in 380 stores and has attracted just over 700 000 active users, with plans to expand to 700 more stores.

Flex personalisation platform

Flex is SPAR's personalisation platform, built specifically for our independent retailers. Using shopper data from the 11.6 million members in our SPAR Rewards programme, our retailers are able to target and segment customised messages and promotions for their store-specific Rewards customer base. Since January 2025, 1 397 stores are actively using Flex and have sent 18 611 unique campaigns and 287 million direct messages. In the year ahead, Flex will be enhanced by enabling personalised vouchers.

Build it operational and financial overview

Trading performance and network dynamics

Build it delivered growth broadly in line with market conditions during the year. Retail sales increased by 4.3%, with like-for-like growth of 6.0%, supported by a solid retail performance across the network. Demand was underpinned by the continued availability of micro-loans to consumers from finance houses, most notably Capitec, which remains an important enabler of home improvement spend.

Retailer loyalty closed the year at 67.8% (2024: 68.4%). The marginal decline reflects a combination of factors, including improved stock efficiency initiatives by retailers to unlock cash flow, heightened competition within the wholesale environment, and ongoing foreign exchange complexities affecting cross-border operations in neighbouring countries.

Network optimisation and market presence

Subsequent to year end, Build it exited Mozambique following the resignation of a retailer operating the brand in that territory. The Group is assessing alternative structures to reposition the Build it brand and drive loyalty in Mozambique, while ensuring continuity of supply into the market.

In September 2025, Build it Rewards was launched as a fully funded, opt-in customer rewards programme for retailers. Early adoption has been encouraging, with 87 stores signed up to date. In parallel, the first phase of development of the Build it 2U mobile application has been completed. Public launch is planned once critical mass has been achieved in store onboarding, with rollout expected in the first quarter of 2026.

Cost management and profit optimisation

A key area of focus during the year was cost discipline and profitability. This included a strategic review of the imports warehouse, which primarily supports house brands and accounts for approximately 7% of Build it revenue. Historically, this operation has acted as a loss leader. In response, the product range has been rationalised from approximately 3 700 SKUs to 1 500 SKUs. The Group is exploring more cost-effective supply solutions that continue to support the Build it house brand while improving overall economics for retailers.

Strategic repositioning and category mix

From a strategic perspective, the Build it operating model has been reviewed across both wholesale and retail dimensions. Ensuring sustainable margins and profitability for retailers remains central to the strategy, alongside growing market share and expanding the store footprint.

Historically, the business has been weighted towards wet and building materials. Build it is progressively repositioning its retail offering to increase the contribution from higher-margin category three and four products, including general hardware, finishes, plumbing, electrical and decorative items. This strategic shift is complementary rather than substitutive; the Group remains committed to maintaining and growing wet trade volumes while enhancing the contribution and profitability of higher-margin categories at retail level.

SPAR Health operational and performance overview

SPAR Health is building a strong and sustainable health business that complements SPAR's retail ecosystem. It is an attractive growth adjacency, delivering 13.2% on a comparable basis revenue growth and remaining cash-generative with strong loyalty dynamics. It diversifies our income streams and enhances the offering of our independent retailers. Our stores already serve as trusted community anchors and expanding our pharmacy and consumer health offerings extends that trust into everyday healthcare needs.

Pharmacy at SPAR performance

Pharmacy at SPAR retail sales increased by 10.1% (6.4% like-for-like "organic") and transaction volumes rose by 10.3%, reflecting nearly 10.4 million customer transactions. We launched 14 pharmacies, of which three involve SPAR retailers as owners or landlords, strengthening alignment across the Group. We are on track to reach our target of 170 pharmacies by September 2026.

Scriptwise performance and partnerships

Scriptwise continues to deliver strong performance and to defend its market-leading position. Sales increased by 20%. This success is built on exceptional service standards and differentiated patient support programmes that provide value for multinational pharmaceutical customers. We are deepening these partnerships by engaging with executive leadership in customer organisations and introducing tailored dashboards.

Wholesale expansion

Our wholesaler network is critical to improving both service and cost-to-serve. We have expanded our footprint with the acquisition of Aptekor, the Western Cape wholesaler, which is now a wholly owned subsidiary fully integrated with the Group system. A phased transition of the Western Cape-based Pharmacy at SPAR accounts to Aptekor is ensuring continuity through the peak trading period. Our focus for 2026 includes licensing a new wholesaler in KwaZulu-Natal, which will also house Scriptwise capabilities and launching a hub-and-spoke model from Bloemfontein in January 2026 to serve the Free State and parts of the Northern Cape. With proven success, this model could evolve into a fully fledged facility integrating wholesale, Scriptwise and training capabilities. Wholesale performance, although performing below our expectations at 8.6% sales growth, is expected to accelerate once new acquisitions are fully operational.

Training and skills development

Our Academy, now operating four accredited training laboratories across South Africa, has established a strong foundation for pharmacy skills development across dispensary, clinic, logistics and administrative roles; as well as supporting pharmacists to expand their scope of practice. The focus for 2026 is to achieve target student numbers across the Basic and Post-Basic Pharmacist Assistant courses and to diversify training offerings.

Technology and innovation

We are also investing in technology and systems to future-proof SPAR Health. A comprehensive plan has been developed covering digital infrastructure, data insights, system integration with SPAR, including rewards and the website and leveraging innovation as a source of market differentiation.

Introducing Pet Storey

Pet Storey launched in September 2025 as our new pet store franchise, following the acquisition of the Pet Masters Group businesses. Early indications are positive: by the end of November 2025, all 12 Pet Masters stores had been converted and the first independent franchisee had launched. The concept is seeing significant interest, with a strong pipeline for further conversions.



Ireland

Financial performance

Performance in Ireland was stable despite a challenging retail environment and consumer pressure. Rising wage and overhead costs weighed on results, partially offset by stabilising electricity costs, lower fuel spend, and efficiency gains in the second half. Tighter margin management and consistent logistics service levels supported overall financial resilience. Revenue reached EUR 1.74 billion, up 0.6% year-on-year. Gross margin improved to 13.7% (2024: 13.5%), driven by a stronger sales mix, while operating profit, excluding extraordinary items, was slightly below 2024 levels.

Business highlights

The Foodservice business delivered standout performance, growing 9% and gaining market share. This was supported by disciplined margin management and a focus on profitability. Retailer partnerships continued to provide a competitive advantage, with loyalty a key area of focus as customer behaviour shifted towards value and convenience.

Strategic initiatives

Strategic progress included launching a new strategy for SPAR Ireland and establishing a Food and Beverage Innovation team. Retailer support was enhanced through technology-based HR services, ongoing IT investment, and strengthened systems and security. Integration of acquisitions reinforced our strategic platform, while the launch of the Brevato coffee brand and strong MACE performance drove category momentum and customer engagement.

Operational and financial resilience

Improvements in net leverage and debt levels enhanced our financial flexibility. Operational execution, with robust margins and supply chain efficiency, was a priority, complemented by investment in digital, data and AI capabilities to boost B2B and B2C engagement and Q-commerce readiness.

Outlook for 2026

Looking ahead, we will focus on completing strategic acquisitions, expanding IT and digital capabilities, and developing a new Foodservice distribution centre to meet growing demand. Category innovation and development, particularly in the deli, bakery, chilled convenience, impulse, coffee and alcohol categories, will drive footfall.

Sri Lanka

Independent retail performance

The independent retail model gained traction during the year, with 13 SPAR SaveMor stores opening through partnerships with existing entrepreneurial store owners, rather than through corporate-led expansion. The format is showing early momentum.

Challenges included resistance from some suppliers to direct supply arrangements and retailers' continued preference for the *ad hoc* deals traditionally offered by distributors. To support conversion, we focused on clear value demonstrations, highlighting improved basket values, volume-based rebate structures and enhanced credit commission. In addition, many retailers lacked suitable backend systems, prompting SPAR to partner with local IT providers to deliver integrated, cost-effective payment and IT solutions. We also advanced chilled and frozen logistics capability as part of our medium-term operational development plan.

These initiatives are expected to strengthen retailer loyalty, enabling us to resume expansion of the SPAR SaveMor independent retailer network in the near future.

Strategic partnership and capability building

The joint venture with SPAR South Africa is central to building long-term capability in the Sri Lanka business. Ongoing leadership engagements have strengthened operational alignment and accelerated skills transfer across the value chain. During the year, the teams collaborated on several core capability areas, including the independent retail model, systems enhancements and distribution optimisation and private label development.

SPAR Sri Lanka also gained exposure to South African distribution centres, providing practical insights into operational efficiency, process design and modern logistics practices. Although logistics in Sri Lanka are outsourced, these learnings are shaping the medium-term development plan, particularly the introduction of chilled and frozen logistics.

Private label development is another capability supported through the partnership. With guidance from SPAR South Africa, SPAR Sri Lanka advanced its private label strategy, expanding ranges and refreshing branding. This contributed to strong category growth, with private labels' share of total sales rising. Key initiatives included repositioning the ready-to-eat range under the SPAR Food Stall banner and launching a value range designed in local colours to reinforce Sri Lankan identity and affordability.



Reflecting on our 2025 performance

Group income statement

The Group delivered steady progress in a demanding trading environment, achieving a 1.6% increase in sales, or 1.8% in constant currency. Strong margin discipline and firm cost management supported a 2.3% rise in operating profit. Net finance costs increased by 19.1%, reflecting a higher interest burden carried during the year.

Income statement

R'000s	2025	2024	% change
Revenue – sale of merchandise	132 409 629	130 349 482	1.6%
Gross profit	14 239 325	13 782 108	3.3%
Gross margin %	10.8%	10.6%	–
Other revenue/income	1 606 297	1 506 568	6.6%
Net operating expenses	(13 064 033)	(12 568 753)	3.9%
Operating profit	2 781 589	2 719 922	2.3%
Operating profit margin %	2.1%	2.1%	–
Net finance expense	(695 611)	(583 952)	19.1%
Profit after net finance expense	2 085 978	2 135 970	(2.3%)
Share of associates profits	4 182	6 268	
Extraordinary items	(748 824)	(102 411)	>100%
Profit before tax	1 341 336	2 039 828	(34.2%)

Turnover growth muted with tough trading conditions in both Southern Africa and Ireland. H2 growth for both regions was stronger with SA +2.9% for H2.

Gross margin – the overall product mix and margin management saw gross profit improve by 3.3% with margin up 20bps.

Other revenue/income up from higher promotional income from competitions and other income from value added services in South Africa.

Operating expenses remain a focus across the group. Warehouse and distribution costs in South Africa and Ireland were contained due to lower fuel costs and efficiencies. Higher marketing and selling costs with the heightened competition in SA. Online saw significant growth. Administration and IT cost increases in SA, related to spend on initiatives.

Higher **finance expenses** due to the interest on assumption of the Polish debt in South Africa, offset partially by lower interest rates in both regions.

Extraordinary items include impairments of PPE, intangibles and goodwill related to corporate stores (R676 million), loss on the disposal of the head office in SA (R30 million) and project implementation costs (R33 million) as well as post retirement benefit gain in Ireland of R17 million.

Average exchange rates:

Euro/ZAR: 19.96 (September 2025) vs 20.14 (September 2024), a decrease of 0.9%

CHF/ZAR: 21.56 (September 2025) vs 21.02 (September 2024), an increase of 2.6%

Impact of finance costs and taxation on headline earnings

R'million	2025	2024	% change
Operating profit	2 781.6	2 719.9	2.3%
Extraordinary items not adjusted for in headline earnings	(25.3)	16.4	
Share of associates profits	4.2	6.3	
Net finance expenses	(695.6)	(584.0)	19.1%
Other	(1.6)	(3.8)	
Headline earnings before tax	2 063.3	2 154.8	
Taxation	(530.6)	(471.5)	12.5%
Headline earnings after tax	1 532.7	1 683.3	(8.9%)
Effective tax rate on headline earnings	25.7%	21.9%	

Net finance expenses up substantially due to the assumption of Polish debt in South Africa.

Non-tax deductible interest was incurred on debt funding utilised to exit offshore investments. As a consequence, the effective tax rate increased by 4.2%.

The effective tax rate is expected to reduce to between 23% and 24% in the financial years 2026 through to 2027, as the debt is repaid, excluding the impact of any permanent differences.

Southern Africa

The second half of the year saw stronger topline growth in Southern Africa, with gross profit expansion and disciplined cost containment driving underlying operating profit growth of 6.8%, ten basis points ahead of the prior year.

Income statement

R'000s	2025	2024	% change
Revenue – sale of merchandise	97 677 979	95 501 445	2.3%
Gross profit	9 484 966	9 089 199	4.4%
Gross margin %	9.7%	9.5%	–
Other revenue/income	1 040 784	928 674	12.1%
Net operating expenses	(8 874 911)	(8 472 132)	4.8%
Operating profit	1 650 839	1 545 741	6.8%
Operating profit margin %	1.7%	1.6%	–
Net finance expense	(515 743)	(357 071)	44.4%
Profit after net finance expense	1 135 096	1 188 670	(4.5%)
Share of associates profits	4 182	6 268	(33.3%)
Extraordinary items	(757 703)	(118 045)	
Profit before tax	381 575	1 076 894	(64.6%)

Revenue – sales were up on prior year but below inflation due to a subdued retail environment. Most DCs performed better in H2, except SR. LV's momentum was helped with cross border sales. H2 was further buoyed by Easter. In this period 58 stores were closed and 43 new stores opened. Strong performance in the Health business helped drive SA sales.

Gross margin improved due to the overall product mix and promotional activities. Additionally, margin management underpinned improved performance.

Other revenue/income – higher promotional income from competitions and from the value added platform of services in G&L on the back of increased promotional efforts related thereto.

Operating expenses – the current period saw increases as advertising campaigns were stepped up, coupled with SAP and the rollout of initiatives. These increased costs were partially offset by savings in warehouse and distribution costs due to lower fuel costs.

Ireland

The second half of the year saw improved sales performance, supported by the timing of Easter and a longer summer period. Gross margin 20bps up on prior year with operating profit 10bps below last year, however profit before tax up on prior year.

Income statement

EUR'000	2025	2024	% change
Revenue – sale of merchandise	1 740 499	1 730 436	0.6%
Gross profit	238 254	233 034	2.2%
Gross margin %	13.7%	13.5%	–
Other revenue/income	28 339	28 696	(1.2%)
Net operating expenses	(209 928)	(203 424)	3.2%
Operating profit	56 665	58 306	(2.8%)
Operating profit margin %	3.3%	3.4%	–
Net finance expense	(9 014)	(11 266)	(20.0%)
Profit after net finance expense	47 651	47 040	1.3%
Share of associates profits/(losses)	–	–	–
Extraordinary items	445	776	(42.7%)
Profit before tax	48 096	47 816	0.6%

Revenue marginally ahead of the prior year, with a better H2 performance. Favourable summer weather contributed positively particularly in impulse categories. Inflation contributed to top-line growth coupled with strong performance in the VC channel with the consolidation and optimisation of recent acquisitions. Tobacco sales continue to see a decline.

Gross margin above prior year with the shift in sales mix to higher margin categories. Protein prices remain at an all time high, which put margins under pressure.

Operating cost growth impacted by minimum wage and other cost inflation. Admin and IT costs are up with investments in IT and security impacting depreciation and other costs. Store acquisitions in both the current year and the prior year impacted cost growth.

Interest costs costs lower due to lower bank interest rates year on year and lower level of debt levels.

The **UK operations** have been treated as discontinued.



Group statement of financial position

The Group's financial position improved substantially during the year, with net gearing reducing by 40%. Following the impairments, the balance sheet is more reflective of the underlying assets and capital structure of the Group.

Assets

Non-current assets totalled R19 763.6 million, down 1.0% compared with the prior period restated at R19 965.6 million. Property, plant and equipment decreased by 2.0% to R5 071.7 million, right-of-use assets declined by 1.9% to R2 644.9 million, and goodwill and intangible assets were down 1.7% to R6 424.1 million. Other non-current assets, which include lease receivables and prepayments, increased by 1.1% to R5 622.9 million. Ireland prepayments now include retailer contributions, which were previously included within property, plant and equipment.

Current assets increased by 12.5% to R24 985.6 million. Inventories rose marginally to R4 653.1 million, and trade and other receivables increased to R16 107.3 million, largely due to the earlier cutoff on 26 September 2025, with adequate provisions raised for recoverability. Cash and cash equivalents (excluding guilds and trusts) increased significantly to R2 327.3 million, while other current assets rose to R1 897.9 million. Assets held for sale declined by 65.1% to R1 472.2 million.

Liabilities

Non-current liabilities increased to R14 111.9 million, up 44.6%, primarily reflecting higher long-term borrowings of R6 514.5 million following the disposal of the Swiss and Polish operations. Lease liabilities were largely unchanged at R7 075.6 million, while other non-current liabilities increased slightly to R521.8 million.

Current liabilities decreased by 3.6% to R25 259.2 million. Trade and other payables increased to R22 336.8 million, reflecting the earlier cutoff due to the shift to the retail calendar. The current portion of long-term borrowings decreased to R532.8 million, while the current portion of lease liabilities increased to R1 462.0 million. Bank overdrafts reduced significantly to R680.2 million. Other current liabilities increased to R247.4 million, and liabilities held for sale declined to R1 538.0 million.

Equity

Total equity reduced by 27.7% to R5 312.3 million, primarily due to impairments of South African corporate stores and the disposal of the Swiss and Polish operations.

Exchange rates

Closing exchange rates at 26 September 2025 were 20.230 for Euro/ZAR, up 5.3% from 19.2193, and 21.660 for CHF/ZAR, up 6.1% from 20.4061.

Impairments recognised in 2025

During the past financial year, substantial impairments were proactively recognised, resulting in a reduction of assets and equity of R5.2 billion.

Significant impairments recognised

R'million	2025
SPAR Switzerland	3 015.9
AWG	1 589.0
Southern Africa corporate store goodwill and right-of-use assets	585.5

Switzerland: The investment in the Swiss business was impaired in the first half of the year, ahead of the disposal.

AWG: The investment in AWG was impaired to reflect the most recent estimate of its carrying value. This impairment is presented within discontinued operations.

South African corporate stores: During the second half of the year, a change was made in defining the cash-generating unit for South African corporate-owned stores. Previously, corporate stores were regarded as part of the distribution centres and not treated as separate cash-generating units. Following the change, each corporate-owned store was recognised as a separate cash-generating unit, leading to impairments of goodwill and right-of-use assets.

Net borrowings overview

The Group's net debt level reduced significantly, resulting in substantially lower gearing. All debt covenants were met, with adequate headroom across facilities. Lower gearing and reductions in interest rates contributed to a decrease in average funding costs.

Group leverage substantially lower at 1.74x, compared with 2.41x in 2024, reflecting the disposal of the Swiss business. Higher leverage in Ireland was primarily due to negative United Kingdom earnings before interest, tax, depreciation and amortisation. Funding costs reduced in line with lower gearing and interest rates.

Net borrowings summary

	2025	2024
Group¹ (R'm)		
Net debt	5 400	9 115
South Africa (R'm)		
Net debt	3 188	3 369
Headroom	3 580	4 927
Leverage	1.75x	1.87x
Average funding cost	8.6%	10.7%
Ireland (EUR'm)		
Net debt	109	112
Headroom	119	118
Leverage ²	1.71x	1.42x
Average funding cost	4.2%	5.9%
Switzerland (CHF'm)		
Net debt		139
Headroom		20
Leverage		6.03x

¹ September 2024 included Polish debt of R763.2 million.

² Excludes exceptional items.

Cash flows

The Group delivered a substantial improvement in working capital, partially reflecting an earlier cutoff. Outflows below the free cash flow line were primarily driven by South African outflows related to the disposal of offshore operations. The Group cash flow statement was influenced by the inclusion of discontinued operations. The table below presents a free cash flow view of South Africa and Ireland, including AWG, and net cash flow following the disposal of offshore operations.

Free cash flow summary

	Southern Africa R'm		Ireland ¹ EUR'm		Total continuing operations R'm	
Metric	2025	2024	2025	2024	2025	2024
EBITDA	1 781.9	1 792.4	62.7	71.9	3 033.1	3 289.6
Capital expenditure, including retailer contributions	(430.6)	(435.9)	(31.2)	(22.6)	(1 053.3)	(891.2)
Working capital	918.7	(542.2)	11.4	7.5	1 146.2	(390.3)
Taxation	(270.1)	(234.8)	(5.1)	(5.6)	(371.9)	(347.9)
Interest paid (pre-IFRS 16)	(308.9)	(278.1)	(7.1)	(8.5)	(450.6)	(449.4)
Operational cash flows	1 691.0	301.4	30.7	42.7	2 303.5	1 210.8
Acquisitions of businesses and/or subsidiaries	(61.2)	(55.9)	(12.8)	(6.9)	(316.6)	(195.2)
Proceeds from sale of property	225.0	–	–	–	225.0	–
Free cash flow	1 854.8	245.5	17.9	35.8	2 211.9	1 015.6
Outflows relating to international operations	(2 345.2)	(1 595.1)	–	–	(2 345.2)	(1 595.1)
Ireland dividend/guarantee fee	333.2	–	(16.7)	–	–	–
Net cash flow	(157.2)	(1 349.6)	1.2	35.8	(133.3)	(579.5)

¹ Cash flows for 2024 and 2025 include those for AWG.

How our distribution centres power performance

SPAR operates an extensive distribution network to support our growing retail base. Our distribution centres are more than the backbone of our business. They are strategic enablers of our retail model. They ensure consistent product availability and provide reliable service to our retail partners. Our distribution centres connect more than 2 000 independent retailers to suppliers across Southern Africa and Ireland.

A snapshot of our distribution centres and their performance for 2025

Ireland



Dublin
distribution centre
24 000m²

Southern Africa

South Rand
distribution centre
64 000m²

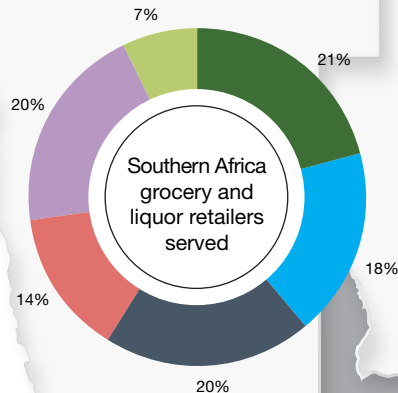
North Rand
distribution centre
53 317m²

KwaZulu-Natal
Dry goods
distribution centre
40 000m²

KwaZulu-Natal
Perishables
distribution centre
10 000m²

Eastern Cape
Gqeberha
distribution centre
46 084m²

Eastern Cape
Mthatha
distribution centre
6 400m²



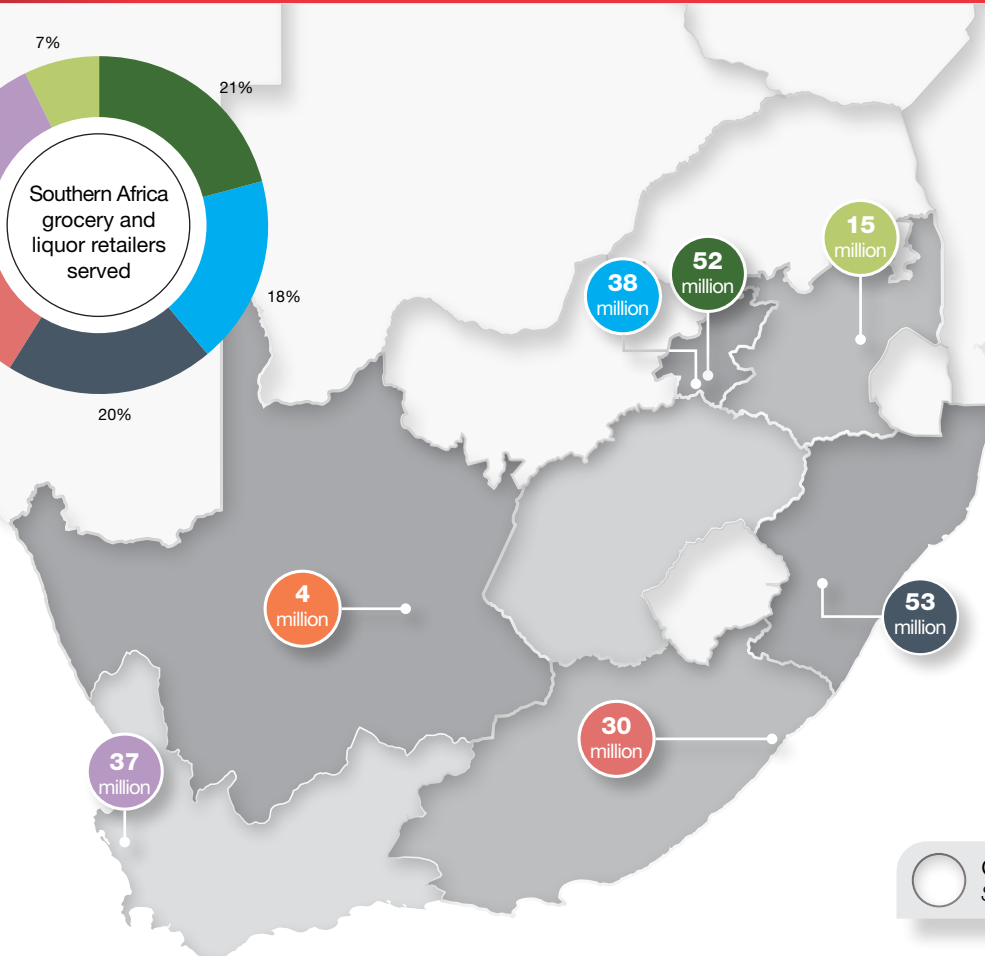
Western Cape
distribution centre
40 405m²

Lowveld
distribution centre
22 415m²

Encore
private label facility
16 000m²

Carletonville
SPAR Health
distribution centre
3 771m²

Western and Northern
Cape SPAR Health
distribution centre
1 076m²



○ Cases in volume throughput
See colour for specific distribution centre

Our distribution centres play a vital role in converting inputs across the six capitals of value creation into tangible outcomes for our retailer customers and the Group:



Financial capital

They use financial capital to deliver centralised procurement and shared logistics, which lower operating costs and allow independent retailers to compete effectively with corporate chains.



Intellectual capital

They protect and enhance intellectual capital by applying proven processes that ensure product integrity and consistency across all categories.



Natural capital

They contribute to natural capital by advancing energy efficiency, route optimisation and waste reduction across the logistics network.



Manufactured capital

They draw on manufactured capital through our regional facilities, enabling faster turnaround times and fresher products.



Human capital

They support human capital by improving working practices and introducing technologies that enhance accuracy and efficiency.



Social and relationship capital

Our use of technology and automation strengthens our social and relationship capital by improving service levels and deepening trust across our retail network.

There are also trade-offs between the capitals:

- Investments in technology increase our use of financial capital in the short term, but they improve efficiency and strengthen service quality over time
- Expanding manufactured capital through our distribution network requires upfront resources, yet it improves both human capital productivity and natural capital outcomes
- **Financial vs manufactured capital:** Upgrades to systems, fleet and infrastructure increase short-term financial spend but improve turnaround times, accuracy and overall service levels
- **Financial vs human capital:** Training and change management for new technologies require upfront investment, yet build capability, enhance safety and lift productivity
- **Manufactured vs natural capital:** Higher throughput and fleet utilisation may raise energy use, but this is offset by solar installations, route optimisation and waste reduction initiatives
- **Human vs intellectual capital:** Embedding new processes and SOPs can temporarily reduce productivity, but strengthens consistency, quality and operational discipline
- **Intellectual vs social and relationship capital:** Implementing advanced warehouse systems can initially disrupt routines, but ultimately improves stock visibility, on-time deliveries and retailer trust
- **Financial vs social and relationship capital:** Allocating resources to service reliability and sustainability initiatives may limit short-term flexibility, but deepens long-term retailer confidence and collaboration

Focus areas

Efficiency

Lower operating costs and improved service levels.

Digitalisation

Real-time visibility of stock and improved accuracy.

People

Skilled and motivated workforce.

Sustainability

Reduced carbon footprint and improved operational resilience.

Building a future-fit supply chain

- We will complete SAP integration across all distribution centres to provide full end-to-end visibility
- We will introduce advanced automation to improve speed, accuracy and safety
- We will strengthen logistics collaboration between regions to unlock scale benefits and operational efficiencies
- We will expand renewable energy capacity and implement water-efficient systems across the network
- We will enhance communication with retailers to improve planning and responsiveness



Progressing sustainability

SPAR continues to advance a focused, impact-driven sustainability agenda that strengthens long-term value creation across our markets. While full details are presented in the standalone sustainability report, this section highlights the Group's most material ESG outcomes and the meaningful progress achieved in Southern Africa, Ireland and our joint venture in Sri Lanka during the year.



Phumilani Dyini

“ Sustainability is no longer an add-on; it is the discipline that strengthens trust, resilience and long-term value across our business. ”

Group Executive: Risk, Governance and Sustainability

ESG impacts at a glance

Environmental

- **tCO₂e total GHG emissions**
Demonstrating continued progress toward our 2050 net-zero target.
- **10.1 million kWh solar energy generated**
Sustained investment in renewables across DCs and retailers.
- **23 446 tonnes of cardboard and plastic recycled through distribution centres**
Advancing circularity through increased take-back volumes.
- **552 466 kL water withdrawn**
Improved efficiency across retail, DCs and private label facilities.
- **2 219 tonnes food waste reduced**
Strengthening partnerships that divert surplus food from landfill.

Socio-economic

- **Customer care line queries resolved**
Delivering improved responsiveness to shoppers.
- **R13.8 billion invested through the Supplier Development Hub**
Accelerating market access for small-scale farmers and emerging suppliers.
- **Investment in ending gender-based violence**
Supporting national partners and expanding care programmes for survivors.
- **Investment in YES and JumpStart initiatives**
Driving youth employment and skills development.
- **R23.3 million invested in CSI**
Focused on vulnerable groups, nutrition security and community upliftment.
- **84% employee participation in EVP and engagement survey**
Embedding a performance- and culture-led organisation.

Governance

- **Food safety training across suppliers, DCs and retailers**
Strengthening assurance and compliance across the value chain.
- **Small-scale farmers integrated into our value chain**
Building inclusive supplier ecosystems and growing local sourcing.
- **Supplier Development Hub: 12 farmers developed**
Progressing toward long-term goal of 38 commercially competitive farmers by 2030.
- **Compliance with POPIA, PAIA and code of conduct training**
Reinforcing ethical conduct, governance, fairness and consumer protection.



Progressing sustainability across our markets

Southern Africa

Scaling impact through partnerships, innovation and inclusive growth

SPAR's sustainability agenda in Southern Africa focuses on food security, supplier development, circularity, social impact and responsible retailing. Key achievements in 2025 include:

Supplier development and inclusive sourcing

- Expanded Supplier Development Hub reach, supporting small-scale farmers with training, inputs, route-to-market and compliance readiness
- Strengthened partnerships with Kagiso Trust, GLOBALG.A.P. and technical partners to accelerate farmer commercialisation
- Increased volumes of locally sourced produce and private label inputs

Environmental stewardship and circularity

- Scaled solar installations across retail and DC sites
- Advanced recycling, plastic take-back and waste segregation initiatives
- Grew food waste diversion through SPAR DC surplus food partnerships (e.g. FoodForward SA), avoiding significant CO₂e emissions

Digital inclusion and customer well-being

- Launched SPAR Mobile to broaden digital access, embed loyalty connectivity and improve the customer experience
- Continued expansion of SPAR Health as a model for ethical governance, workplace well-being and responsible pharmacy practice

Social impact and community engagement

- Deepened partnerships supporting education, early childhood development, nutrition and youth employment
- Ongoing support for national GBV response programmes including Thuthuzela Care Centres, counselling services and prosecutor training

Ireland

Advancing a purpose-led ESG programme with measurable outcomes

BWG continues to embed sustainability across its operations and independent retail network through its Responsible Together framework.

Climate and environment

- Completed CSRD double materiality assessment and implemented SustainIQ for data capture and assurance
- Assessed Scope 3 emissions, establishing a clear baseline for supply chain interventions
- Expanded waste reduction initiatives, including scaling Too Good To Go across >100 stores

Community, people and local impact

- Donated over 900 000 meals via FoodCloud
- Strengthened partnerships with national charities and community programmes
- Launched All-Ireland Pollinator Plan activations to promote biodiversity
- Enhanced retailer support through ESG coaching, webinars and training modules

Governance and supply chain

- Implemented robust sourcing standards, increased transparency across categories and improved food safety compliance

Sri Lanka

Targeted ESG progress with a focus on operational efficiency and community upliftment

SPAR Sri Lanka's ESG priorities are shaped by local context and aligned with global sustainability expectations.

Environmental

- Progressed energy efficiency upgrades including rooftop solar, LED retrofits and vehicle charging readiness
- Initiated packaging and waste management improvements in line with local regulations
- Optimised delivery routes to reduce emissions and fuel use

Social

- Advanced supplier development for small businesses and youth- and women-led enterprises
- Expanded vocational training partnerships and internship opportunities
- Strengthened food safety and employee training programmes

Governance

- Reinforced supplier declarations, labour compliance and GMP/ISO standards
- Embedded stronger HR practices, employee safety and grievance channels

Understanding our governance ecosystem

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This chapter introduces the SPAR Board and outlines our governance structures and practices. It includes reports from the various Board committees, providing insights into their roles and contributions to effective oversight and strategic direction.

In October 2025, King V was released, emphasising ethical leadership and outcomes-driven governance. While full transition will take place over time, SPAR has begun incorporating selected King V considerations into this governance report to enhance transparency and align our reporting with the new Code.



Our governance structure

Building trust through accountability

SPAR's corporate governance framework sets out the structures, processes and practices the Board uses to direct and oversee the Group's operations. We adhere to the Companies Act, JSE Listings Requirements and King IV, conducting business ethically to serve the interests of the Group and our stakeholders.

The Group's Board Charter defines the Board and directors' responsibilities and is reviewed annually. The Charter sets out the Board's powers and authority, clarifies members' roles and responsibilities, and ensures that no single director holds unfettered decision-making power. During 2025, the Board Charter was revised, taking into account and consolidating various internal documents that dealt with the Board, such as the Powers and Duties of Directors, the Director Induction Programme, and the Role and Function of the Chairman. These internal documents and policies were consolidated into the updated Board Charter which was approved during August 2025.

King IV

The Board supports King IV's principles and aligns SPAR's governance structures with its outcomes-based approach. We assess value creation through King IV's lens, emphasising ethical, effective leadership to achieve the prescribed governance outcomes. The King IV disclosure matrix, available on our website at thespargroup.com/resource-centre/governance, summarises SPAR's application of the principles.

Selected emerging principles from King V have also informed our disclosures to reflect the evolving governance landscape.

“ For the year ended 26 September 2025, the Board confirms that SPAR's governance structure is robust, offering clear authority frameworks and strong oversight that support effective control and performance. The Group complied with the Companies Act, adhered to its Memorandum of Incorporation and applied the principles of King IV and considered King V and the refreshed governance outcomes introduced by the new Code.



Shareholders and other stakeholders

Board

Is responsible for directing the business of the Company.

Provides oversight of the management and governance of the Group.

Monitors executive management's performance.

Offers strategic direction and leadership in line with the Group's value system to ensure sustainability.

The Chairperson is independent. He leads the Board, sets its ethical tone, ensures effectiveness and upholds high governance standards.

The Group Company Secretary supports Board members by guiding them in fulfilling their responsibilities as directors.

Committees

The Board's committees support independent judgement, maintain a balance of power and aid in fulfilling Board responsibilities.

Committees are governed by their respective terms of reference, which set out the authority delegated by the Board and, for statutory committees, by the Companies Act. These terms of reference are reviewed annually, with the last review undertaken in August 2025. Matters reserved for the Board and those delegated to management (excluding items requiring shareholder approval) are set out in the delegation of authority framework. The oversight roles of the Board and its committees continue to evolve in line with the King V emphasis on ethical leadership, value creation, risk governance and organisational stewardship.



Group executive management
Territory and divisional Boards
Territory CEOs

Executive committees

Divisional and Operational

Assist the Group CEO in implementing the strategy and objectives of SPAR and carry out the Group's day-to-day activities

Various regional, executive, departmental, operational, and project committees and forums

The SPAR Guild of Southern Africa

**Social and ethics committees
Regional Guild committees**

The Build it Guild of Southern Africa

Organisational ethics

Our ethics framework is guided by SPAR's Code of Ethics, which applies to all employees and directors. It is supported by policies on conflicts of interest, gifts, bribery, fraud prevention, information protection, technology use and workplace harassment. The Social, Ethics and Sustainability Committee oversees organisational ethics on behalf of the Board. Our ethics governance approach is being enhanced in line with King V's renewed emphasis on organisational integrity, ethical conduct and responsible leadership.

We encourage reporting of suspected serious misconduct via the Tip-offs Anonymous hotline. In 2025, we received 69 reports (2024: 55), all of which were investigated. Seventeen reports related to independent SPAR stores and were referred to them for action. For the Group, 18 investigations are ongoing, 16 reports were founded or partially founded, and the remainder were unfounded. Additionally, two whistleblowing reports were received outside the hotline, leading to investigations and, in some cases, disciplinary action or dismissals. Independent forensic teams are engaged where necessary to ensure thorough investigations and implementation of recommendations. Reports submitted via the internal grievance process and allegations of fraud not reported through the hotline were also addressed, with all substantiated grievances acted upon.

The Ethics Institute is currently undertaking an ethical culture and risk assessment for the Group. The qualitative component has been completed (i.e., interviews with senior management and workshops held, which guided elements of the questionnaire process). The anticipated launch of the survey is November 2025, and the results will be presented to management and the relevant Board Committees in 2026.

Tax management

We maintain ethical and effective tax management across all operations. The Board oversees our tax policy and strategy through the Audit and Risk Committees, with the tax division managing risks and ensuring compliance. The tax policy is reviewed every two years, most recently in December 2025.

We engage only in tax planning that supports genuine commercial activities, avoiding tax avoidance schemes.

Our tax governance, aligned with King IV, follows five principles: zero tolerance for non-compliance, stakeholder value, reputational risk, corporate citizenship and strong communication with tax authorities.

Detailed information on tax rates and contributions is available in the sustainability report.

Corporate citizenship

The Board, supported by the Social, Ethics and Sustainability Committee, reviews the Group's impact on stakeholders, society, the economy and the environment.

Key updates for 2025 include:

Human resources	Socio-economic development	Environment
B-BBEE: Improved to Level 3 rating YES Programme: Involved 564 learners (2024: 478); continuation planned Trade union negotiations Employee development: Training with hybrid delivery Transformation: Progress monitored through new management programmes	2030 strategy: Presented and discussed Initiatives: Focus on GBV, workplace harassment policy, employee wellness and supplier development Corporate social investment contributions: R23.3 million (2024: R20.3 million)	Focus areas: Energy use, decarbonisation and sustainability initiatives Reporting: Submitted CDP reports on climate change, water and forests

Further details are available in our sustainability report at <https://thespargroup.com/sustainability/#Reports>

Alignment with King V

The Board notes the recent release of the King V Report on Corporate Governance for South Africa (October 2025) and we have started integrating its principles into our governance practices. The table below highlights what we have already implemented and outlines the next steps to further align with King V best practice governance.

King V theme/enhancement	What SPAR is already doing (2025)	Next step for King V alignment (2026 onward)
Stewardship and ethical, effective leadership	Strengthened governance guardrails, clearer accountability, refreshed leadership team, and enhanced Board oversight.	Enhance our ethics governance approach in line with King V's renewed emphasis on organisational integrity, ethical conduct and responsible leadership. Specific outcomes would include the development of a formal ethics strategy and risk management plan.
Systems value and double materiality	Integrated value creation model; stakeholder impacts considered; CSRD and double materiality adopted; sustainability strategy embedded.	Expand disclosures linking strategy to sustainability; strengthen double materiality metrics.
Outcomes-based governance and streamlined principles	Clear committee structure; strengthened governance disclosures; alignment between culture, strategy and governance.	Streamline governance processes and disclosures. ensure that actions translate into meaningful and measurable outcomes. Focus on company's strategic objectives.
Technology, information and digital governance	Risk and Business Transformation Committees oversee digital risk, cyber security, data governance; SAP rollout and digitalisation underway.	Develop digital governance framework (AI, data ethics, cyber security); improve reporting on digital risk resilience.
Board composition, capability and independence	Balanced and diverse Board; independence and skills disclosed; strengthened committee structures.	Undertake a governance framework refresh; Optimise board and committee structures for optimal governance efficiencies. Revise MOI.
Stakeholder inclusivity and sustainable value creation	Stakeholder engagement policy; SES Committee oversight; clear disclosure of stakeholder universe.	Expand stakeholder-outcome reporting; link engagement to governance outcomes (ethics, value tracking long term ESG target through short- and medium-term execution plans).
Enhanced disclosure framework	Improved navigation, materiality, connectivity and clarity in integrated annual report; expanded ESG and governance disclosures.	Adopt King V Disclosure Framework for FY2026; enhance outcome-based governance disclosure.
Sustainable corporate citizenship	Robust ESG programmes; end GBV, food security, supplier development and community investments; SES Committee oversight.	Strengthen measurement and disclosure of societal outcomes.
Risk and resilience	Integrated risk management; supply chain, cyber security and market risks disclosed; ethics and whistleblower channels	Embed King V aligned risk and opportunity governance and disclosure; introduce resilience indicators and early-warning metrics; mature combined assurance.
Governance of sustainability	Voluntary CSRD adoption; double materiality applied; sustainability strategy embedded.	Integrate King V sustainability governance expectations; enhance internal controls for non-financial reporting.



The SPAR Board of Directors

Leadership that drives success

Non-executive directors as at 30 September 2025



Independent non-executive Chairman

BCom (Hons), LLM (Cape Town), CA(SA), AMP (Harvard)

Mike offers expertise in entrepreneurship, finance, legal, marketing and governance and brings strong leadership to the Board.

Appointed to the Board as Chairman: December 2022

Mike Bosman (65)

N RE BT



Independent non-executive director, Deputy Chairperson

BA (UWC), P/G Diploma in Education (UWC), B.Ed (Honours) (UNISA), M.Ed (UWC), Ed.M (Harvard), Ed.D (Harvard)

Shirley provides business acumen, governance, people management, leadership, culture and HR skills.

Appointed to the Board: February 2023

Dr. Shirley Zinn (64)

RE N SES



Independent non-executive director

B.Eng (Electronics), M.Eng (Electronics), PhD (ECE)

Liesbeth brings a wealth of knowledge in digital business transformation, innovation, digital upskilling, scientific research, AI, data analysis and technology leadership.

Appointed to the Board: February 2024

Dr. Liesbeth Botha (63)

BT RE RI SES



Independent non-executive director

BEcon, AMP (Harvard), EDP (IMD, Lausanne)

Pedro adds business acumen, financial insight, dynamic growth strategies and expertise in retail and international markets.

Appointed to the Board: February 2023

Dr. Pedro da Silva (57)

RI BT



Independent non-executive director

B.Sc. (Hons), CA(SA), FCA (ICAEW)

Funke offers expertise in finance, leadership, governance, risk, business and strategy.

Appointed to the Board: February 2024

Funke Ighodaro (62)

A RI



Independent non-executive director

BSSc (Hons): Business Administration, PGDip: International Management

Marie brings business acumen, transformation, strategic planning, brand marketing and communications expertise to the Board.

Appointed to the Board: February 2024

Marie Jamieson (65)

SES BT



For comprehensive information on our directors' experience, skills, qualifications and other board memberships, visit our website at <https://thespargroup.com/about-us/board-of-directors/>



Lwazi Koyana (57)

RI A SES

Independent non-executive director

BCom, CA(SA)

Lwazi brings finance, auditing, governance, retail and entrepreneurship skills.

Appointed to the Board:
May 2019



Sundeep Naran (58)

SES A RI N

Independent non-executive director

BSc (Mathematics), CFA® charterholder

Sundeep contributes financial, auditing and governance skills to the Board.

Appointed to the Board:
February 2022

Executive directors as at 26 September 2025



Angelo Swartz (44)

BT

Group CEO

Advanced Diploma in Management Accounting, ELDP (University of Stellenbosch Business School)

Angelo adds his business acumen and knowledge of and experience in wholesale and retail.

Joined the Group in 2007

Appointed to the Board:
October 2023

Appointed as Group CEO:
1 October 2023



Reeza Isaacs (57)

RI

Group CFO

BCom PGDA (UCT), CA(SA)

Reeza brings extensive business, finance and leadership experience, having served in senior finance roles in various other companies.

Joined the Group in November 2024

Appointed as Group CFO:
1 January 2025



Megan Pydigadu (51)

BT

Group COO

B.Com, H.Dip.Acc CA(SA)

Megan contributes her strengths in business acumen, finance, mergers and acquisitions, legal, governance and risk, business transformation, HR and IT.

Joined the Group in
November 2023

Appointed to the Board:
November 2023

A Audit Committee

RI Risk Committee

SES Social, Ethics and Sustainability Committee

N Nominations Committee

RE Remuneration Committee

BT Business Transformation Committee

● Chairperson

Group Company Secretary

All directors have access to the services and advice of our dedicated Group Company Secretary.



Maliga Chetty (55)

Ms. Chetty is an admitted attorney with 30 years of experience in corporate law, compliance and company secretarial practice. She has held senior governance roles across various industries, which include financial services, banking, insurance, professional services, and healthcare. She replaces the interim Group Company Secretary, Mr. Neill O'Brien, who acted in that capacity for a period of one year until the end of August 2025.

Joined the Group
in September 2025

“ The Board is satisfied that it has adequate access to corporate governance services and support. We assessed Maliga’s qualifications, experience and competence preceding her appointment and are satisfied that she is suitably qualified for the role. As she is not a director of the Group, she maintains an appropriate arm’s length relationship with the Board.

Board changes

Reeza Isaacs was appointed Group CFO and executive director on 1 January 2025. Trudy Makhaya resigned as a non-executive director on the Board with effect from 31 December 2024. Mark Godfrey resigned as Group CFO on 31 December 2024. Following extensive leadership changes in the previous year, the Board is confident that its composition and depth of experience provide strong guidance to SPAR and support sustained value creation.

Board composition and diversity

as at 26 September 2025

In line with its diversity policy, the Board considers voluntary gender and race targets and considers a broad set of indicators, knowledge, skills, experience, age and cultural background when making appointments. Board composition considerations also reflect King V’s emphasis on the collective skills, independence, diversity and stewardship required to support sustainable value creation.

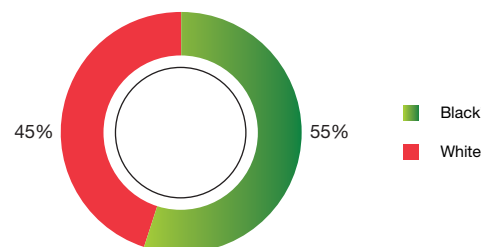
Gender diversity



Voluntary diversity targets: 50% female



Race diversity



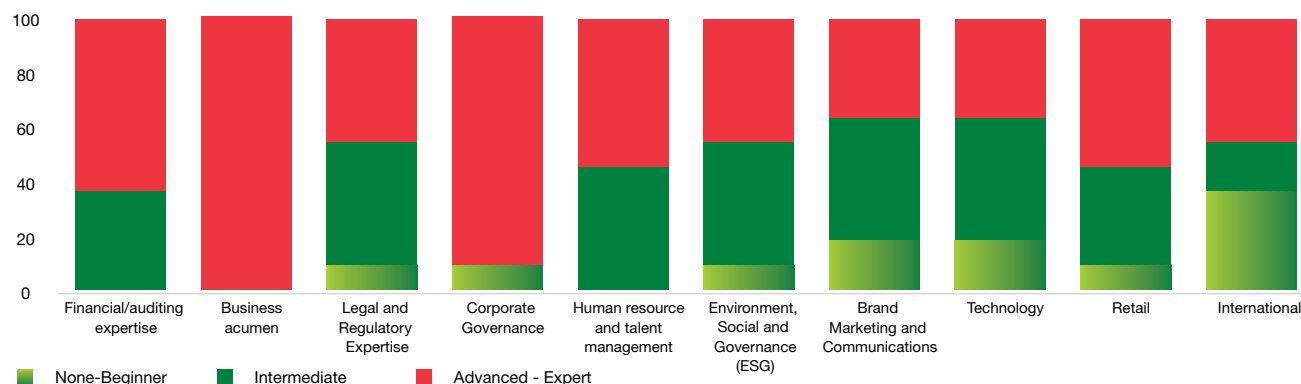
Voluntary diversity targets: 50% black

¹ Black as defined by the B-BBEE Act, No. 53 of 2003.



To mitigate conflicts of interest, Board members annually update their disclosure of personal financial interests as required by the Companies Act. At each Board or committee meeting, members are reminded to declare any material personal financial interests in contracts entered into or authorised by the Group.

Skills and expertise (%)



The work of the Board committees

Governance with purpose

The Board delegates, without abrogating, specific roles and responsibilities to its committees while retaining overall accountability. Each committee is chaired by an independent non-executive director and operates under approved terms of reference outlining its composition, mandate and authority. These are available on our website at <https://thespargroup.com/resource-centre/governance/>

Committees report to the Board mostly quarterly and make recommendations in line with their mandates. When required, the Board establishes *ad hoc* committees to address specific matters, drawing on relevant expertise from among its members.

Meeting attendance

The Board values independent judgement and expects all members to prepare thoroughly, participate actively and contribute meaningfully at meetings. The Group Company Secretary sets meeting agendas in consultation with the committee chairpersons, guided by annual work plans. Members receive detailed information on strategy, performance and key issues to support informed decision-making.

As part of its ongoing engagement with the business, the Board holds an on-site meeting at one of its business operations, locally or internationally, each year. In 2025, this visit took place in Ireland, and for 2026, a meeting is planned at one of the distribution centres.

“ The Board is satisfied that the Board and all committees continue to operate effectively and have fulfilled their responsibilities during the year.

Attendance for 2025

Director	Board	Audit Committee	Remuneration Committee	Nominations Committee	Risk Committee	Social, Ethics and Sustainability Committee	Business Transformation Committee
Number of meetings	8	5	7	5	3	3	4
Non-executive directors							
Mike Bosman	8		7	5			4
Shirley Zinn	7		7	5		3	
Liesbeth Botha	8		7		3	3	4
Pedro da Silva	8				3		4
Funke Ighodaro	7	5			3		
Marie Jamieson	7					3	4
Lwazi Koyana	8	5			3	3	
Trudi Makhaya ¹	2				1	1	
Sundee Naran ²	8	5		5	3	2	
Executive directors and officers							
Angelo Swartz ³	8			4	1		4
Reeza Isaacs ⁴	6						
Mark Godfrey ⁵	2				1		
Megan Pydigadu ⁶	8				1		4

¹ Resigned on the 31st of December 2024.

² Appointed as SESO Chair in February 2025.

³ Was a member of Risk Committee until November 2024.

⁴ Appointed to the Board: As Group CFO from 1 January 2025.

⁵ Resigned as Group CFO effective 31 December 2024.

⁶ Was a member of the Risk Committee until November 2024.

Board and committee evaluation

The annual Board and committee assessment was conducted externally during 2025, assessing its effectiveness against its respective Charter or terms of reference. The evaluation confirmed that the Board is functioning very effectively and fulfilling its mandate. It is well constituted, meets regularly and has the skills required to address key issues and risks. Directors are well prepared and understand their responsibilities, and the Chairperson is considered effective. Overall, the Board is performing strongly and making a positive contribution to the Group's governance.

On the whole, the Board is functioning very well and comprises high-performing, competent and engaged Board members. The key outcomes from the annual Board assessment were that management clearly appreciate the Board culture, company culture and the integrity of governance frameworks, and the Board could continue to build on this to foster deeper organisational trust. There was high alignment in governance and culture which could be leveraged to reinforce shared values, especially when tackling areas with divergence. Some recommendations were that the Board should probe more deeply into areas of AI, digital fluency and cyber risks and ESG. Additionally, given SPAR's relatively new Board, they would benefit from more explicit development opportunities on trending regulatory and business-specific topics. The Board will continue working with management to ensure that shareholder value is preserved; there was excellent stakeholder management during the times of change.

Audit Committee report

Strengthening oversight through transition and transformation

The Audit Committee (the committee) presents its report for 2025 as required by section 94(7)(f) of the Companies Act. The committee maintained rigorous oversight of financial reporting, internal control and assurance processes. Our focus was on upholding integrity, transparency and accountability as the Group completed international business disposals, restructured banking facilities, adopted the international retail 52-week financial reporting calendar and continued to strengthen governance and financial management frameworks.

Committee governance

Role and responsibilities

The committee has specific statutory responsibilities to the Group's shareholders in terms of the Companies Act. It supports the Board by advising on financial reporting, internal controls, internal and external audit, combined assurance and regulatory compliance, as defined by its annually reviewed terms of reference. There were no changes to the terms of reference during the year. The committee also receives feedback from the Risk Committee, the Social, Ethics and Sustainability Committee and the Audit Committees of local and foreign subsidiaries.

Composition

As at 26 September 2025, the members of the committee were independent non-executive directors:

- Funke Ighodaro (Chairperson)
- Lwazi Koyana
- Sundeep Naran

Permanent invitees include the Group CEO, CFO, COO, Chairman of the Board, outsourced internal auditor, external auditor and Group Company Secretary, who also acts as secretary to the committee.

Evaluation

A self-evaluation of the committee was conducted as part of the Board's annual assessment, covering seven performance areas. The review concluded that the committee was functioning effectively, with no material recommendations. The committee's composition was stable throughout the year, despite changes in the broader Board membership. The next independent performance assessment is scheduled for 2026.

Meetings

The committee met four times during the year, which included one special committee meeting. These meetings provided the necessary platform to evaluate financial reporting, oversight processes, and the accounting and financial reporting implications of the following matters:

- Strategic international business disposals and the related accounting classifications and impairment assessments
- The adoption of the 52-week retail calendar for financial reporting
- The assessment of the change in cash-generating units related to the corporate stores and the associated impairment assessments thereof
- The assessment of the impact of changes to accounting standards and findings from the JSE proactive monitoring of financial statements programme
- The compliance with JSE Listings Requirements as well as the continued implementation of King IV recommendations

In addition, the committee oversaw the transition of the external audit partner.

Further, the committee observed the strengthening of the finance function, through the appointment of experienced individuals, the ongoing implementation and automation of financial reporting systems as part of the broader finance transformation initiative as well as the establishment of a group treasury function. This has facilitated an improvement in the quality and transparency of reporting to the committee as well as the Board.

Committee focus areas

- Oversaw the classification and accounting treatment in respect of the held for sale and discontinued operations following the decision to dispose of multiple international businesses, including Poland, Switzerland and the United Kingdom. This included all financial impacts related to the disposals as well as the assessment of any related impairments of these operations.
- Considered the restructuring of the Group's banking facilities in South Africa, Ireland and Switzerland, including the absorption of debts from the disposed Polish business, while maintaining liquidity and covenant compliance with all banking facilities across the Group.
- Approved the adoption of a new 26/52-week retail calendar reporting framework, aligning the Group's reporting cycle with international retail best practice.
- Evaluated and recommended adjusted headline earnings as an additional performance measure to reflect the sustainable performance of the Group's businesses.
- Oversaw acquisitions in South Africa, including the launch of Pet Storey, confirming that the acquisitions and related financial implications were appropriately classified and accounted for.
- Exercised strong oversight of internal financial reporting controls, including the close monitoring of remediation plans for weaknesses identified by internal and external auditors.
- Observed the ongoing implementation and automation of financial reporting systems as part of the broader finance transformation initiative, as well as the establishment of a group treasury function to strengthen the governance and internal control environment.
- Focused on rebuilding capacity and skills within the Group finance function following senior management turnover.

“ The Board is satisfied that the Audit Committee has the expertise, skills and experience required to perform its responsibilities effectively.



External audit

Audit partner transition

PwC continued as the Group's external auditor. During the year, two designated audit partner changes occurred. The previous designated partner rotated off after completing his mandatory term, and his replacement subsequently resigned from PwC. Consequently a third partner, with appropriate industry experience and knowledge, was appointed as the designated audit partner.

The committee confirmed that PwC and the designated audit partner were independent and competent, with no concerns regarding audit quality, independence, or objectivity. All non-audit services were approved under the Group's delegated authority framework, and related fees were reviewed in line with the Group's non-audit services policy.

The Chairperson and Audit Committee periodically meet with the external auditor independently of management. The committee has recommended PwC's reappointment for the 2026 financial year.

The committee satisfied itself that the external auditor, PwC, and its audit partner, complied with the suitability criteria for appointment as required in terms of paragraph 3.84(g)(iii) read with paragraphs 3.86 and 3.87 of the JSE Listings Requirements.

The committee confirms that the appointment of the auditor and designated individual audit partner is presented and included as a resolution for approval at the 2026 AGM in line with section 61(8)(c)(i) of the Companies Act and paragraph 3.84(g)(iv) of the JSE Listing Requirements.

Key audit matters

Key audit matters identified by the external auditor are disclosed in the annual financial statements. These matters were discussed by the Audit Committee with management and the auditors, and are appropriately addressed in the consolidated and separate financial statements.

Internal audit

The Group's internal audit function for the Southern Africa businesses is outsourced to EY, while that of the Irish business is outsourced to Deloitte. During the year, EY's scope of work was expanded to include oversight of internal audit functions at the international subsidiaries. The committee approved the 2025 internal audit plan and received regular updates on progress against the annual work plan.

EY conducted comprehensive reviews of several distribution centres and retail operations, with findings tabled to the committee. Management's action plans and timelines to address identified weaknesses are tracked closely.

The committee confirms that the internal audit function operated effectively, independently and in line with the approved charter during the year.

Internal controls and risk management

Management is responsible for the Group's system of internal financial controls, designed to provide reasonable assurance of reliable financial reporting and asset protection. The committee reviewed the results of internal and external audits and considered management's responses and remediation plans. While progress was evident, management have initiated a co-ordinated programme to strengthen internal control weaknesses identified during the year, including a structured issue-tracking and escalation mechanism to oversee remediation, enforce accountability, and address any delays or recurring findings in accordance with the combined assurance model.

Further, the committee observed the ongoing implementation and automation of financial reporting systems and associated processes as part of the broader finance transformation initiative to strengthen overall financial reporting internal controls. This has facilitated an improvement in the quality and transparency of reporting to the committee as well as the Board.

The committee is of the opinion that, based on the work performed by internal and external audit, management representations and discussions held, the Group's internal financial controls are effective.

“ The committee believes that the Group is resilient and well positioned to consolidate its progress following a year of continued change.

Finance function

The Group's finance function underwent significant change during the year, including the appointment of a new CFO, with extensive industry experience and knowledge and turnover among senior finance personnel. As required by paragraph 3.84(g)(i) of the JSE Listing Requirements, the committee is satisfied that the CFO has the necessary expertise and experience for the role.

The Group's finance function has further been improved through the establishment of a treasury function and the appointment of an experienced Group Head: Treasury. In addition, the Group CFO has appointed a Group Head: Reporting and Financial Planning and Analysis to further strengthen the Group's reporting capabilities. This is underpinned by the ongoing finance transformation initiatives, which provide a foundation of enhanced governance and transparency in reporting.

The committee acknowledged the ongoing need to build depth and stability within the broader finance team and notes management's continued actions in this area. The finance function's composition, experience and skill set were reviewed and considered adequate to support the Group's financial management and reporting obligations.

Committee priorities for 2026

- Completion of the remaining business disposals and the accounting and reporting thereof
- Tracking performance of restructured banking facilities and compliance with the associated covenants, cash flow and liquidity management
- Continued oversight of internal controls and remediation of internal and external audit findings
- Monitoring post-acquisition performance of South African bolt-on acquisitions including Pet Storey
- Ensuring greater depth and resilience within the finance function
- Supporting the Board's oversight of a streamlined, regionally focused Group with a disciplined acquisition and capital allocation strategy

The committee confirms that appropriate financial reporting procedures are in place and operating effectively for all entities included in the consolidated financial statements to ensure that SPAR has access to all of the financial information necessary to allow for the effective preparation of and reporting on the financial statements of SPAR.

Based on the reviews performed and information received from management, the external auditor, and the internal auditors, the committee is satisfied that the financial statements for the year ended 26 September 2025 comply with IFRS and the requirements of the Companies Act.



Funke Ighodaro

Chairperson: Audit Committee

17 December 2025

Nominations Committee report

Building leadership for a stronger future

In 2025, the Nominations Committee focused on consolidating leadership continuity and Board diversity, ensuring robust succession planning and governance structures to guide SPAR's sustainable growth.

Committee governance

Role and responsibilities

The Nominations Committee operates under its terms of reference, reviewed and approved annually by the Board. Its responsibilities include:

- Overseeing the nomination and election of Board members and subsidiary Boards and all of the committees
- Managing succession planning for the Board and senior management
- Evaluating Board performance and director independence
- Promoting diversity and inclusion at Board level

Composition

As at 26 September 2025, the committee comprised:

- Mike Bosman (Chairperson)
- Shirley Zinn
- Sundeep Naran

All members are independent non-executive directors. Permanent invitees include the CEO and Executive: Human Resources.

Evaluation

A committee self-evaluation was conducted in 2025. The Board is confident that the Nominations Committee continues to operate effectively and fulfil its responsibilities under its terms of reference.

Meetings

The committee held four meetings this year.

The Group CEO and Human Resources Executive attend meetings by invitation to provide input as required. Attendance details are provided on page 65.



Committee focus areas

The committee's focus in 2025 shifted from major Board changes to consolidating governance stability and ensuring effective succession planning. With the leadership team now firmly in place, the committee concentrated on:

- Maintaining a balanced and diverse Board composition
- Reviewing succession plans for key leadership roles, including the Chairperson, Group CEO, Group COO, Group CFO and Group Company Secretary
- Overseeing director training and development
- Reviewing governance policies and committee structures to ensure alignment with the Group's strategic direction

Board composition and changes

Please refer to page 64 for Board changes during the year. Following the significant Board and executive refresh in 2023 and 2024, the committee is satisfied that the current composition provides the right balance of skills, experience and diversity to guide SPAR's long-term strategy.

“ Following a period of extensive renewal, our focus this year was on deepening leadership continuity and ensuring that SPAR's governance structures are future-fit. The committee is confident that the Board has the right balance of experience, independence and diversity to guide the Group through its next phase of growth. ”

Board diversity

The Board remains committed to diversity, guided by its Board diversity policy, which sets its approach to determining voluntary targets for race and gender and considers indicators such as skills, experience, age and culture. The committee reviewed the policy and confirmed that the Board's composition meets these objectives, reflecting a strong mix of perspectives and expertise.

Matters for shareholder consideration

In line with the Group's Memorandum of Incorporation (MoI), one-third of non-executive directors retire by rotation each year. The committee reviewed the independence and performance of those retiring and recommends their re-election at the 2026 AGM. The committee also evaluated and recommends the appointment of members to the Audit Committee and the Social, Ethics and Sustainability Committee for shareholder approval.

Committee priorities for 2026

- Review and update all relevant existing policies and frameworks
- Review and update the Group's Memorandum of Incorporation
- Ongoing improvement in governance excellence
- Continued focus on Board and executive succession planning and the composition of the Board and committees, proactively
- Address recommendations from the Board and committee evaluations conducted in the prior year
- Conduct a gap analysis on King V and its implications for the Group

Mike Bosman
Chairperson: Nominations Committee
17 December 2025



Risk Committee report

Managing risk to build opportunity

The Risk Committee's 2025 report reflects SPAR's continued focus on strengthening risk management, maturing the enterprise risk management (ERM) function and embedding compliance across the Group. This year, the committee oversaw the resolution of outstanding forensic issues, the prioritisation of key regulatory requirements, and progress in business continuity and IT risk management.

Committee governance

Role and responsibilities

The committee supports the Board by overseeing risk management, technology and information governance, and compliance governance, as defined in its annually reviewed terms of reference. Our responsibilities include:

- Ensuring the Group identifies and manages key business and operational risks effectively
- Monitoring mitigation measures to reduce risks to tolerable levels in pursuit of business objectives
- Overseeing compliance with legislation and regulatory requirements, including the appointment of a full-time compliance manager
- Co-ordinating with the Audit Committee and the Social, Ethics and Sustainability Committee on relevant matters

Composition

The committee comprises independent non-executive directors:

- Lwazi Koyana (Chairperson)
- Liesbeth Botha
- Pedro da Silva
- Funke Ighodaro
- Sundeep Naran

And executive directors

- Reeza Isaacs

Permanent invitees include the Group Executive: Risk, Governance and Sustainability, National IT Executive, Group Internal Audit Manager, external auditor and Group Company Secretary, who also serves as Committee Secretary.

Evaluation

The committee underwent a biannual evaluation in 2025 and was rated highly effective in discharging its responsibilities. No material issues were identified, confirming that the committee continues to fulfil its mandate.

Meetings

The committee held three meetings this year.

Attendance is detailed under meeting attendance (page 65).

Committee focus areas

The risk function within SPAR continues to mature. Risk workshops have been conducted across the organisation and risk registers have been updated. As a result, the Group's key strategic and operational risks has been determined and prioritised.

- Strengthening cyber risk controls and mitigation measures, noting that this remains a priority given the significance of this risk to the Group.
- Advancing the compliance function. The committee approved the allocation of additional resources to support the Group's compliance requirements, acknowledging the extensive legal and regulatory obligations applicable to the business.
- The committee provides oversight of the resourcing of the risk function and ensures that sufficient capacity and appropriate expertise are in place to support the effective management and governance of risk across the Group.
- The committee received reports on the adequacy of the Group's insurance cover and paid particular attention to areas of significant risk to ensure that appropriate and sufficient cover is in place as a key risk mitigation mechanism.

Risk governance

An ERM framework and policy, aligned with King IV recommendations, supports risk oversight. Risk management is embedded at all levels, with the Group Executive: Risk, Governance and Sustainability co-ordinating activities and reporting to the committee. Key initiatives include:

- Alignment of top business risks with company objectives to ensure mitigation supports strategic outcomes
- Development of key risk indicators (KRIs) and combined assurance plans for high-priority risks
- Ongoing training of senior management and risk champions across all distribution centres and business units

“ The committee is confident that risk mitigation actions are effectively managed and that the Group's risk and compliance functions continue to mature. ”

Strategic risks and opportunities

The committee reviewed the Group's key strategic and operational risks, aligning each risk to strategic objectives and ensuring that mitigation efforts maintain exposure within the Group's defined risk appetite. The following areas were of particular focus:

- Retailer loyalty, acknowledged as foundational to the wholesaler retailer operating model
- Business continuity and disaster recovery, with focused attention on operational resilience across distribution centres
- IT system stability and reliability, with emphasis on the phased rollout of upgraded systems to support operational efficiency and continuity
- Cyber risk, with the ongoing strengthening of security controls and detection capabilities
- Compliance and regulatory risk, prioritised with reference to material impact and regulatory obligations

Committee priorities for 2026

- The committee will continue to drive the maturity of the risk function, with particular emphasis on evaluating the effectiveness of risk mitigations to enable more accurate residual risk rating and assessment.
- The committee will further support the development of the compliance function, with a focus on prioritising the compliance register based on material relevance to the Group
- The committee will oversee the resourcing of the risk and compliance functions to ensure that these areas remain adequately supported and strategically aligned to the Group's risk priorities
- In relation to technology and IT risks, the committee will closely monitor the implementation of new core systems, with specific attention to the SAP rollout and continued strengthening of cyber security mitigants
- The committee will monitor and ensure that key risks are considered and are being managed in a pragmatic manner to support appropriate and effective risk mitigation



Lwazi Koyana
Chairperson: Risk Committee

17 December 2025

Social, Ethics and Sustainability Committee report

Driving purpose and impact in 2025

The Social, Ethics and Sustainability Committee presents its report for the 2025 financial year in line with the Companies Act. This marks my first term as Chairperson, following the resignation of Trudi Makhaya and the retirement of Kevin O'Brien, whose successor, Phumlani Dyini, was appointed as Group Executive: Risk, Governance and Sustainability. I am grateful for Trudi and Kevin's leadership and the strong foundation they have laid, enabling the committee to operate with clarity, continuity and purpose.

Committee governance

Role and responsibilities

The committee supports the Board in overseeing the Group's ethics, corporate citizenship, environmental risks, sustainability initiatives and stakeholder relationships. The committee operates under a formal charter, reviewed annually by the Board, and ensures that SPAR balances business needs with stakeholder expectations. Regular feedback is received from the Audit and Risk Committees, as well as from the SPAR and Build it Guild Social and Ethics Committees.

Composition

As of 26 September 2025, the committee comprised independent non-executive directors:

- Sundeep Naran (Chairperson)
- Shirley Zinn
- Liesbeth Botha
- Marie Jamieson
- Lwazi Koyana

Following Kevin O'Brien's retirement, Phumlani Dyini was appointed as Group Executive: Risk, Governance and Sustainability and serves on both the Risk and Social, Ethics and Sustainability Committees. Permanent invitees include the Board Chairman, Human Resources Executive and Group Company Secretary, who also serves as Committee Secretary.

Evaluation

The committee undergoes a performance review every two years. The most recent assessment, conducted in 2025, confirmed that the committee has the necessary skills, knowledge and experience to fulfil its governance responsibilities effectively.

Meetings

The committee held three meetings this year.

Attendance is detailed under meeting attendance (page 65).

Committee focus areas

Embedding sustainability beyond compliance

Sustainability is more than a checklist. It reflects how the organisation acts at every level. Tracking metrics is a necessary starting point, but true progress comes from embedding purpose into practice.

The committee actively monitors sustainability efforts, manages ESG risks and opportunities, and reinforces ethical conduct across decision-making, culture and governance. The focus is on integrating ESG into SPAR's core strategy to ensure it supports long-term value creation rather than merely regulatory compliance.

Strategic adoption of CSRD framework

To enhance transparency, comparability and oversight across territories, SPAR adopted the CSRD framework in 2024. This aligns disclosures with international benchmarks, the JSE Sustainability Disclosure Guidance and double materiality principles, giving a holistic view of sustainability impacts, risks and opportunities.

SPAR is developing a centralised sustainability dashboard to consolidate ESG data across our territories. The dashboard will enable consistent tracking, cross-border comparability, assurance readiness and transparent stakeholder engagement. We aim to implement the dashboard by the end of the first half of 2026.

“ At year end, the committee reviews its work plan to confirm fulfilment of its mandate under its terms of reference and regulatory requirements. Self-assessment ensures diligence and proactive oversight. Based on this review, the committee is confident that it has fulfilled its obligations for 2025.

Monitoring ESG outcomes

During the reporting period, the committee monitored ESG performance in collaboration with the Audit and Risk Committees. Focus areas included:

- Group environmental and socio-economic development reports
- Integrated and sustainability reporting, including double materiality assessment
- Stakeholder engagement and strategic alignment
- Compliance with Internal Code of Best Practice, UNGC principles and OECD anti-corruption standards
- External political and public policy developments affecting operations and reputation
- Whistleblowing mechanisms and ethics culture survey outcomes
- Human resources reporting, including employment equity and transformation under B-BBEE

- Corporate governance updates, ESG data assurance and internal policy revisions
- Oversight of Social and Ethics Committees for SPAR Health, SPAR Encore, the SPAR Guild and Build it Guild

Overseeing transparent ESG communication

The committee contributed to SPAR's sustainability and integrated reporting, AGM briefings and framework-aligned disclosures. SPAR's ESG narrative highlights initiatives such as cage-free eggs, sustainable seafood, net-zero deforestation products, and local sourcing through Supplier Development Hub programmes.

Retailers are supported in embedding ESG practices at store level, and suppliers are engaged across geographies. Feedback channels, including whistleblower reports and consumer complaints, are monitored to ensure timely escalation and response.

Whistleblowing and governance

SPAR subscribes to Deloitte's Tip-offs Anonymous independent hotline, enabling confidential reporting of unlawful conduct. Ethical standards are reinforced through a Code of Ethics applying to employees, directors, retailers and suppliers. Supporting policies address conflicts of interest, gifts, bribery, fraud, information protection, technology use and workplace harassment.

In 2025, SPAR investigated all 69 whistleblowing tip-offs (up from 55 in 2024), with outcomes as follows:

- 69 tip-offs were investigated (2024: 55)
- 17 related to independent retailers (2024: 12)
- 18 remain under investigation (2024: 10)
- 35 were false (2024: 23)
- 2 were received outside the hotline (2024: four).

External assurance of ESG outputs

In line with King IV, the committee ensures ESG disclosures undergo independent verification. Key outputs externally assured included SPAR's CDP climate data (Scope 1, 2 and 3 emissions) and B-BBEE scorecard. Full assurance of integrated and sustainability reports is planned, with ongoing efforts to strengthen data governance, cross-functional collaboration and international framework alignment.

Committee priorities for 2026

- Tracking long term ESG targets through short and medium-term execution plans
- Strengthen measurement and disclosure of societal outcomes
- Expand stakeholder-outcome reporting
- Integrate King V sustainability governance expectations; enhance internal controls for non-financial reporting
- Reduce our carbon footprint by enhancing energy efficiency and maximising renewable energy in SPAR-owned assets and decarbonising logistics
- Advancing climate-resilient food products
- Expand the Supplier Development Hub operations beyond Limpopo, to become a key enabler of inclusive agricultural value chains, strengthening the participation of smallholder farmers and emerging agribusinesses nationwide



Sundeep Naran

Chairperson: Social, Ethics and Sustainability Committee

17 December 2025

Business Transformation Committee report

Transforming today for a stronger tomorrow

The Business Transformation Committee provides strategic oversight of SPAR's ongoing transformation initiatives. In 2025, the committee continued to guide initiatives that modernise operations, enhance digital capability, optimise retail formats and improve employee engagement to position SPAR for sustainable growth in an evolving retail environment.

Committee governance

Role and responsibilities

The committee operates under terms of reference approved annually by the Board. Its responsibilities include:

- Overseeing SPAR's business transformation strategy and roadmap
- Monitoring implementation of key transformation initiatives
- Evaluating change management effectiveness
- Reviewing risks associated with transformation to ensure appropriate mitigation

Composition

As at 26 September 2025, the committee comprised:

- Liesbeth Botha (Chairperson)
- Marie Jamieson
- Mike Bosman
- Pedro da Silva
- Angelo Swartz
- Megan Pydigadu

Evaluation

A committee self-evaluation was conducted in 2025. The Board is satisfied that the committee continues to operate effectively and fulfil its responsibilities under its terms of reference.

Meetings

The committee held four meetings this year.

Attendance is detailed under meeting attendance (page 65).

Committee focus areas

As a newly formed committee, our priority was to provide strong governance for the Group's transformational journey towards becoming a future-fit organisation. The committee focused on defining the key pillars of this transformation and identifying the core programmes that would drive it forward, including:

- Ensuring the completion and acceleration of the core operational systems (SAP) across the business.
- Exploring and defining a target operating model that would unlock efficiencies and cost savings, and drive enhanced retailer loyalty.
- Establishing a data and insights capability to drive enhanced enterprise data governance and reporting accuracy to improve business insight, supplier collaboration and benefits tracking across the Group. This work laid the foundation for consistent, evidence-based decision-making and long-term performance visibility.
- Delivery network development included overseeing the build-out of the SPAR2U delivery infrastructure and partnerships with third-party providers such as Uber Eats, with operational models being tested for cost efficiency and scalability.
- Cultural transformation and employee engagement were prioritised by improving workforce engagement, restructuring employment packages into a unified cost-to-company model and addressing pockets of resistance to change.
- Retail format evolution continued with oversight of new store formats, including the Gourmet format, to compete effectively in premium segments while maintaining SPAR's market position.
- Change management involved monitoring the adoption of transformation initiatives across all business units, balancing modernisation with respect for SPAR's 62 year operational history.

Several of these programmes lay the foundations for multi-year evolution, and completion of full competency build-out will continue into 2026.

Committee priorities for 2026

The committee will continue to oversee the next phase of SPAR's transformation journey to embed value realisation and scale Group-wide capabilities that drive operational excellence. Key priorities for 2026 include:

- Advancing the maturity of centre-led functions in merchandising, procurement and data management to enable strategic alignment across our territories
- Building on existing foundations to strengthen Group-wide data accuracy, accountability and accessibility, ensuring one version of the truth across all business units
- Embedding measurable value-tracking to demonstrate operational and financial returns across transformation initiatives
- Human capital management to modernise employee lifecycle management and enable improved workforce insights and mobility
- Enhancing end-to-end visibility and cost optimisation across logistics networks to improve agility and reliability
- Enabling employees and retailers through targeted training, capability building and change programmes to drive adoption of new operating model
- Driving better stakeholder experiences through implementing aspects of the target operating model defined in 2025, which in turn will improve sales and retailer loyalty
- Driving brand and culture as strategic levers to improve sales and loyalty
- Continuing to monitor the implementation of our core operational systems, including the SAP ERP and warehouse management systems, the organisational transformation, and the resulting benefits realisation and return on investment
- Continuing to focus on scaling value-added services, including e-commerce, SPAR2U and Uber Eats, for our retailers and customers

“ *These initiatives help make sure the Group is well positioned to compete in a rapidly evolving retail landscape while maintaining the resilience of its established business model.* ”

ECRtq

Liesbeth Botha

Chairperson: Business Transformation Committee

17 December 2025



Explaining remuneration practices and outcomes

Report from the Remuneration Committee 78

Remuneration policy 83

Remuneration implementation report 93

This chapter offers a detailed overview of our remuneration practices and outcomes. It includes a background statement from the committee Chairperson, an in-depth look at our remuneration policy, and a report on implementing these practices.



Key abbreviations used in this chapter

STIs	Short-term incentives	WACC	Weighted average cost of capital
LTIs	Long-term incentives	HEPS	Headline earnings per share
CTC	Cost to Company	TSR	Total shareholder return (relative to peers)
CSP	Conditional Share Plan	NMW	National minimum wage
MSR	Minimum Shareholding Requirement	ESG	Environment, social and governance
ROCE	Return on capital employed	EBITDA	Earnings before interest, tax, depreciation and amortisation
ROE	Return on equity	GBV	Gender-based violence
CPI	Consumer price index		

Report from the Remuneration Committee

Rewarding performance for long-term sustainable growth aligned to shareholder expectations

Sound and effective remuneration governance is about more than compliance. It is a commitment to fairness and transparency.

I am pleased to present the SPAR remuneration report for FY2025. During FY2025, we continued our journey to enhance SPAR's remuneration policy and practices to align with stakeholder expectations and support the Group's long-term growth. Our remuneration policy is also designed to drive and align pay for performance outcomes while ensuring that we operate within our fair pay principles as guided by our newly developed Group Fair Pay Policy.

A new performance management system, "Unleash your Performance", was introduced during the year, with the primary objective of establishing a high performance culture at SPAR that's clear, consistent and growth-focused. The new system provides a platform for all employees at SPAR to own their career paths, shape their futures, and turn everyday conversations into opportunities for growth, accountability and results.

To support the "Unleash your Performance" framework, the STI design has been enhanced to align and drive a "pay for performance" culture. Changes to the STI design are detailed in the remuneration policy under the STI section of this report.

In response to the feedback received from our shareholders during the engagement sessions, we have also implemented changes to our CSP construct with effect from FY2026 onwards. Changes to the CSP construct are detailed in the remuneration policy under the LTI section of this report.

We are also proud to confirm that SPAR implemented the first step toward a living wage for our employees in the central office and distribution centres. The living wage implementation is split into two phases where the first phase includes a living wage of R12 500 per month (total cost to company) effective 1 January 2026 and the second phase at R15 000 per month (total cost to company) effective January 2027. This milestone reflects our ongoing commitment to improving overall employee well-being and addressing income inequality in a fair and responsible manner. Furthermore, our smaller subsidiaries and corporate stores under the SPAR Group have also committed to paying a fair wage from FY2026 onwards. The fair wage is defined as an economically viable rate of pay that is above the prescribed NMW, ensuring alignment with the Group Fair Pay Policy principles. The fair wage forms part of a structured approach to move away from paying the rates as prescribed by the NMW.

After a thorough evaluation, the committee confirms that the remuneration policy has successfully met its objectives.

Committee governance

Role and responsibilities

The committee's role and responsibilities are governed by its terms of reference as reviewed and approved annually by the Board. The committee's mandate is to ensure the Company remunerates fairly, responsibly and transparently across all levels.

In executing this, we annually review the Company's remuneration policy to ensure it promotes the achievement of strategic objectives and encourages individual performance and team performance.

“ We are satisfied with the outcome and confident that we have met our responsibilities under our terms of reference. ”

Composition

As of 30 September 2025, the committee consists of independent non-executive directors Mike Bosman, Shirley Zinn (Chairperson) and Liesbeth Botha.

Details on members' qualifications and experience are available under the SPAR Board of Directors (pages 62 and 63).

The Group CEO, Group HR Executive and Group Remuneration and Benefits Executive attend meetings by standing invitation to make proposals and provide such information as the committee requires. The invitees recuse themselves from the meeting during discussions and decisions about their performance and remuneration.

Evaluation

The committee's performance is reviewed every two years, with the most recent evaluation in 2025 and the next scheduled for 2027.

Meetings

The committee met seven times during the year including four standard quarterly meetings and three additional meetings.

Members' attendance is detailed under meeting attendance (page 65).

Factors that influenced remuneration decisions

During the year, SPAR continued to operate in highly competitive, tough and constrained retail environments with ongoing pressure on consumer spending patterns. Despite this, we have made deliberate progress against the milestones we set to simplify and optimise our portfolio and strengthen our balance sheet as part of the strategic reset to “Unleash the Power of Independent Retail”.

The Group organisation structure was reviewed and realigned to strengthen the effectiveness of the leadership teams to support our strategic reset and future ambitions. Several critical vacancies were filled during the year, with leadership appointments and refreshed talent bringing a diverse range of experience and skills to the Group. A new reward and benefits capability was introduced within the HR Team, a first for SPAR, to ensure we create a remuneration strategy to attract, motivate, retain and develop talent in a fair and equitable way.

We have continued our investment in modernising our people processes by partnering with Workday to roll out a new end-to-end human capital management system designed to streamline our processes and improve service to our people across the Group. During FY2026, the CTC transition project will be wrapped up which will result in all our Paterson F to C band employees having one consolidated single-figure CTC.

As a committee, engagement with shareholders remains a key part of reviewing our remuneration policy to ensure that we align with their expectations. During the year, engagement with shareholders was proactive and resulted in key changes and updates to the design and structure of the various components within the remuneration policy.

Overall, while the FY2025 year presented significant challenges, we remained resilient and focused on delivering on our strategic priorities. We successfully sold the SPAR Poland and SPAR Switzerland businesses and the UK business, AWG, is accounted for as a discontinued operation. Our focus remains on driving continued margin improvement, executing effectively in our core markets within Southern African and Ireland and delivering on the remaining elements of our strategic reset.

The salient financial features (comparable on a 52-week basis) affecting SPAR's performance and informing remuneration decisions were:

Group turnover ¹	Cash generated from operations
Increased by 1.6% to R132.4 billion	Increased by 13.3% to R5.4 billion
(2024: R130.3 billion)	(2024: R4.8 billion)
Group operating profit from continuing operations	Diluted headline earnings per share
Increased by 2.3% to R2.78 billion	Decreased by 8.9% to 795.8 cents
(2024: R2.72 billion)	(2024: 874.0 cents)
Return on capital employed	
Achieved a 14.4% return	
(excluding UK, Switzerland and Poland)	

¹ Revenue on a comparable 52-week basis, for continuing operations.

The input from independent advisors

Committee members can access any necessary information to support their independent judgement on remuneration-related matters, including compliance, risk mitigation and the control environment.

During the year, SPAR engaged the services of VASDEX Associates (Pty) Ltd as remuneration consultants for specific *ad hoc* remuneration-related matters.

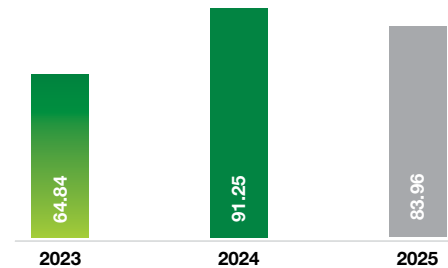
During the latter part of the year, the committee embarked on a formal process to appoint a permanent independent advisor to the committee. This process culminated in the appointment of Bowmans Reward Advisory Services as the independent external advisor effective 15 May 2025.

The Remuneration Committee was satisfied that VASDEX Associates (Pty) Ltd and Bowmans Reward Advisory Services maintained independence and objectivity during the period.

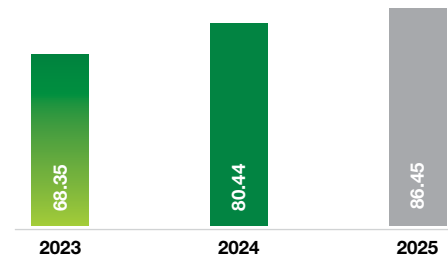
Engaging with shareholders

At the 2025 AGM, shareholders voted on the 2024 remuneration report in two parts:

Supporting votes for the SPAR remuneration policy (%)



Supporting votes for the SPAR implementation report (%)



The voting outcomes at the 2025 AGM results meant that we were not required by King IV and the JSE Listings Requirements to engage with shareholders formally. However, engaging with shareholders remains a key part of the committee's work plan and is essential for aligning our remuneration practices with SPAR's long-term success.

We actively seek shareholder feedback to understand their concerns, allowing us to address potential issues early and maintain transparency. By clearly communicating our responding actions and the rationale behind them, we aim to build trust and reassure stakeholders that we are committed to the best interests of the Group and its stakeholders.

“ These results reflect ongoing support from our shareholders from 2024 onwards as we continue to enhance the Company's remuneration practices to meet stakeholder expectations and support growth.

Specific engagement focus areas

Minimum Shareholding Requirements	Shareholder feedback Based on shareholder feedback, MSRs achievement at CEO level is 300% in the market practice. Response from SPAR The committee conducted a comprehensive review of the existing MSR policy to ensure alignment with shareholder expectations and market competitiveness. The outcome of the review resulted in the introducing of a new refined MSR policy with effect from 28 November 2025. Salient features include: • Group CEO – 200% of CTC • Group CFO and Group COO – 150% of CTC • Prescribed officers – 100% of CTC • Measurement date – five years to build up MSR from date of policy approval • Personal investment shares – accommodate own shares to count towards the MSR target on pre-tax basis (allow for tax gross up) which is aligned to the committed shares pre-tax approach permitted under section 8C • Include a transitional arrangement clause for the re-commitment of previous committed shares under the previous MSR policy	LTI – Long-term bonds as an appropriate target for ROCE	Shareholder feedback Shareholders indicated a concern regarding the link of ROCE as a performance measure to a target of three-to-five-year long-term bonds within the LTI scorecard. Response from SPAR The committee has refined its LTI scorecard from FY2026 onwards and will replace long-term bonds with WACC targets for each performance level when measuring ROCE performance. More detail on the FY2026 LTI scorecard is disclosed in part 2 of the report.
LTI – Adjusting the performance target for HEPS at minimum threshold vesting	Shareholder feedback Shareholders indicated that the current target of achieving CPI for a minimum threshold vesting (vesting of 30%) is not onerous enough. Response from SPAR Threshold vesting at 30% for achieving CPI reflects a minimum inflationary baseline of performance. The majority of the vesting occurs at on-target performance (65% vesting) and stretch performance (100% vesting) where CPI + 3% and CPI + 6% is required which is deemed appropriate as it aligns well with our peers in the retail sector.	LTI – financial performance metrics	Shareholder feedback Shareholders indicated that Return on Equity (ROE) is an important and appropriate financial metric. SPAR's LTI scorecard does not include ROE as a performance measure. Response from SPAR While ROE is a key metric for shareholders, ROCE strikes the right balance between meeting shareholder expectations and driving operational efficiency through effective use of capital to achieve sustainable profits. ROE is strongly influenced by gearing and tax matters, whereas most members of management focus on generating operating profit before interest and tax, and managing working capital. ROCE is primarily used by retailers, and ROE by financial services companies. ROCE will be retained in the LTI scorecard as detailed in part 2 of the report.
LTI – consideration of a cash flow metric in the LTI scorecard	Shareholder feedback Shareholders indicated that relative TSR is a well-known used financial metric, however cash flow performance measures are deemed more appropriate to SPAR. Response from SPAR The committee has refined its LTI scorecard from FY2026 onwards and will replace relative TSR with a cash conversion ratio defined as operating cash flow divided by EBITDA with a target range of 80% threshold, 90% on-target and 100% stretch. More detail on the FY2026 LTI scorecard is disclosed in part 2 of the report.	ESG-related performance metrics	Shareholder feedback Shareholders indicated that the LTI scorecard requires an ESG metric aligned with market practice and ESG priorities of SPAR. Response from SPAR The committee has refined its LTI scorecard from FY2026 onwards to include an ESG metric that is specifically focused on the “S” part of the ESG definition. The “S” factor includes SPAR's commitment towards GBV initiatives with specific focus on the revamping of the Thuthuzela Care Centres with a target range of six care centres for threshold, eight care centres for on-target and 10 care centres for stretch performance levels. The National Prosecution Authority (NPA) manages 67 Thuthuzela Care Centres across the country and the model places survivors at the centre of the process. SPAR's support for the care centres forms an integral part of its GBV initiatives, where the NPA has achieved a conviction rate of more than 77% for court cases significantly higher than the national average of 6%. More detail on the FY2026 LTI scorecard is disclosed in part 2 of the report.

“ Our commitment to transparent engagement means acknowledging diverse opinions while striving for a unified direction.

At the 2026 AGM, the remuneration policy and the remuneration implementation report will be tabled separately for non-binding advisory votes by shareholders.

If the remuneration policy or the implementation report of the Company is voted against by 25% or more of the voting rights exercised on the resolutions by shareholders present or represented by proxy at the AGM, the Company will in its voting results announcement pursuant to paragraph 3.84(j) of the JSE Listing Requirements extend an invitation to dissenting shareholders to engage with the

Company to discuss their reasons for their dissenting votes; and the manner and timing of such engagement will be specified in the SENS announcement following the AGM. The committee will:

- address legitimate and reasonable objections raised; and
- if required, amend the remuneration policy or clarify and/or adjust the remuneration governance, processes or disclosure.

Committee focus areas

In addition to the matters resulting from shareholder engagement, the committee also focused on the matters set out below.

Continue to transform the HR function	The committee continues to review and oversee the transformation of the Group's HR function, emphasising digitisation to modernise HR and payroll systems. As noted above in the report, we have invested in a new HR system, Workday. This investment aims to improve efficiency, leverage data analytics for better decision-making, streamline processes and reduce reliance on manual data collection. It also marks a significant first milestone for SPAR to invest significantly in "people" technology.
Independent benchmarking and gender and racial pay gap analysis	SPAR is committed to pay parity. The equal pay for equal work of value principle is central to our reward structure and philosophy, while allowing fair differentiation where justified. Pay differentiation may occur based on individual performance, scarcity and critical skills as well as length of service. We continued to engage with our independent advisors to conduct a benchmarking exercise, comparing SPAR's practices against industry peers to ensure the Company exceeds industry standards. Findings from these analyses received in November 2025 highlighted certain gaps. Management has been mandated to review these gaps and make amendments as necessary in FY2026. We have also opted to continue disclosing the wage gap statistics in line with the Companies Act Amendments. We have shown the 2025 outcomes compared to 2024 disclosures. Refer to page 83 for the outcomes.
Cost to company transition	The committee monitored the progress of the cost to company transition process within SPAR. During FY2025, two phases were completed successfully and the final two phases (D and C band employees within the distribution centres) will be completed during FY2026.
Annual increases and incentives	The committee recommended a salary increment of 5.0% and 6.0% for FY2026 for management and general employees, respectively, in South Africa, which the Board subsequently approved. We also oversaw salary adjustments for foreign subsidiaries, with increases ranging from 3% to 5% in Ireland.
The Remuneration Committee approved 2025 Remuneration Report to be included in the integrated annual report	We provided recommendations for enhancing the development process of remuneration reports, focusing on streamlining content and ensuring clarity. The Remuneration Committee approved including the report in the integrated annual report.
Policies	MSR policy We have revised the MSR policy to strengthen alignment between executives and shareholders, ensuring that executives have a vested interest in the long-term success of the Group. Group Fair Pay Policy The Group Fair Pay Policy was proposed and adopted in August 2024. This policy is currently being executed in the business.

Changes to the remuneration policy FY2025

Remuneration element	Non-executive director fees	Cost to company	CSP and RSP
Reason for change	Reviewed fees for 2025/2026, considering inflation adjustments for non-South African directors.	Modernise the pay structure for Grades F to C within the distribution centres and central office.	Approved performance share allocations to incentivise executives and support retention.
Remuneration outcome	Increased fees were approved at the AGM on 28 February 2025.	Converted employees from a basic + structure to a cost to company structure. Phases 1 to 2 were completed during FY2025.	Granted up to 839 554 performance shares valued at R118.9 million for 2025 using a closing share price of R133.09 on date of award.
Read more	Page 96	Pages 79 and 81	Page 88

FY2026

Remuneration element	STI scheme	LTI scheme	Cost to company	CSP and RSP
Reason for change	To drive performance outcomes, motivate employees, and focus on long-term achievement in line with the philosophy of “pay for performance”.	Conducted regular reviews of LTI and scorecards for key executive roles to align with industry standards.	Modernise the pay structure for Grades F to C within the distribution centres and central office.	Approved performance share allocations to incentivise executives and support retention.
Remuneration outcome	The repositioning of individual performance from a solid weighting to a bonus modifier encourages individual performance differentiation across all levels which drive a “pay for performance” culture.	Approved adjustments to LTI targets and considered new performance metrics effective from FY2026.	Continue to convert employees from a basic + structure to a cost to company structure. Phases 3 to 4 to be completed during FY2026.	Approved an LTI allocation pool valued at R109.7 million for 2026. Allocation based on percentage of cost to company (previously based on percentage of annual basic salary).
Read more	Page 87	Page 88	Pages 79 and 81	Page 90

Remuneration outcomes for 2025

Adjustment for management (E band to C band employees)	Adjustment for executive directors	Adjustment for non-executive directors	Adjustment for staff (B band to A band employees)
↑ 5.0%	↑ 5.0%	↑ 5.0%	↑ 6.0%

“ To attract quality Board members, we must offer competitive fees reflecting their increasing responsibilities.”

Priorities for 2026

We will continue to engage with shareholders to incorporate their insights and concerns into our approach. Specific areas of focus will be:

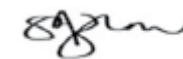
- Implement Phase 2 of the living wage commitment to R15 000 per month (based on total CTC) for all employees in the distribution centres and central office
- Continue the fair wage journey within the smaller subsidiaries to ensure that the lowest rate of pay is above the NMW
- Align the MSR policy to best practice standards
- Review and implement a job architecture structure for the E band employees.
- Improve the CSP scorecard by adjusting the performance measures, weightings, target setting to better align with shareholder expectations
- Continue to assess opportunities to refine the STI scheme to ensure alignment with strategic objectives and shareholder expectations
- The changes in STI on-target award multiples and the LTI face value allocation support the transition towards a CTC pay structure and align to the market practice
- We aim to modernise our approach, aligning it with market standards and enabling more accurate benchmarking and clearer insights into employee compensation

Fulfilling our mandate and commitments

I can confirm that the Remuneration Committee has fulfilled its obligations outlined in our terms of reference. There have been no deviations from our agreed policies, and we maintain thorough documentation to support our processes.

The committee is satisfied that SPAR's remuneration philosophy and policy align with the Group's strategic objectives by incentivising short- and long-term behaviours to achieve and exceed goals. Furthermore, the increased transparency around pay structures will offer employees greater visibility and contribute to attracting top talent to SPAR.

I look forward to sharing further updates as we progress through FY2026. Thank you for your continued support.



Shirley Zinn
Chairperson: Remuneration Committee

17 December 2025

Remuneration policy

Remuneration philosophy

SPAR values its employees as essential to achieving the Group's strategic objectives. We are committed to providing fair, competitive, and market-related remuneration to attract and retain top talent.

Our remuneration policy aims to:

- Position remuneration levels competitively within the labour market
- Reward individual contributions towards achieving the Group's goals
- Drive a "pay for performance" culture aligned with the "Unleash your Performance" management framework

In addition to fixed remuneration, we offer variable remuneration through short- and long-term incentive schemes linked to specific performance targets. This approach enhances our ability to attract and retain key employees.

Differentiation and benchmarking

We apply fair differentiation based on performance and skills shortages, regularly benchmarking against comparable companies and monitoring national remuneration trends.

SPAR uses reputable salary surveys including the REMchannel national survey to inform our remuneration guidelines based on the Paterson grading system.

Market positioning

We strive to remunerate key positions, especially those with critical and scarce skills, at the upper end of the market while ensuring that other positions are market competitive. Given the identified shortage of qualified senior managers and executives, we consider the associated premium necessary for talent retention.

Furthermore, employees promoted to executive management roles will see their remuneration enhanced over three years based on performance-linked progression.

Performance management

Our performance management system ensures a positive correlation between individual and team performance and earned remuneration, with management responsible for supporting the Group's long-term sustainability. During FY2025, a new performance management system was introduced on 1 March 2025 – "Unleash your Performance". The new performance management policy is directly linked to the organisation's strategic plans and the operational plans. The policy is, by its very nature, a tool that can be used to facilitate the translation of these strategic plans into specific key performance areas (KPA's).

Fair and responsible remuneration

We engaged independent advisors, Bowmans Reward Advisory Services to:

- Conduct a comprehensive pay gap analysis to identify wage disparities
- Analyse gender and racial pay disparities

The findings from these analyses are disclosed below and highlight certain gaps and disparities. Management has been mandated to review these gaps and disparities to make the necessary amendments in FY2026.

Pay gap analysis findings*

Category	Total remuneration 2025**
Rand values (average/median)	
Highest paid employee (CEO)	R18 192 313
Average top 5%	R3 386 611
Average remuneration	R644 785
Median remuneration	R339 046
Average bottom 5%	R143 517
Lowest paid employee	R107 435
Ratios	
CEO to lowest paid ratio	169.0
Top 5% vs bottom 5% ratio	23.6

* The pay gap analysis was performed in line with the Companies Act amendments using actual payroll data as September 2025 but limited to permanent employees in the central office and distribution centres. The lowest paid permanent employee will increase to R150 000 per annum (40% increase) in line with the SPAR's living wage for phase 1 in FY2026.

** The calculation of total remuneration is based on annualising the guaranteed pay, combined with the actual values of all variable and once-off payments processed via the payroll during FY2025.

Living wage and fair wage commitments

A fair pay policy was developed and implemented in FY2025. The fair pay policy details the Group's approach towards paying a living wage, fair wage and market-related competitive salaries. The policy also includes the Group's commitment to comply with the Companies Act amendments to publicly disclose the five key ratios (lowest paid, highest paid, median of all employees and the top 5% compared to the bottom 5%).

The committee is pleased to confirm that the Group will be implementing a living wage over a two-year period. Phase 1 (FY2026) includes a living wage of R12 500 and in phase 2 (FY2027) the living wage will increase to R15 000. The living wage is limited to employees in the distribution centres and the central and Group offices. Full disclosure of the approach, rationale and plan will be available in the FY2025 report.



Further to the living wage, the Group will also adopt an economically viable “fair wage” for the SPAR Health, SPAR Encore, SPAR Engage, SPAR Engine businesses and corporate-owned stores. The fair wage will be higher than the NMW. These initiatives demonstrate the commitment to pay a meaningful wage to employees within SPAR.

The implementation of the living wage which effectively acts as a minimum pay threshold for the distribution centres and central and group offices in line with the living wage principles.

“ The gender pay gap and race pay gap analysis for FY2025 was based on the basic salary to ensure consistency with prior year disclosures. From FY2026 onwards, the analysis will be based on CTC after all F to C band employees have transitioned to a CTC structure.

Paterson grading definitions

Bands A to CU (Non-management)

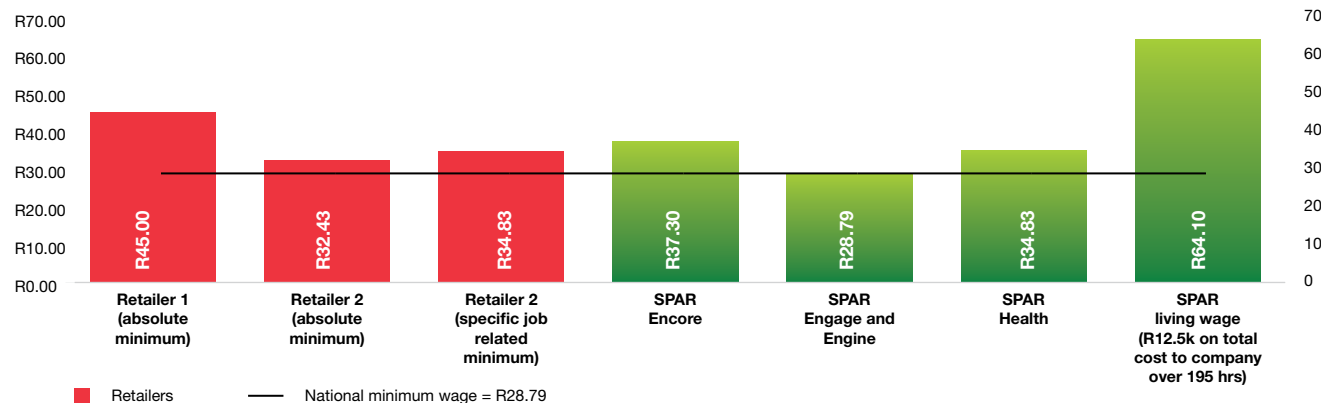
A	Low-level skilled
B	Clerical
C	High-level skilled/clerical/supervisory
CU	Lower-middle management

Bands D to F (Management)

D	Management
DU	High-level specialists/middle to senior management
EL and EU	Functional executives and senior executives
F	Forward looking
FL	Group Chief Financial Officer and Group Chief Operating Officer
FU	Group Chief Executive Officer

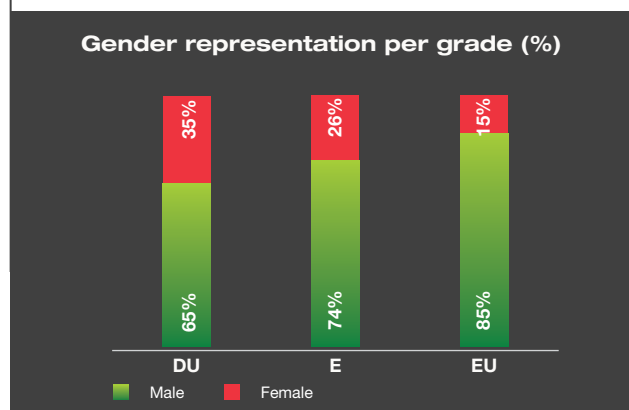
Below is an overview of the living wage and fair wage compared to the NWM and our retail peers (translated into hourly rates):

Fair wage - Hourly rate comparison - Retail

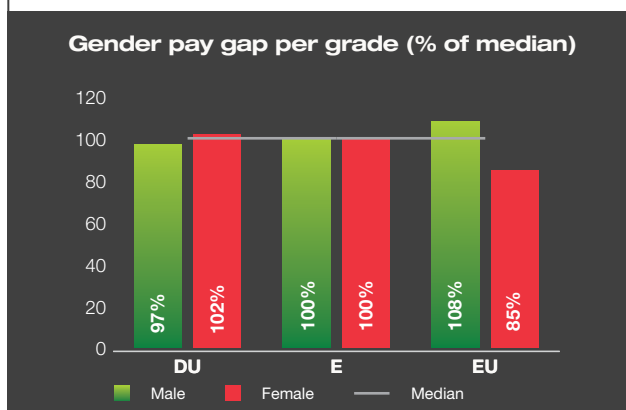


Gender pay gap findings

This graph illustrates the proportion of female and male employees in each grade at SPAR.



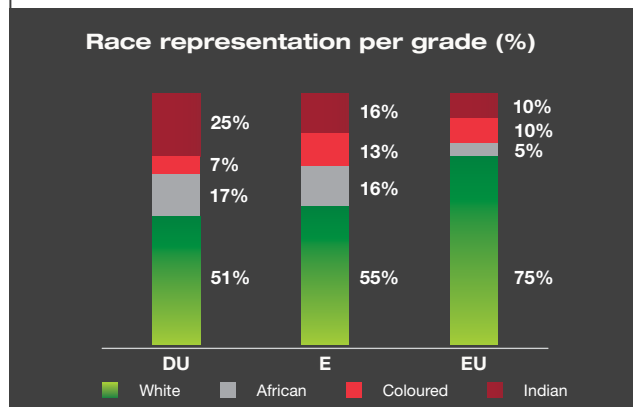
This graph highlights the gender pay gap for female and male employees in each grade, with the median pay for all employees in the respective grade set at 100%.



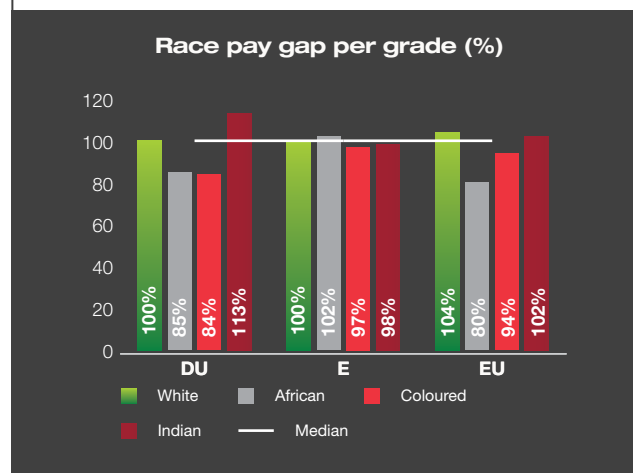
Overall, the gender pay gap shows an improvement on prior year specifically at the E and EU grades.

Race pay gap findings

To provide context to the pay gap outcomes, this graph indicates the representation per grade of White, African, Coloured and Indian employees per grade for SPAR.



To provide context to the pay gap outcomes, this graph indicates the representation per grade of White, African, Coloured and Indian employees per grade for SPAR.



The committee has mandated management to investigate gaps that fall outside the 15% tolerance range to determine if they are supported by legitimate, non-discriminatory factors. Where no such justification exists, an action plan for adjustments will be considered to reduce or eliminate the gap, in a financially sustainable manner during FY2026.

Remuneration process

The committee approves salary increases for executive directors and management.

The Group CEO and CFO manage increases for employees below EU grade, and the committee authorises the overall percentage increase.

Salary adjustments are as follows:

- 1 January: Employees graded DU band and below (not in the bargaining unit)
- 1 October: Employees graded EL band and above
- As per collective agreements: Employees in the bargaining unit

Remuneration structure FY2025

	Fixed remuneration		Variable remuneration
	CTC	STIs	LTIs
Objective	To help attract and retain the best talent.	To motivate and incentivise performance delivery, financial and non-financial, consistent with the Group's strategy over the financial year.	To motivate and incentivise the delivery of long-term, sustainable performance.
Type	Salary and benefits.	Performance Bonus Plan.	CSP.
Policy	Based on the Paterson grading methodology, it is determined by the level of skill, experience and scope of responsibilities.	Solely at the discretion of SPAR and can be changed or withdrawn at any time. STIs are only paid to individuals employed by the Company at the end of the financial year.	Annual or <i>ad hoc</i> awards approved by the Board are granted to employees graded EL and above, and to selected other employees on merit. These may be either performance (CSP) or retention awards (RSP). However, executive directors will not typically receive retention awards unless exceptional circumstances require a mechanism to secure executive lock-in.

FY2026

	Fixed remuneration		Variable remuneration
	CTC	STIs	LTIs
Objective	To help attract and retain the best talent.	To drive performance outcomes, motivate employees and focus on long-term achievement.	To motivate and incentivise the delivery of long-term, sustainable performance.
Type	Salary and benefits.	Cash.	CSP.
Performance	Not applicable.	Annual performance measured against the Group, business and individual performance objectives.	Vesting based on three-year performance targets.
Policy	Based on the Paterson grading methodology and determined by level of skill and experience and scope of responsibilities.	Solely at the discretion of the Company and can be changed or withdrawn at any time. STIs are only paid to individuals who are in the employ of the Company at the end of the financial year.	Annual or <i>ad hoc</i> awards approved by the Board are granted to executive directors on merit. Awards are designed to align a portion of senior executive remuneration with the shareholder experience.
Applicability	A to FU bands	A to FU bands	EL to FU bands

Fixed remuneration

Fixed remuneration consists of cash remuneration, pensionable remuneration and benefits, and is structured as follows:

Bands A to CU (Non-management)

- Salary
- Guaranteed 13th cheque payable in December of each year – this amount forms part of the employee's pensionable remuneration
- Benefits

C and CU bands will move to a CTC structure during FY2026.

Bands D to F (Management)

All D to F bands have transitioned to a CTC structure where the last phase was implemented on 1 November 2025 for D band employees in the distribution centres. All permanent full-time employees are required to become members of one of the Company's available retirement funds, namely:

- The Old Mutual SuperFund Provident Fund: The SPAR Company Management Provident Fund¹
- The Old Mutual SuperFund Pension Fund: The SPAR Company Ltd Defined Contribution Pension Fund
- The Old Mutual SuperFund Provident Fund: The SPAR Company Ltd Staff Provident Fund

¹ *The SPAR Company Management Provident Fund is limited to EL and above employees.*

Membership in a medical aid scheme is voluntary. The Company offers two medical aid schemes for employees to join, including the Consumer Good Medical Scheme (CGMS) as well as Discovery Health Medical Scheme (Discovery Health). As part of the CTC transition, Discovery Health was introduced as an additional medical aid option with AON SA being appointed as the official healthcare consultant to provide medical aid advice to employees.

Other variable remuneration, such as allowances, is provided where applicable, in line with legislation and collective agreements with unions or workers' committees.

We also provide additional and non-financial benefits as outlined below:

Benefit	Detail
Pension/ Provident fund benefit	Mandatory contribution from the Company towards retirement savings including various contribution options for employees to choose from.
Disability benefit	Insurance cover for temporary and permanent disability and inability to work during employment.
Death benefit	Lump sum benefit in the event of death during employment payable to nominated beneficiaries.
Funeral benefit	Lump sum benefit paid to family for funeral assistance.
Medical aid benefit	On a voluntary basis, we offer a choice between CGMS or Discovery Health. Employees have access to a dedicated healthcare consultant, AON SA, to gain insight and advice on medical aid plan structuring based on their family needs.
GAP cover benefit	Discounted premium rate offered employees via AON SA to assist with co-payments during in-hospital procedures and tariff shortfalls.
Learning and Development benefit	A variety of learning and development opportunities are available through the SPAR Retail Academy including bursaries and study assistance for tertiary education.
Staff discount benefit	Discount for purchases at SPAR stores
Canteen benefit	Subsidised canteen meals are provided to employees across all distribution centres.
Uniform benefit	A uniform benefit is provided to employees to wear SPAR branded uniforms.
Clinic benefits	Employees have access to an on-site clinic across the distribution centres.

Variable remuneration

STIs for FY2025

All eligible employees participated in the STI scheme for FY2025 as follows:

Bands A to CU (Non-management)

Performance bonus of up to 50% of one month's salary or part thereof, based on achieving set targets. The targets are based on key issues in the business strategy and are mainly financial targets.

Bands D to F (Management)

Performance bonus, as follows:

Grade	% of basic annual salary (On-Target)*	Bonus split into financial: individual transformational weightings
F band	Specific Rand value STI allocation applies	Specific executive scorecard applies for Group CEO, Group CFO and Group COO
EU	100	70:20:10
EL	60	60:30:10
DU	30	30:60:10
DL	15	30:60:10

* All D to F bands have transitioned to a CTC structure where the last phase was implemented on 1 November 2025 for D band employees in the distribution centres. For STI purposes, the base value was the basic salary until conversion to CTC was completed where equivalent basic to CTC ratio was applied.

STIs are formulaically determined based on the achievement of financial, functional and transformational targets, which differ depending on the line-of-sight and reporting lines of the relevant employee. Weightings for each of these areas will differ depending on the job role and segment of the employee.

The formula for determining STIs for FY2025

STI = [Annual basic salary x applicable % as per table above] x [(Financial performance score x applicable weighting) + (Functional performance score x applicable weighting) + (Transformational performance score x applicable weighting)]

Financial performance score

The financial element of the STI is based on profit:

- Profit after tax for executive directors and central office management
- Targeted divisional profit before tax for divisional management in the distribution centres

The profit target threshold starts at the previous year's profit (adjusted for extraordinary items) and increases to the maximum stretch level, which aligns with the Board-approved internal budget. Considering current market conditions, budgets are set using a historical earnings baseline, adjusted for extraordinary impacts and increased by CPI projections plus 2% to 3% real growth.

On-target achievement is set at approximately 100% of the budget. This ensures the budget reflects a challenging target, allowing management to focus on relevant components throughout the year. The Board scrutinises the budget process and key considerations, with details retrospectively disclosed in performance reports.

This structure promotes a performance culture where management is rewarded as shareholders see real earnings growth from a stabilised baseline.

Individual performance score

The functional component includes corporate objectives (e.g., transformation) and individual objectives relevant to each manager's role.

Achieving these targets supports the Group's strategic goals and sustained shareholder value. Pay for performance is a fundamental principle of the STI, with variable payments tied to performance outcomes.

Transformational performance score

Transformation equates to 10% of the total bonus opportunity across all grades. It focuses on:

- Employment and promotion of black employees
- Development of black ownership

STIs for FY2026

The target setting and performance measures for financial and transformational components of the STI construct remain the same for FY2026. The committee considered and approved a change to the individual performance within the STI construct.

From FY2026 onwards, the committee approved a change to the STI design where the individual performance component of the STI construct will no longer be structured as a solid weighting. It will be structured as a bonus multiplier to determine the final STI outcome.

The calculated STI outcome based on financial and non-financial (transformation) will be modified based on an individual's final rating as per the scale below:

Rating	Performance assessment category	STI Modifier
5	Performance exceeds stretch target	120%
4	Performance exceeds expectation	110%
3	Performance fully effective	100%
2	Performance not fully effective	50%
1	Unacceptable performance	0%

The committee is satisfied that the above change will drive and enhance the "pay for performance" culture.

Bands A to CU (Non-management)

Performance bonus of up to 50% of one month's salary or part thereof, based on achieving set targets. The targets are based on key issues in the business strategy and are mainly financial (profit) targets.

Bands D to F (Management)

The following STI construct was approved by the committee for FY2026, as follows:

Grade	% of CTC (Threshold)	% of CTC (On-Target)	% of CTC (Stretch)	Bonus split into financial and transformational	STI modifier %
F band (Executive directors)	Allocation based on a fixed Rand value (at the on-target level) where the STI achievement can be modified from 0% to 120% dependent on achievement of the specific scorecard targets				Not applicable
EU	30%	75%	108%	80:20	5 rating – 120%
EL	17%	40%	56%	80:20	4 rating – 110%
DU	8%	20%	27%	80:20	3 rating – 100%
DL	3%	10%	16%	80:20	2 rating – 50%
					1 rating – 0%

Linear interpolation between the performance levels.

The formula for determining STIs for FY2026

STI = [cost to company x applicable % as per table above] x [(Financial performance score x applicable weighting) + (Transformational performance score x applicable weighting)] x STI modifier % (based on final calibrated individual performance rating)

Remuneration committee discretion

The committee can reduce, adjust or remove the STI. This includes deferring STI payments due to cash flow considerations or not awarding STIs if financial performance thresholds (based on the prior year's results) are not met.

Change of control and termination of employment

In the event of a change of control, the STI will be calculated *pro rata*. If a participant leaves before the financial year ends, they forfeit any STI payment for that year.

Malus and clawback

Malus and clawback provisions (refer to page 91) apply to all STI payments. Clawback may be enforced (in whole or part, on the pre-tax value) for up to three years following payment if a trigger event occurs.

LTIs

The Company currently operates one LTI plan (CSP) for key employees, senior management and executive directors.

CSP

The CSP allows the Company to grant key employees shares based on achieving performance conditions.

Retention shares may be awarded in exceptional circumstances to address retention risks or to compensate new hires for lost LTI awards.

While the committee acknowledges potential shareholder concerns about retention shares, it deems them necessary to retain and recruit key executives in challenging times. It is not intended to use retention shares as rewards during poor performance years.

The committee has reviewed historical grants of retention CSPs and considers them appropriate.

The committee regularly assesses compensation practices and may decide, following best practices, against granting time-based retention shares to the executive team. After considering shareholder feedback, it did not award retention shares to executive directors.

The CSP is settled through market purchases of shares, avoiding shareholder dilution. Since its inception in 2014, all vested awards have been settled by market purchases, with no new shares issued.



Salient features of the CSP remain as follows:

Details	CSP
Description	Participants receive a conditional right to receive a share in the Company on the vesting date and will have no shareholder rights before the settlement date.
Company limit	The cumulative aggregate number of shares allocated under the CSP shall not exceed 5 200 000 shares (approximately 3% of issued share capital). This limit excludes shares purchased in the market (which is the preferred approach) and shares forfeited and not settled. The aggregate number of retention shares allocated under the CSP may not exceed 1 300 000 shares.
Individual limit	The cumulative aggregate number of shares allocated to any individual may not exceed 570 000 (approximately 0.33% of issued share capital). To prevent these numbers from being exceeded, the annual awards are capped at a percentage of cost to company, for example, the Group CEO at a maximum of 120%.
Settlement method	The intention is to settle all CSP awards from a market purchase of shares, which has been the practice since the scheme was implemented. However, the rules of the CSP do allow for settlement in any of the following ways: • Market purchase of shares • Issue of shares • Use of treasury shares
Termination of employment	Bad leavers will forfeit all awards on the date of termination of employment. In the case of good leavers, a <i>pro rata</i> portion of all unvested awards will vest. The <i>pro rata</i> portion will reflect the number of months served since the award date and the extent to which the performance conditions (if any) have been met. The balance of the awards will lapse.
Change of control	If a change of control of the Company occurs before the vesting date, a portion of the award held by a participant will vest on such date. The portion of the award that will vest will be determined based on (1) the extent to which the performance conditions are satisfied, and (2) the number of completed months served over the total number of months of the award.
Allocation methodology	The CSP is used for annual allocations. The annual allocation levels are expressed as CTC percentage. In defining these levels, SPAR assesses market benchmarks, the ideal level of lock-in it wants to attain, as well as the level of outperformance it wants to drive. To this end, allocations that may be made on an annual basis (expressed as a percentage of CTC) are as follows: • Group CEO: Fixed rand value allocation per employment contract (for FY2026 – an allocation range between 50% to 70% of CTC) • Group CFO and Group COO: Fixed rand value allocation as per employment contract (for FY2026 – an allocation range between 50% to 70% of CTC) • Executives 40% and senior management 25% • D Upper band employees based on a formal nomination by executive team to the CEO and Remuneration Committee for approval
Grant price	Not applicable.
Dividends	No dividends are paid on CSP awards; employees will only receive dividends to the extent that shares vest and become shareholders.
Vesting/employment period	The scheme rules set this at three years for the annual award of performance shares and in equal parts after years three, four and five for retention shares. Before vesting, executive directors may elect to subject settled shares to an additional holding period of three years to assist in reaching Minimum Shareholding Requirement targets.
Malus and clawback	Applicable to all awards. Clawback of any vested LTI award can be imposed (in whole or part on the pre-tax value) for three years following the vesting of the LTI if a trigger event occurs.



Performance conditions

The committee sets the annual performance conditions for share awards, incorporating shareholder feedback. These conditions are assessed over a three-year performance period, aligning with the Group's financial year.

The table below summarises the four performance conditions, their definitions, and the corresponding weightings of the total award. It also outlines the target levels for threshold, on-target, and stretch measures needed for vesting portions of the performance shares.

At the November 2025 meeting, the Remuneration Committee resolved to approve the following LTI construct that applies from FY2026 onwards:

Performance condition and weighting	Return on capital employed (ROCE) 40%	Headline earnings per share (HEPS) 40%	Cash conversion ratio 10%	ESG 10%
Definition	Earnings before interest and taxes (EBIT) expressed as a percentage of total assets minus current liabilities at the relevant year end.	Headline earnings are divided by the weighted average number of ordinary shares (net of treasury shares) issued during the relevant financial year. Headline earnings are those attributable to ordinary shareholders, excluding non-trading and capital items.	Operating cash flow defined as EBITDA adjusted for net working capital and net maintenance CAPEX divided by EBITDA.	Driving and supporting Gender-based Violence (GBV) initiatives in South Africa.
Detail	The average ROCE over the performance period will be compared to the targets set.	Growth in HEPS will be calculated as the growth between the base year and the last year in the performance period.	Operating cash flow divided by EBITDA measured at the end of the final year (year three) of the performance period.	Investment and commitment towards revamping the Thuthuzela Care Centres by the end of the performance period.
Threshold	WACC + 2%	CPI growth	80% of target	Revamp 6 Thuthuzela Care Centres
On-target	WACC + 3%	CPI + 3%	90% of target	Revamp 8 Thuthuzela Care Centres
Stretch	WACC + 5%	CPI + 6.0%	100% of target	Revamp 10 Thuthuzela Care Centres

The portion of the performance shares vesting at each target will be as follows:

Performance level	Performance level definition	Vesting achievement percentage
Threshold	Acts as a gatekeeper and will represent the minimum performance required before performance shares vest.	30% of the award of performance shares will vest for performance at threshold. Since the 2019 awards up to February 2025, the TSR award threshold for vesting has been 10%. TSR removed as a measure from FY2026 onwards. All future awards will apply this vesting percentage, until further review. None of the performance shares will vest for performance below threshold.
On-target	Relates to good performance.	65% of the award of performance shares will vest for performance on target. Since the 2019 awards up to February 2025, TSR award threshold for on-target vesting has been 40%. TSR removed as a measure from FY2026 onwards. All future awards will apply this vesting percentage, until further review.
Stretch	Relates to exceptional performance in the context of the prevailing business environment.	100% (maximum vesting) of the award of performance shares will vest for performance at stretch.

For performance levels between threshold and stretch, linear interpolation determines the proportion of shares vested.

The performance conditions of the CSP continue to be reviewed in line with best practice and shareholder feedback.

“ The committee supports shareholding by the Group’s executive directors and believes this reinforces shareholder alignment following the vesting of LTIs.

To this end, executive directors may elect to subject their CSP and/or RSP (where applicable) shares as well as any potential STI awards payable coming up for vesting/payment for a further agreed holding period, during which such shares cannot be disposed of. During the FY2025, the Group CEO elected to defer and hold his RSP tranche that vested towards the MSR target.

Minimum Shareholding Requirement

Shareholders emphasised that MSRs are vital for aligning executives’ interests with those of shareholders. The committee has refined the MSR policy to strike the right balance. While full implementation will take time, we are engaging with shareholders to clarify our objectives. We acknowledge that executives may lack the liquidity to invest in MSRs directly, so we encourage participation in LTIs and STIs that could lead to MSR compliance.

The previous MSR policy mandated that executive directors build a specific shareholding in SPAR, using shares from various sources, including vesting awards from the CSP and payment of STI awards. Changes to the MSR policy came into effect during FY2026.

Target minimum shareholding:

- Group CEO: 200% of CTC
- Group COO and CFO: 150% of CTC
- Prescribed Officers: 100% of CTC

Executives must retain their shares until the earlier of:

- Five years or termination of employment
- Abolition of the MSR policy
- Approved application to the committee under special circumstances, such as financial hardship

Vested shares are held by an escrow agent, preventing executives from trading them freely until the holding period ends. However, they can vote and receive dividends.

A transitional arrangement clause was included in the policy to allow all current in-flight committed shares on a pre-tax basis under the previous MSR policy to be automatically deemed to be committed shares under the revised MSR policy from FY2026 onwards.

Malus and clawback policy

We have established a malus and clawback policy to ensure accountability in executive remuneration. This policy was approved. We reviewed specific cases for potential recovery related to reportable irregularities but found no grounds for recovery, as enforcement of these matters has proven to be challenging.

Salient features

Malus	Clawback
The committee may reduce an award’s value before the vesting date if a trigger event occurs during the relevant period.	The committee may recover awards that have vested (on a pre-tax basis) if a trigger event arises during the three-year clawback period following vesting.
The committee will assess if a trigger event occurred in cases of early termination during the vesting period.	In cases of breaches of directors’ duties, the committee reserves the right to pursue remedies under the clawback policy and applicable laws. The policy also outlines recovery methods if participants dispose of shares after vesting but before the clawback period ends.

Current CSP in-flight awards

Performance conditions, targets, information and allocations

The projected HEPS growth and ROCE returns over the appropriate performance periods for each applicable grant were calculated using historical and forecast HEPS values and are provided purely for shareholders’ information based on the latest actuarial valuations.

Description	2023	2024	2025
Grant date	7 December 2023	20 February 2024	28 February 2025
Vesting date	7 December 2026	22 February 2027	28 February 2028
Performance period	1 October 2022 to 30 September 2025	1 October 2023 to 30 September 2026	1 October 2024 to 30 September 2027
HEPS condition			
Threshold (expected CPI growth)	13.17%	10.21%	8.64%
On-target growth (based on approved budget)	30.00%	30.00%	30.00%
Stretch growth	39.00%	39.00%	39.00%
Expected vesting outcome	Below threshold	Above on-target	Below threshold
ROCE condition			
Threshold (80% target)	10.06%	10.63%	9.28%
On-target ROCE (average for three years)	12.06%	12.63%	11.28%
Stretch	14.06%	14.63%	13.28%
Expected vesting outcome	Above on-target	Above stretch	Above stretch

The measure of TSR will be the TSR of SPAR relative to the weighted average TSR of the six selected peer companies:

- Cashbuild Ltd
- Clicks Group Ltd
- Dis-Chem Pharmacies Ltd
- Pick n Pay Stores Ltd
- Shoprite Holdings Ltd
- Woolworths Holdings Ltd

Awards made during 2025

Awards were made to executive directors in accordance with the policy. The remuneration implementation report provides details of CSP awards to executive directors (page 95).

Awards that vested during 2025

On 11 August 2025, the 11 August 2022 CSP award vested. The final performance conditions for the grant were measured and again externally verified by ZAQ Actuaries. The results of the calculation of the actual vesting percentage were as follows:

Description	HEPS growth over the performance period				Vesting percentage	Weighted x 50%
	Threshold	On-target	Stretch	Actual		
HEPS condition	17.63%	30.00%	39.00%	(22.47%)	0.00%	0.00%

Description	RONA growth over the performance period				Vesting percentage	Weighted x 30%
	Threshold	On-target	Stretch	Actual		
RONA condition	32.00%	40.00%	48.00%	22.15%	0.00%	0.00%

Description	Compound annual growth rate				Vesting percentage	Weighted x 20%
	Threshold	On-target	Stretch	Actual		
TSR condition	7.53%	9.42%	15.06%	(12.32%)	0.00%	0.00%
Total to vest						0.00%

Of the total number of awards in effect at the measurement date, none vested.

The actual vesting of performance awards for the last four years was as follows:

	2025	2024	2023	2022
HEPS growth	0.00%	0.00%	0.00%	0.00%
RONA growth	0.00%	0.00%	40.35%	55.60%
Relative TSR	0.00%	0.00%	0.00%	100.00%
Final vesting	0.00%	0.00%	12.11%	36.68%

Executive directors' remuneration

We have also updated our LTI policy and revised performance metrics for executives to align their incentives with our strategic goals and shareholder expectations.

Executive directors' benefits

Executive directors transitioned to CTC on 1 January 2025 which included the benefits structured into their CTC.

The remuneration implementation report includes details of executive directors' remuneration for the financial year (page 93).

Executive directors' terms of service

Executive directors are full-time employees with employment agreements that reflect the Company's standard term of service. Notice periods are between three and six months compared to a range of one to three months for other employee and face more comprehensive confidentiality undertakings. Executive directors are also subject to a restraint of trade of between six and twelve months.

Executive directors do not have special termination clauses or unusual payment provisions. Their termination conditions align with standard contractual arrangements and the remuneration policy, without offering preferential treatment or exceptional benefits.

Remuneration implementation report

The remuneration implementation report contains detailed information and figures pertaining to the application of the remuneration policy in relation to executive and non-executive directors.

Executive remuneration:

The policy for executive directors' remuneration is summarised on page 92.

From FY2026 onwards, the remuneration for executive directors will be disclosed based on the single-figure remuneration approach to align with King V and JSE Listing Requirements disclosures.

R'000	Basic salary	Performance-related bonus ¹	Retirement funding contributions	Allowance and other benefits ²	Lump sum payment	Share option gains	Total
2025							
Executive directors							
Angelo Swartz ^{5, 6}	11 177	3 754	799	271	–	–	16 001
Reeza Isaacs ³	8 108	4 158	418	–	–	–	12 684
Mark Godfrey ⁴	1 849	–	216	1 881	9 500	–	13 446
Megan Pydigadu ⁵	11 234	3 150	369	1	–	–	14 754
Total	32 368	11 062	1 802	2 153	9 500	–	56 885
2024							
Executive directors							
Angelo Swartz	9 559	4 359	1 111	1 016	–	–	16 045
Mark Godfrey	7 045	3 523	824	698	–	1 084	13 174
Megan Pydigadu	10 083	4 135	–	–	–	–	14 218
Total	26 687	12 017	1 935	1 714	–	1 084	43 437

¹ The performance-related bonuses relate to amounts earned in the current year (FY2025).

² Other benefits include medical aid contributions; leave pay and a long service award as applicable.

³ Reeza Isaacs was appointed as the Group CFO on 1 January 2025 on a cost to company structure.

⁴ Mark Godfrey resigned as the Group CFO on 31 December 2024.

⁵ Angelo Swartz transitioned to cost to company structure on 1 January 2025.

⁶ Angelo Swartz has elected to convert his unvested rights to a performance-related cash bonus pursuant to the Group's short-term incentive plan into the equivalent value of SPAR ordinary shares ("Shares"), which Shares are committed in terms of the SPAR Group Limited Executive Minimum Shareholding Requirements Policy ("MSR Policy").

Executive directors STIs

The STI policy is summarised on page 87.

For information purposes, details of the targets, relative bonus caps as a percentage of cost to company and the average payout are as follows:

	Executive directors' average weighting %		
Financial targets	60%		
Functional transformation targets	40%		
Total	100%		

	On-target bonus achievable R'000	Actual bonus R'000	Actual bonus as % of CTC %
Executive Director			
Angelo Swartz	6 825	3 754	31%
Megan Pydigadu	6 300	3 150	27%
Reeza Isaacs*	6 300	4 158	46%
Weighted average achievement	6 475	3 687	35%

* Reeza Isaacs's on-target bonus achievable value equalised to Megan Pydigadu's on-target bonus achievable.

Performance bonus scorecard

	Average weighting	Average score*
Financial targets	60%	28%
Achieve Group revenue target		
Achieve Group operating profit target		
Achieve Group PAT target		
Achieve SA Operating margin target		
Achieve Group expense target		
Achieve Group targeted ROCE		
Achieve reduction of Group Debt		
Functional and transformation targets	40%	29%
Conclude Group exit from Poland		
Sell the Switzerland business		
Conclude the SA debt restructure plan		
Develop a capital allocation framework		
Implement change to CTC for Executives and Central Office		
For all new Group appointments ensure the employment equity score has improved		
Achieve enterprise development target for store ownership		
Deliver on Group ESG strategy		

* Several mechanisms are available to the Remuneration Committee to ensure pay outcomes appropriately reflect individual and business performance. This includes the ability of the committee to apply malus, clawback and responsible discretion to override formulaic outcomes under the incentive schemes. After meaningful deliberation, the committee concluded it was appropriate to review the financial targets and adjust the achieved results, to fairly reflect the performance of the executive directors.

Executive directors' LTIs for FY2025

CSP

The CSP is summarised on page 88.

Details of unvested CSP awards held by directors

	Award date	Share price on date of grant R	Number of shares	
			2025	2024
Angelo Swartz	11/02/2020	198.01		2 334
	16/02/2021	181.15	3 333	6 667
	11/08/2022	142.83	2 000	13 300
	07/12/2023	113.00	18 400	18 400
	20/02/2024	107.22	52 640	52 640
	23/02/2025	133.09	46 184	–
Total			122 557	93 341
Reeza Isaacs	23/05/2025	133.09	46 184	
Total			46 184	
Megan Pydigadu	20/02/2024	107.22	52 640	52 640
	23/02/2025	133.09	46 184	
Total			98 824	52 640
Total directors' interest in the CSP			267 565	252 931

CSP gains

There were no CSP gains during the year. The Group CEO, Angelo Swartz elected to defer his RSP tranche of 1 000 shares that vested on 11 August 2025 towards building his MSR target.

Date vested	Gain R'000

Details of vested award shares held by directors towards building up the MSR target

In line with the committee's view that senior executives should remain invested in the Company's share price after their LTIs vest, the following executives have chosen to subject their CSP shares to an additional holding period as part of the MSR policy.

2025	Award date	Total Vested and committed for MSR purpose
Angelo Swartz	12/02/2019	1 000
	11/02/2020	2 333
	11/02/2020	2 334
	16/02/2021	3 333
	16/02/2021	3 334
	11/08/2022	1 000
	Total committed to MSR	13 334

Executive and non-executive directors' interests in the share capital of the Company

Number of shares	2025	2024
Directors' interests in the share capital of the Company		
Executive directors		
Angelo Swartz*	19 371	12 637
Reeza Isaacs	6 887	–
Megan Pydigadu	9 610	–
Liesbeth Botha**	2 451	

* Includes 13 334 deferred shares that plan vested and committed towards MSR.

** Shares purchased by Liesbeth Botha done via a platform that allows for the purchase of fractional shares.

Indication of executive directors' shareholding against the proposed target MSR

Market value based on a closing share price of R98.60 on 30 September 2025.

Angelo Swartz

Direct beneficial holding	19 637 shares
Market value at 30 September 2025*	R1 936 208
As a percentage of 2025 CTC	16.0%
Target for Group CEO (% of CTC)	200%
Unvested CSP shares	122 557 shares
Market value of unvested shares at 30 September 2025	R12 084 120
Unvested shares as a % of CTC	100.1%

Reeza Isaacs

Direct beneficial holding	6 887 shares
Market value at 30 September 2025	R679 058
As a percentage of 2025 CTC	7.5%
Target for Group CFO	150%
Unvested CSP shares	46 184 shares
Market value of unvested shares at 30 September 2025	R4 553 742
Unvested shares as a % of CTC	50.6%

Megan Pydigadu

Direct beneficial holding	9 610 shares
Market value at 30 September 2025	R947 546
As a percentage of 2025 CTC	8.2%
Target for Group COO	150%
Unvested CSP shares	98 824 shares
Market value of unvested shares at 30 September 2025	R9 744 046
Unvested shares as a % of CTC	84.4%

Non-executive directors' remuneration

Non-executive directors are not full-time employees and operate under contracts for services rather than employment contracts. Their remuneration comprises a fixed basic fee, which is not linked to the Group's financial performance, and they do not receive short-term or long-term incentive awards.

Fee determination process

Management recommends non-executive directors' fees based on industry benchmarks to the committee, which proposes them to the Board. The Board recommends these fees to shareholders for approval under the Companies Act.

In 2025, non-executive directors' fees were benchmarked against the same comparator companies as for executive directors (see page 83). Proposed fees were approved by shareholders at the 28 February 2025 AGM.

Proposed fee increases

For fees effective from 1 March 2026, the Board recommends an inflationary increase of 5%, as detailed in the table below.

	Current fees per annum*	Proposed fees per annum*
Board		
Chairman [#]	R3 047 163	R3 199 136
Deputy Chairperson [#]	R1 549 630	R1 627 110
South African resident Board member	R566 078	R594 382
Non-South African resident member [#]	€88 200	€91 287
Audit Committee		
Chairperson	R444 610	R466 840
Member	R237 208	R249 068
Risk Committee		
Chairperson	R321 595	R337 675
Member	R158 936	R166 883
Social, Ethics and Sustainability Committee		
Chairperson	R240 687	R252 721
Member	R142 575	R149 704
Remuneration Committee		
Chairperson	R305 878	R321 172
Member	R142 575	R149 704
Nominations Committee		
Chairperson	R225 211	R236 472
Member	R142 786	R149 925
Business Transformation Committee		
Chairperson	R305 878	R321 172
Member	R142 575	R149 704
Additional meetings and other assignments		
South African resident members (including the Chairman and Deputy Chairperson of the Board)		
Daily fee (if meeting exceeds four hours)	R34 358	R36 076
Hourly fee	R5 843	R6 135
Non-South African resident members		
Daily fee (if meeting exceeds four hours)	€3 315	€3 431
Hourly fee	€564	€584

Most Board and committee roles will receive total annual fees based on a retainer and attendance per meeting (40% retainer and 60% for scheduled meetings), except for the Chairman and Deputy Chairperson, who will be paid solely on a retainer basis, along with additional meeting fees.

* VAT exclusive.

[#] Representing an all-inclusive fee for participation in all scheduled meetings of the Board and committees.

Non-executive directors' terms of service

Director	Fees for ordinary meetings as approved at the AGM	Fees for additional meetings*	Fees for subsidiary boards**	Total
Mike Bosman	R2 986 703.40	R582 480.50	R2 146 708	R5 715 891.90
Shirley Zinn	R1 536 969.56	R102 672.00		R1 639 641.56
Liesbeth Botha	R1 130 647.86	R107 959.00		R1 238 606.86
Marie Jamieson	R735 919.56	R56 206.00		R792 125.56
Lwazi Koyana	R1 204 733.23	R70 395.66		R1 275 128.89
Trudi Makhaya***	R232 785.08	R8 347.50		R241 132.58
Sundeeep Naran	R1 226 258.74	R87 924.66		R1 314 183.40
Pedro da Silva	€78 050.00	€4 618.50		€82 668.50
Funke Ighodaro****	R1 618 008.24	R126 077.65		R1 744 085.89

* Provision is made for the payment to non-executive directors for attendance at unscheduled additional board and committee meetings and attendances such as special meetings relating to corporate actions, potential M&As, board-approved initiatives and special projects identified from time to time. As an extra layer of governance, all additional non-executive directors' fees are reviewed and approved by a disinterested quorum of the Remuneration Committee.

** Chairman of the subsidiary boards, SPAR Ireland, SPAR Poland, SPAR Switzerland, SPAR Southern Africa divisional board and attendance at SPAR Sri Lanka.

*** Trudi Makhaya – 31 December 2024 – resigned.

**** The total rand values disclosed for Funke Ighodaro incorporates fees paid in euros between April 2025 and September 2025, converted at an exchange rate €1 = R 19.5717 with a final exchange rate adjustment at financial year end.



Detailed insights and additional information

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Summarising the financials	108
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This chapter outlines the details of our business model and territories, summarises our financial results and offers insights to guide shareholder decisions.



Unpacking our territories

Bringing more to our communities

We support our independent and corporate stores through a network of warehouses, distribution centres and logistics operations. As the custodian of the SPAR brand and affiliated brands, we promote them across diverse store formats. In Ireland, we also support several well-known convenience brands alongside SPAR.

Southern Africa



	Number	Distribution network	Purpose
Our retailers' stores are strategically located within communities, designed to meet local needs and offer convenience. They cater to all income groups and are equipped with parking and access to public transport where feasible.	6	Major regional distribution centres (SPAR and TOPS)	Primary distribution across regions
	1	Building materials imports distribution centre (Build it)	Centralised imports for building materials
	1	Pharmaceutical distribution centre (S Buys)	Centralised distribution for pharmaceuticals
	1	Satellite warehousing hubs	Reduce transport costs along specific routes
	1	Private label distribution centre (Encore)	Private label consolidation

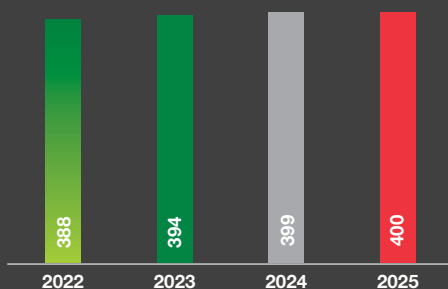


Store format overview

SUPERSPAR

- $\geq 1\,300\text{m}^2$ selling area
- Large metropolitan focus
- Full range of groceries and general merchandise
- Extensive service departments, such as fresh produce, in-store bakery, butchery, deli, ready-to-eat meals and home-meal replacements
- In-store *Beantree* café

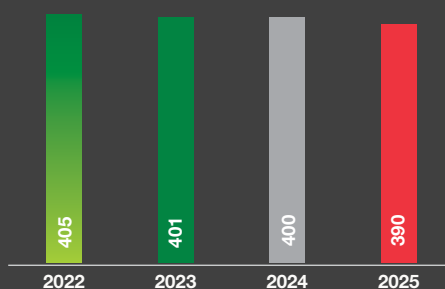
Number of stores



SPAR

- $\geq 700\text{m}^2$ selling area
- Neighbourhood and rural supermarket focus
- Competitively priced
- Comprehensive range of groceries and general merchandise
- Fresh produce and in-store bakery, butchery, deli, ready-to-eat meals and home-meal replacement
- In-store *Beantree* café

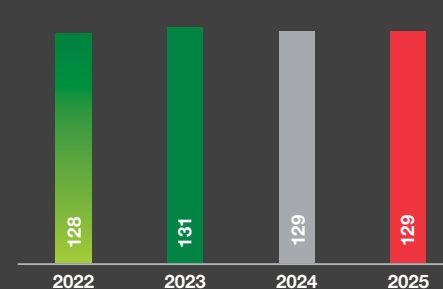
Number of stores



KWIKSPAR

- 300m^2 to 700m^2 selling area
- Neighbourhood and rural focus
- Range of prices offering good value
- Core groceries and general merchandise
- Fresh produce, baked foods, meat and ready-to-eat meals

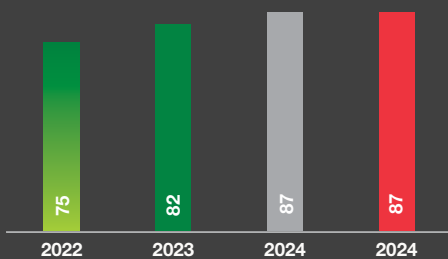
Number of stores





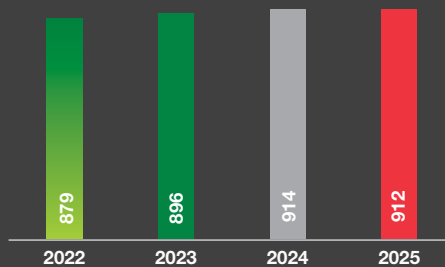
- Garage forecourt convenience stores
- Open 24 hours
- Core products in groceries, fresh produce and baked goods
- Comprehensive offering of snacking and ready-to-eat meals

Number of stores



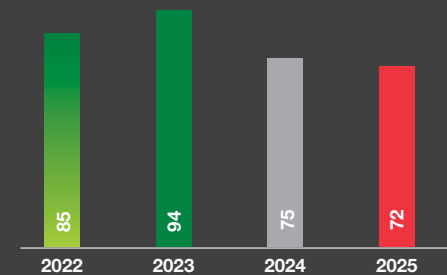
- Average of 175m² selling area
- Standalone liquor stores
- Full range of liquor products
- Located near existing SPAR stores

Number of stores



- Selling area of 400m² to 1 000m²
- Value focus
- Neighbourhood and rural
- Essential groceries and general merchandise
- Fresh produce, baked goods, meat and ready-to-eat meals

Number of stores

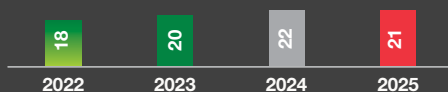




SaveMor Liquors

- Approximately 170m² average selling area
- Focus on lower socio-economic markets to complement SPAR SaveMor store offering
- Standalone liquor stores
- Comprehensive range of liquor products largely driven by beer, ready-to-drink beverages and flavoured alcoholic beverages
- Located in the same centre or near existing SPAR SaveMor stores

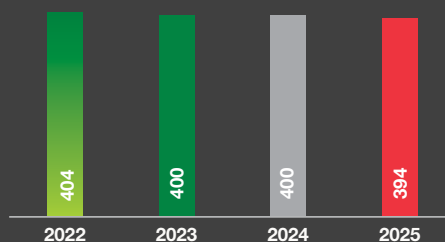
Number of stores



Build it

- Standalone building materials and hardware stores
- Comprehensive range of building and hardware products – from basic materials to high-quality finishes needed to build or complete a home
- Serving home builders, renovators, contractors and DIY/BIY customers across all income segments

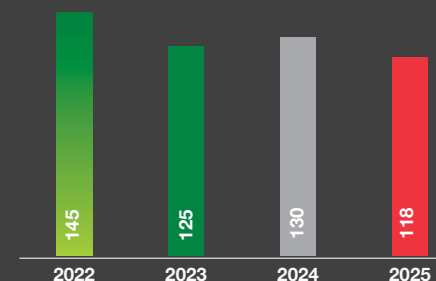
Number of stores



Pharmacy of SPAR

- In-store and standalone family pharmacies
- Comprehensive range of dispensary and health-related products
- In-store family care clinics
- Mostly located near existing SPAR stores

Number of stores





- Standalone pet stores
- First store opened in Boksburg in 2025
- 12 Pet Masters stores converted
- Strong pipeline for conversion





BWG is a leading retail, foodservice and wholesale business. It owns and operates the SPAR, MACE, LONDIS and XL convenience brands and the EUROSPAR supermarket brand in the Republic of Ireland, working in partnership with independent retailers serving local communities right across the country. BWG distributes to these stores through its national distribution centre in Kilcarbery in Dublin.

BWG's Wholesale Division owns and operates cash and carry locations across Ireland trading under the Value Centre brand. It also comprises BWG Foodservice, along with Corrib Foods and William's Gate, which together service wholesale customers across the retail, hotel, restaurant, pubs and catering sectors. BWG also owns and operates Leydens Sports Nutrition (LSN), which is the leading distributor of major Sports Nutrition Brands in Ireland.

Warehousing

Kilcarbery

Warehouse space (m ²)	Cases dispatched (million)	Number of stores serviced	Divisional Managing Director
24 000	24.0	1 161	John Moane ¹

Ireland

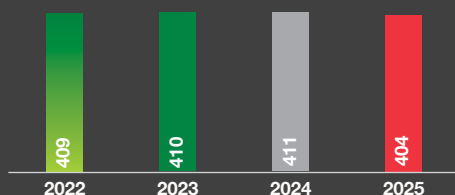


Store format overview

SPAR

- SPAR stores, offering convenient access in urban, neighbourhood and roadside locations
- Providing a wide range of products including groceries, fresh produce, baked goods, coffee, deli and liquor
- The comprehensive offering also features fresh food and ready-to-eat meals, catering to diverse customer needs

Number of stores

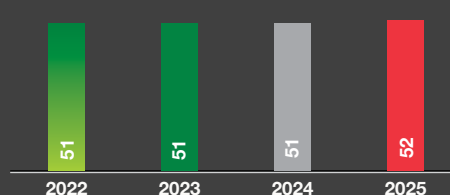


The number of stores are different from what was reported in 2024 due to South-West England being excluded in 2025.

EUROSPAR

- EUROSPAR supermarkets offer a comprehensive grocery experience within an average selling area of 700m²
- The stores provide a full range of groceries, including fresh produce, an in-store bakery, butchery, liquor, deli and a wide selection of ready-to-eat products and home-meal replacements

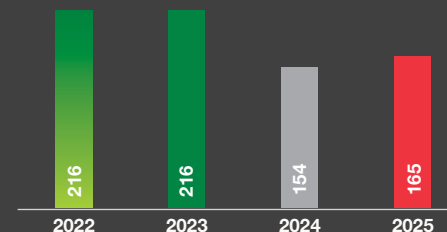
Number of stores



MACE

- MACE stores are designed for neighbourhood and forecourt convenience
- With an average selling area of 145m², the stores offer a compact yet comprehensive shopping experience
- Wide selection of groceries, fresh produce, baked goods, coffee, deli, liquor and ready-to-eat or on-the-go products tailored to busy lifestyles

Number of stores

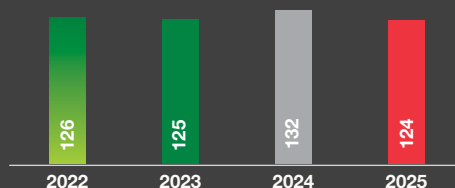


¹ John Moane is the Group CEO of BWG Group.



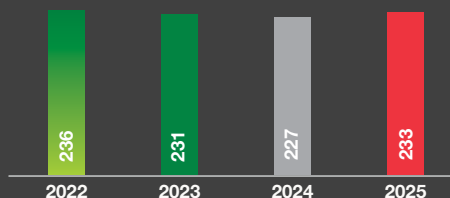
- Londis stores operate in a variety of formats – including supermarkets, food markets and convenience stores
- With an average selling area of 230m², the stores offer a broad product range tailored to everyday needs
- Offering includes groceries, fresh produce, baked goods, coffee, liquor and a comprehensive selection of fresh food, ready-to-eat meals and on-the-go options

Number of stores



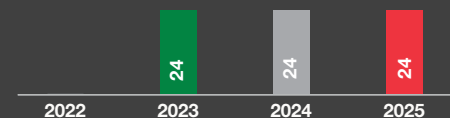
- XL stores are compact neighbourhood convenience outlets
- Average selling area of 95m²
- Stores are designed for quick, on-the-go shopping with a focused range of snacking, ready-to-eat meals and convenience food options tailored to local communities

Number of stores



- Value Centre operates as a direct wholesale and cash-and-carry provider
- Offering a substantial product range of over 12 000 lines
- Its facilities span 1 200 – 6 000m², catering to a wide spectrum of retail and foodservice needs
- As the primary supplier to XL stores, Value Centre plays a pivotal role in supporting independent retailers across the region

Number of stores



SPAR Sri Lanka operates as a prominent player in the local supermarket sector, having launched in April 2018 through a partnership between Ceylon Biscuits Limited (CBL Group) and SPAR Group South Africa.

Warehousing

A third-party logistics company operates and manages the distribution centre.

Sri Lanka

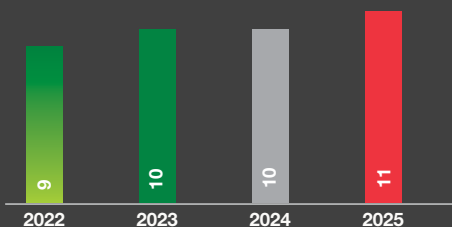


Store format overview



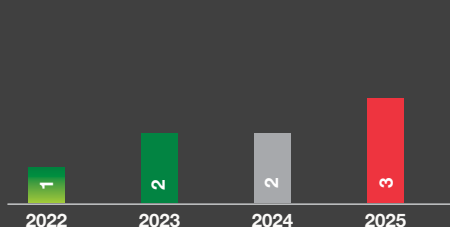
- Corporate stores fully owned by SPAR Sri Lanka
- In-store café
- Business partners are operating within/adjacent to the store (pizza, electronics, pharmacy and household items)

Number of stores



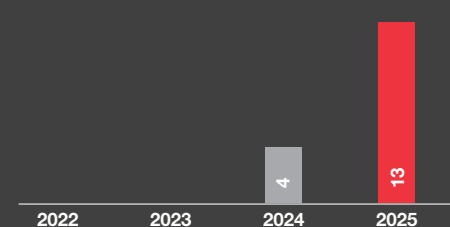
- 50m² average selling area
- Neighbourhood stores supplied through SPAR corporates
- Limited to 1 000 + key lines based on the demand
- Operates with no fresh produce, a café, and a range of sweets, snacks and impulse products

Number of stores



- 150m² to 430m² average selling area
- Neighbourhood stores
- A typical independent retail format, supplied through distribution centre and drop shipment
- SPAR assists in funding options through partner banks

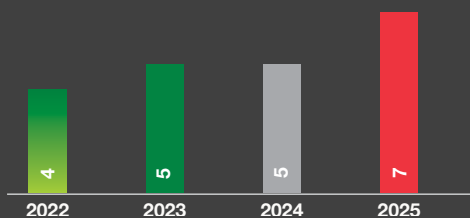
Number of stores





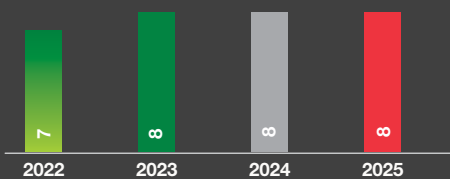
- Operated by third parties who have licences to operate
- Enhances corporate store sales

Number of stores



- Stores within SPAR corporate stores and in adjacent buildings
- Wide range of products, including imported wine and spirits

Number of stores



Summarising the financials

Five-year review

R million	2025	2024	2023	2022	2021
Condensed statements of profit or loss and other comprehensive income^{1,3}					
Revenue – sale of merchandise	131 458	130 986	146 461	135 609	127 941
Operating profit	1 984	2 658	2 517	3 429	3 393
Other non-operating items	(9)	2	(13)	(9)	(6)
Finance income	614	586	577	599	573
Finance costs	(1 305)	(1 174)	(1 246)	(984)	(936)
Share of equity-accounted associate (losses)/profit	4	6	(7)	7	(7)
Profit/(loss) before taxation	1 288	2 078	1 828	3 042	3 017
Taxation	(468)	(471)	(465)	(822)	(808)
Profit after taxation	820	1 607	1 363	2 220	2 209
Discontinued operations	(5 648)	(1 255)	(920)	–	–
Profit after taxation for the year	(4 828)	352	443	2 220	2 209
Remeasurement of employee benefits net of tax	7	(5)	4	–	(7)
Remeasurement of retirement funds net of tax	30	72	50	475	461
Gain/(loss) on cash flow hedge net of tax	(11)	–	–	–	–
Reclassification of FCTR to profit or loss	(591)	–	–	–	–
Exchange differences from translation of foreign operations	314	(261)	531	374	(219)
Total comprehensive income	(5 079)	158	1 028	3 069	2 444
Condensed statements of financial position^{2,3}					
Property, plant and equipment	5 072	9 603	10 378	8 997	8 193
Right-of-use assets	2 645	8 005	9 024	8 320	7 136
Finance lease receivable	4 195	4 215	4 656	5 007	5 121
Goodwill and intangible assets	6 424	8 165	8 241	7 576	6 837
Loans and investments	575	951	994	970	896
Operating lease receivables	–	–	6	8	8
Prepayments	494	236	–	–	–
Employee benefit asset	180	109	–	–	–
Deferred taxation asset	178	133	219	254	228
Current assets	24 986	25 968	28 295	25 963	23 618
Assets classified as held for sale	1 472	1 257	12	23	30
Total assets	46 221	58 642	61 825	57 118	52 067

R million	2025	2024	2023	2022	2021
Capital and reserves	5 312	10 374	10 222	10 009	8 379
Deferred taxation liability	235	533	545	435	312
Employment benefit obligations	277	298	254	249	811
Long-term borrowings	6 515	5 072	7 337	7 091	7 346
Financial liabilities	9	–	–	–	–
Finance lease payable	7 076	11 932	13 396	13 018	12 052
Current liabilities	25 259	29 070	30 071	26 316	23 117
Liabilities associated with assets held for sale	1 538	1 363	–	–	–
Total equity and liabilities	46 221	58 642	61 825	57 118	52 067
Condensed statements of cash flows³					
Cash flows from operating activities before dividends	4 286	3 467	4 823	3 831	3 620
Dividends paid	–	–	(437)	(1 387)	(1 837)
Cash flows from investing activities	(902)	(334)	(1 234)	(1 169)	(658)
Cash flows from financing activities	(1 285)	(3 623)	(2 638)	2 439	(2 541)
Net movement in cash and cash equivalents	2 099	(490)	514	(1 164)	(1 416)

¹ During the current year management identified certain credits to retailers incorrectly recognised within cost of sales in the prior period, which should have been recorded as deductions against revenue. Consequently, revenue for the prior period has decreased by R27 million and R82 million (previously stated as R131 013.6 million and R91 089.3 million) for Group and Company respectively, with cost of sales for the period (previously stated as R117 168.8 million and R83 264.9 million) for Group and Company respectively decreasing by the same amounts. The adjustment has no impact on gross profit, operating profit or retained earnings.

² During the current financial year, the Group identified two prior period errors that the Group has retrospectively corrected. The prior period and opening balance of the prior period Group and Company statement of financial position only, and related notes, have been restated to reflect the impact of these prior period errors.

- An inter-company receivable and payable balance which was not correctly eliminated of R614.7 million in 2024 (2023: R477.1 million), refer to note 21.
- A reclassification error between Bank overdrafts and Cash and cash equivalents of R152.3 million pertaining to 2023, refer to note 23.

³ General banking facilities are contracted for a 364 day period, however individual drawdowns are utilised on an overnight call basis, thereby allowing the Group to access these facilities on a short-term basis to manage daily liquidity requirements.

Financial value-added statement

	2025 (R million)	% of Revenue	% Wealth created	2024 (R million)	% of Revenue	% Wealth created
Revenue	152 155			155 286		
Less: Net cost of products and services	146 789			144 495		
Value added	5 366			10 792		
Add: Income from investments/associates	165			179		
Wealth created	5 531	3.6	100.0	10 970	7.1	100.0
<i>Applied to:</i>						
Employees (salaries, wages, benefits)	8 586	155.2		8 730		79.6
Providers of capital	458	8.3		355		3.2
Interest on borrowings	458	8.3		355		3.2
Dividends to ordinary shareholders	–	–		–		–
Taxation	505	9.1		491		4.5
Replacement of assets	810	14.6		1 043		9.5
Retained in the Group	(4 828)	(87.2)		352		3.2
Wealth distributed	5 531	100.0		10 970		100.0

The value-added statement includes both continuing and discontinued operations.

Reflecting on five years' ratios and statistics

Metric	2025	2024	2023	2022	2021	Metric	2025	2024	2023	2022	2021
Share performance						Stock exchange statistics					
Number of ordinary shares (millions)	192.6	192.6	192.6	192.6	192.6	Market price per share – year end (cents)	9 975	13 554	11 628	14 336	19 642
Headline earnings per share (cents)	507.5	736.7	606.6	1 160.5	1 196.2	– highest (cents)	15 168	14 064	16 533	20 323	20 884
Dividends per share (cents)	–	–	400.0	816.0	855.0	– lowest (cents)	9 730	8 558	9 130	12 909	19 334
Dividend cover (multiple)	–	–	2.9	1.47	1.33	Number of share transactions	552 367	458 246	727 018	810 468	189 244
Net asset value per share (cents)	2 758.4	5 386.6	5 313.2	5 201.0	4 350.5	Number of shares traded (millions)	178.4	184.9	359.5	231.8	189.2
Comprehensive income information¹						Number of shares traded as % of total issued shares	92.6	96.0	186.6	120.4	98.3
Gross margin (%)	10.7	10.6	12.0	12.0	12.0	Value of shares traded (R million)	22 016.4	20 518.2	45 419.0	37 200.2	35 956.0
Operating profit margin (%)	1.5	2.0	1.7	2.5	2.7	Earnings yield at year end (%)	5.7	4.6	8.3	8.5	6.1
Headline earnings (R million)	977.3	1 418.7	1 166.9	2 233.4	2 303.9	Dividend yield at year end (%)	0.0	0.0	1.5	5.0	4.2
Shareholder return						Price earnings ratio at year end (multiple)	17.6	21.7	12.0	11.8	16.4
Return on equity (%)	(61.6)	3.4	4.0	23.4	27.9	Market capitalisation at year end net of treasury shares (R million)	19 210	26 103	22 396	27 584	37 818
Return on net assets (%)	(61.7)	17.3	17.8	34.3	40.5	Market capitalisation to shareholders' equity at year end (multiple)	3.6	2.5	2.2	2.8	4.5
Employee statistics											
Number of employees (corporate and distribution centres)	6 778	11 191	10 512	10 385	10 281						

¹ During the current year management identified certain credits to retailers incorrectly recognised within cost of sales in the prior period, which should have been recorded as deductions against revenue. Consequently, revenue for the prior period has decreased by R27 million and R82 million (previously stated as R131 013.6 million and R91 089.3 million) for Group and Company respectively, with cost of sales for the period (previously stated as R117 168.8 million and R83 264.9 million) for Group and Company respectively decreasing by the same amounts. The adjustment has no impact on gross profit, operating profit or retained earnings.

Informing shareholder decisions

Analysis of Ordinary Shareholders as at 26 September 2025

Shareholder Spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1 000	13 517	80.44%	2 666 642	1.38%
1 001 – 10 000	2 458	14.63%	7 413 182	3.85%
10 001 – 100 000	596	3.55%	19 760 260	10.26%
100 001 – 1 000 000	199	1.18%	56 083 157	29.12%
Over 1 000 000	34	0.20%	106 679 114	55.39%
Total	16 804	100.00%	192 602 355	100.00%

Distribution of Shareholders	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Assurance Companies	46	0.27%	6 250 482	3.25%
Close Corporations	85	0.51%	129 420	0.07%
Collective Investment Schemes	407	2.42%	93 620 928	48.61%
Control Accounts	1	0.01%	703	0.00%
Custodians	42	0.25%	871 486	0.45%
Foundations and Charitable Funds	105	0.62%	1 991 936	1.03%
Hedge Funds	17	0.10%	5 466 676	2.84%
Insurance Companies	12	0.07%	636 803	0.33%
Investment Partnerships	45	0.27%	141 996	0.07%
Managed Funds	55	0.33%	726 016	0.38%
Medical Aid Funds	28	0.17%	2 050 219	1.06%
Organs of State	14	0.08%	37 704 748	19.58%
Private Companies	348	2.07%	1 283 744	0.67%
Public Companies	8	0.05%	287 928	0.15%
Public Entities	2	0.01%	6 235	0.00%
Retail Shareholders	13 612	81.00%	7 795 279	4.05%
Retirement Benefit Funds	402	2.39%	23 043 565	11.96%
Scrip Lending	12	0.07%	887 595	0.46%
Share Schemes	1	0.01%	12 989	0.01%
Sovereign Funds	7	0.04%	3 081 423	1.60%
Stockbrokers and Nominees	27	0.16%	2 565 059	1.33%
Treasury	1	0.01%	61 922	0.03%
Trusts	1 525	9.08%	3 984 442	2.07%
Unclaimed Scrip	2	0.01%	761	0.00%
Total	16 804	100.00%	192 602 355	100.00%

Shareholder Type	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Non-Public Shareholders	7	0.05%	200 482	0.11%
Directors	5	0.03%	125 571	0.07%
Treasury	1	0.01%	61 922	0.03%
Share Schemes	1	0.01%	12 989	0.01%
Public Shareholders	16 797	99.95%	192 401 873	99.89%
Total	16 804	100.00%	192 602 355	100.00%

Beneficial shareholders with a holding greater than 5% of the issued shares	Number of shares	% of issued capital
Government Employees Pension Fund	35 878 582	18.63%
Allan Gray	16 420 888	8.53%
M & G Investments	12 710 485	6.60%
Alexander Forbes Investments	11 187 876	5.81%
Coronation Fund Managers	10 815 192	5.62%
Total	87 013 023	45.18%

Total number of shareholdings	16 804
Total number of shares in issue	192 602 355

Share Price Performance	
Opening Price 01 October 2024	R135.01
Closing Price 30 September 2025	R98.60
Closing High for period	R151.52
Closing Low for period	R97.73
Number of shares in issue	192 602 355
Volume traded during period	179 797 048
Ratio of volume traded to shares issued (%)	93.35%
Rand value traded during the period	R22 155 706 586
Price/earnings ratio as at 30 September 2025	16.04
Earnings yield as at 30 September 2025	6.23
Dividend yield as at 30 September 2025	0.00
Market capitalisation at 30 September 2025	R18 990 592 203

Note: Pursuant to the provisions of Section 56 of the Companies Act, 2008, disclosures from foreign nominee companies have been included in this analysis.

Notice of Annual General Meeting

Notice is hereby given in terms of section 62(1) of the Companies Act No. 71 of 2008, as amended (the Companies Act) and paragraph 3.16(b) of the JSE Limited Listings Requirements (Listings Requirements), to all holders of ordinary shares of The SPAR Group Limited that the Annual General Meeting (AGM) of the Company is scheduled to be held as a hybrid meeting, in person at the Company's registered office, Engage Boardroom, Umhlanga Arch, 1 Ncondo Place, Umhlanga Ridge, Durban, South Africa, on Wednesday, 4 March 2026 at 09:00 (South African Standard Time) and *via* electronic participation (subject to any cancellation, postponement or adjournment) to consider and, if deemed appropriate, approve with or without modification, the ordinary and special resolutions and endorsements as set out hereunder in the manner required by the Companies Act, as read with the Listings Requirements, and deal with such other business as may lawfully be dealt with at the AGM.

Participation by shareholders

The AGM will be held in a hybrid format, allowing shareholders and/or investors to participate either in person at the Company's registered office or *via* electronic communication. Accordingly, references in this notice to being "present in person or represented by proxy" also include participation or representation through electronic communication, in accordance with the Companies Act and the Company's MoI.

The Company has secured the services of The Meeting Specialist Proprietary Limited (TMS) to remotely host the AGM on an interactive electronic platform, in order to facilitate remote attendance, participation and voting by shareholders. The transfer secretaries, JSE Investor Services Proprietary Limited (JIS), have been retained to act as scrutineer for purposes of the AGM.

Although voting will be permitted by way of electronic communication, shareholders are encouraged to make use of forms of proxy for purposes of voting at the AGM.

Irrespective of whether a shareholder is attending the meeting in person at the registered office of the Company or electronically, all shareholders are required to register to attend, participate in and vote at the AGM either in person or *via* the electronic platform. To this end, all shareholders participating in the meeting, either in person or electronically, must have an internet-enabled device (e.g. phone, laptop or a desktop) capable of browsing a regular website.

Shareholders will not be able to vote *via* the electronic platform if their voting instructions/proxy forms have been submitted prior to the AGM.

Arrangements with regard to the electronic meeting are detailed in the section of this notice titled 'Meeting guide for shareholders: How to access the virtual AGM'.

If you are in any doubt about the action you should take, consult your broker, central securities depository participant (CSDP), banker, financial advisor, accountant or other professional advisor immediately.

Ordinary business

Shareholders will be requested to consider and, if deemed fit, to pass (with or without modification) the following Ordinary Resolutions.

The percentage of voting rights required for the adoption of each Ordinary Resolution below is the support of more than 50% of the voting rights exercised on the resolution at a properly constituted meeting of the Company's shareholders:

Presentation of the annual financial statements and reports from the directors and relevant committees

To present in accordance with section 61(8)(a) of the Companies Act:

- the annual financial statements for the 52-week period ended 26 September 2025, incorporating the directors' report, Audit Committee report and independent auditor's report;
- the report of the Social, Ethics and Sustainability Committee on the matters within its mandate, in accordance with regulation 43 of the Companies Regulations, 2011; and
- the remuneration report of the Company.

The Company's annual financial statements are available on the Company's website at <https://thespargroup.com/resource-centre/results-announcements>

The report of the Social, Ethics and Sustainability Committee and the Company's remuneration report are set out on pages 73 to 74 and pages 77 to 79, respectively, of the integrated annual report of which this notice forms part.

Ordinary Resolution number 1 – Re-election of non-executive directors retiring by rotation

It is recorded that Dr. Liesbeth Botha, Ms. Marie Jamieson and Mr. Sundeep Naran will retire as non-executive directors of the Company in terms of the Company's MoI. Each of the retiring directors, being eligible, offers themselves for re-election.

The Nominations Committee (NomCo) has considered the capacity and balance of the Board and evaluated the independence of the directors, taking into consideration their expertise, performance and contribution, and has recommended to the Board that the eligible directors be proposed for re-election.

The Board has considered the proposals of the NomCo, accepted the results of the assessment, and recommends the re-election of Dr. Liesbeth Botha, Ms. Marie Jamieson and Mr. Sundeep Naran by way of separate resolutions, to shareholders.

Ordinary Resolution number 1.1

"Resolved that Dr. Liesbeth Botha be and is hereby re-elected as an independent non-executive director of the Company."

Ordinary Resolution number 1.2

“Resolved that Ms. Marie Jamieson be and is hereby re-elected as an independent non-executive director of the Company.”

Ordinary Resolution number 1.3

“Resolved that Mr. Sundeep Naran be and is hereby re-elected as an independent non-executive director of the Company.”

Brief *curricula vitae* for Dr. Liesbeth Botha, Ms. Marie Jamieson and Mr. Sundeep Naran can be found on pages 62 and 63 of the integrated annual report of which this notice forms part.

Ordinary Resolution number 2 – Re-election of the independent external auditor

“Resolved that PricewaterhouseCoopers Incorporated, with Mr. Dirk Höll as the individual audit partner, be re-elected as the independent external audit firm of the Company to hold office for the ensuing financial period until the next AGM.”

In terms of section 90(1) of the Companies Act and paragraph 3.84(g)(iv) of the Listings Requirements, a public company must appoint an auditor at the AGM each year who meets the requirements of section 90(2) of the Companies Act, by way of an ordinary resolution of shareholders.

The Audit Committee has considered the suitability of the external audit firm and lead audit partner, considering paragraph 3.84(g)(iii), read with paragraphs 3.86 and 3.87, of the Listings Requirements. Having satisfied itself that they continue to meet the independence, and skills and expertise requirements for the audit, the Audit Committee and Board recommend to shareholders that PricewaterhouseCoopers Incorporated, with Mr. Dirk Höll as the lead audit partner, be reappointed as the independent external audit firm of the Company to hold office for the ensuing financial period, and until the next AGM.

Ordinary Resolution number 3 – Election of the members of the Audit Committee

In terms of section 94(2) of the Companies Act, an audit committee must comprise at least three members who must be elected by shareholders at each annual general meeting. In terms of regulation 42 of the Companies Regulations, 2011, at least one-third of the members of the company's audit committee at any particular time must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

The NomCo has assessed the composition of the Audit Committee and assessed the suitability of each member, taking into consideration independence, performance, and skill and expertise requirements, and has recommended to the Board that the eligible directors be proposed for election to the Audit Committee.

The Board has considered the proposals of the NomCo, accepted the results of the assessment, and recommends the election of the members of the Audit Committee with immediate effect (until the conclusion of the next AGM of the Company), by way of separate resolutions, to shareholders:

Ordinary Resolution number 3.1

“Resolved that Ms. Olufunke Ighodaro be and is hereby re-elected as a member of the Audit Committee.”

Ordinary Resolution number 3.2

“Resolved that Mr. Lwazi Koyana be and is hereby re-elected as a member of the Audit Committee.”

Ordinary Resolution number 3.3

“Resolved that, (subject to his re-election as a director in terms of Ordinary Resolution number 1.3), Mr. Sundeep Naran be and is hereby re-elected as a member of the Audit Committee.”

Brief *curricula vitae* of Ms. Olufunke Ighodaro, Mr. Lwazi Koyana and Mr. Sundeep Naran can be found on pages 62 to 63 of the integrated annual report of which this notice forms part.

Ordinary Resolution number 4 – Election of the members of the Social, Ethics and Sustainability Committee

In terms of section 72(9A) of the Companies Act, the Social, Ethics and Sustainability Committee (SESCO) members must be elected by shareholders at each annual general meeting. In terms of section 72(7A) of the Companies Act, the SESCO must comprise at least three members, the majority of whom are not, and have not, for the preceding three years, been involved in the day-to-day management of the business of the company.

The NomCo has assessed the suitability of each SESCO member, taking into consideration the qualification, performance, independence and skill and expertise requirements, and has recommended to the Board that the eligible members be proposed for election to the SESCO.

The Board has considered the proposals of the NomCo, accepted the results of the assessment, and recommends the election of the members of the SESCO with immediate effect (until the conclusion of the next AGM of the Company), by way of separate resolutions, to shareholders:

Ordinary Resolution number 4.1

“Resolved that, (subject to his re-election as a director in terms of Ordinary Resolution number 1.3), Mr. Sundeep Naran be and is hereby elected as a member of the SESCO.”

Ordinary Resolution number 4.2

“Resolved that Mr. Lwazi Koyana be and is hereby elected as a member of the SESCO.”

Ordinary Resolution number 4.3

“Resolved that, subject to her re-election as a director in terms of Ordinary Resolution number 1.2, Ms. Marie Jamieson be and is hereby elected as a member of the SESCO.”

Ordinary Resolution number 4.4

“Resolved that, subject to her re-election as a director in terms of Ordinary Resolution number 1.1, Dr. Liesbeth Botha be and is hereby elected as a member of the SESCO.”

Ordinary Resolution number 4.5

“Resolved that Dr. Shirley Zinn be and is hereby elected as a member of the SESCO.”

Ordinary Resolution number 4.6

“Resolved that Mr. Phumlani Dyini be and is hereby elected as a member of the SESCO.”

Brief *curricula vitae* for Mr. Sundeep Naran, Mr. Lwazi Koyana, Ms. Marie Jamieson, Dr. Liesbeth Botha and Dr. Shirley Zinn can be found on pages 62 to 63 of the integrated annual report of which this notice forms part. The brief *curriculum vitae* of Mr. Phumlani Dyini, appointed as the SPAR Group Chief ESG Officer with effect from 1 September 2025, is attached hereto as Annexure A1.

Ordinary Resolution number 5 – Non-binding advisory vote on the remuneration policy

“Resolved that, by way of a non-binding advisory vote, the remuneration policy of the Company, as contained in the Remuneration Committee report, be and is hereby endorsed.”

Should the remuneration policy be voted against by 25% (twenty-five per cent) or more of the voting rights exercised, the Board will, as recommended by principle 14 of King IV™ Report on Corporate Governance for South Africa, 2016 (King IV™), and required in terms of paragraph 3.84(j) of the Listings Requirements, invite dissenting shareholders to engage with the Company as to the reasons therefore so as to enable the Company to take appropriate steps to address objections and concerns raised. The outcome thereof will be disclosed in the 2026 remuneration report.

The remuneration policy is set out on pages 83 to 92 of the integrated annual report of which this notice forms part.

Ordinary Resolution number 6 – Non-binding advisory vote on the remuneration implementation report

“Resolved that, by way of a non-binding advisory vote, the remuneration implementation report of the Company, as contained in the Remuneration Committee report, be and is hereby endorsed.”

Should the remuneration implementation report be voted against by 25% (twenty-five per cent) or more of the voting rights exercised, the Board will, as recommended by principle 14 of King IV™ and required in terms of paragraph 3.84(j) of the Listings Requirements, invite dissenting shareholders to engage with the Company as to the reasons therefore so as to enable the Company to take appropriate steps to address objections and concerns raised. The outcome thereof will be disclosed in the 2026 remuneration report.

The remuneration implementation report is set out on pages 93 to 97 of the integrated annual report of which this notice forms part.

Special business

Shareholders will be requested to consider and, if deemed fit, to pass (with or without modification) the following Special Resolutions.

The percentage of voting rights required for the adoption of each Special Resolution is the support of at least 75% of the voting rights exercised on the resolution at a properly constituted meeting of the Company's shareholders:

Special Resolution number 1 – Financial assistance to related or inter-related parties

“Resolved that, as a Special Resolution, in terms of section 45 of the Companies Act, the Board be and is hereby authorised to cause the Company to provide any financial assistance, whether by lending money, guaranteeing a loan or other obligation and/or securing any debt or obligation, to any of its subsidiary companies or other related or inter-related companies, to the extent required by law.”

Reason and effect

The resolution is required to comply with the requirements of section 45 of the Companies Act which provides that a special resolution of shareholders is required to provide financial assistance to certain related or inter-related companies. It is noted that section 45 was amended during December 2024 to allow a company to provide financial assistance to or for the benefit of its subsidiaries without obtaining approval from shareholders. Those subsidiaries, however, do not include foreign companies that are related or inter-related to the company. Therefore, the Company must still comply with the provisions of section 45 in respect of the provision of financial assistance to related or inter-related subsidiaries which are incorporated in accordance with the laws of a country other than South Africa.

Special Resolution number 2 – Non-executive directors' fees

“Resolved in terms of section 66(9) of the Companies Act that, as a Special Resolution, the remuneration payable to the non-executive directors for their services as directors of the Company, as listed in the table below under “Proposed fees”, be and is hereby approved with effect from 1 March 2026.”

With the exception of the fees for the Chairman and Deputy Chairperson of the Board (who will be paid purely on a retainer basis) and fees relating to additional meetings, the total annual fees for all other Board and Board Committee members will be paid on a retainer and attendance per meeting basis (based on a 40% retainer and 60% attendance fee for the scheduled meetings during the year). The Board has recommended a 5.0% increase on current annual fees for South African resident members and a 3.5% increase on current annual fees for Non-South African resident members.

	Current fees per annum*	Proposed fees per annum*	Increase %
Board			
Chairman [#]	R3 047 163	R3 199 136	5.0%
Deputy Chairperson [#]	R1 549 630	R1 627 110	5.0%
South African resident Board member	R566 078	R594 382	5.0%
Non-South African resident member [#]	€88 200	€91 287	3.5%
Audit Committee			
Chairperson	R444 610	R466 840	5.0%
Member	R237 208	R249 068	5.0%
Risk Committee			5.0%
Chairperson	R321 595	R337 675	5.0%
Member	R158 936	R166 883	5.0%
Social, Ethics and Sustainability Committee			5.0%
Chairperson	R240 687	R252 721	5.0%
Member	R142 575	R149 704	5.0%
Remuneration Committee			5.0%
Chairperson	R305 878	R321 172	5.0%
Member	R142 575	R149 704	5.0%
Nominations Committee			5.0%
Chairperson	R225 211	R236 472	5.0%
Member	R142 786	R149 925	5.0%
Business Transformation Committee			
Chairperson	R305 878	R321 172	5.0%
Member	R142 575	R149 704	5.0%
Additional meetings and other assignments			
South African resident members (including the Chairman and Deputy Chairperson of the Board)			
Daily fee (if meeting exceeds four hours)	R34 358	R36 076	5.0%
Hourly fee	R5 843	R6 135	5.0%
Non-South African resident members			
Daily fee (if meeting exceeds four hours)	€3 315	€ 3 431	3.5%
Hourly fee	€564	€ 584	3.5%

* VAT exclusive.

[#] Representing an all-inclusive fee for participation in all scheduled meetings of the Board and committees.

Reason and effect

This resolution is required to comply with the requirements of sections 65(11)(h) and 66(9) of the Companies Act, which provide that remuneration may only be paid to directors of a profit company in accordance with a special resolution approved by the shareholders within the previous two years. The Company's MOI does not limit, restrict or qualify the Company's power to pay remuneration to its directors for their service.

The Chairman and Deputy Chairperson of the Board continue to be remunerated on a full retainer basis, as they are required to attend and participate in all Board and committee meetings, irrespective of whether they are members of the committees in question.

Provision is made for the payment of *ad hoc* fees to be paid to non-executive directors for meetings and attendances not specifically provided for above, such as *ad hoc* / special meetings relating to corporate actions, potential M&As, Board-approved initiatives and special projects identified from time to time. To ensure integrity and transparency, the governance process adopted is that such fees must be approved by the SPAR Group Remuneration Committee prior to payment thereof and will be disclosed to shareholders in the Company's integrated annual report.

Special Resolution number 3 – General authority to repurchase shares

“Resolved that the Company and/or its subsidiary/subsidiaries be and are hereby authorised, in terms of a general authority, to acquire on such terms and conditions and in such amounts as the directors may from time to time decide, but always subject to the provisions of the Companies Act, the Company's MOI and the Listings Requirements, up to a maximum of 19 260 235 shares, being 10% (ten per cent) of the Company's issued shares as at 26 September 2025, subject to the following conditions:

- *this general authority will be valid only until the Company's next Annual General Meeting or 15 months from the date of the passing of this special resolution, whichever is the shorter period;*
- *the Company and its subsidiaries are authorised in terms of their respective memorandum of incorporation to effect the repurchases;*
- *the repurchase of securities will be effected through the main order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);*
- *repurchases may not be made at a price greater than 10% (ten per cent) above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the repurchase of such securities by the Company is effected;*
- *the acquisitions of ordinary shares shall in the aggregate, in any one financial year, not exceed 10% (ten per cent) of the Company's issued ordinary share capital as at the beginning of the financial year, provided that the number of shares purchased and held by a subsidiary/subsidiaries of the Company shall not exceed 10% (ten per cent), in the aggregate, of the number of issued shares in the Company at any time;*

- neither the Company nor its subsidiary/subsidiaries will repurchase securities during a prohibited period, as defined in paragraph 3.67 of the Listings Requirements, unless they have in place a repurchase programme, and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period, in compliance with paragraph 5.72(h) of the Listings Requirements;
- a resolution having been passed by the Board of Directors confirming that the Board has authorised the repurchase, that the Company and the Group passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group;
- when the Company has cumulatively repurchased 3% (three per cent) of the initial number of the relevant class of securities, and for each 3% (three per cent) in aggregate of the initial number of that class acquired thereafter, an announcement shall be published on SENS in accordance with the Listings Requirements; and
- at any time, the Company shall appoint only one agent to effect any repurchase(s) on its behalf."

Reason and effects of Special Resolution number 3

The reason for Special Resolution number 3 is to grant the Company's directors a general authority, up to and including the date of the following AGM of the Company, to approve the Company's repurchase of its shares or to permit a subsidiary of the Company to purchase shares in the Company.

The effect of Special Resolution number 3, if passed, will be to authorise the Company or any of its subsidiaries to acquire up to 19 260 235 ordinary shares in the Company, representing 10% of the issued ordinary share capital of Company as at 26 September 2025, subject to the provisions of the Company's MOI, the Companies Act and the Listings Requirements.

Statement by the Board

The directors believe that the Company should retain the flexibility to take action if future acquisitions of its shares were considered desirable and in the best interests of the Company and its shareholders. Therefore, it is the intention of the Board to continue to review the Group's position relative to market conditions and prevailing circumstances and, if deemed appropriate, the Board will exercise the authority granted to it by way of Special Resolution number 3 in the best interests of the Company and its shareholders.

After considering the effect of a repurchase of the maximum number of shares permitted in terms of the general authority, the Board confirms that, for a period of 12 months after the date of this notice:

- the Company and the Group will be in a position to repay their debts in the ordinary course of business;
- the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group, for which purpose the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- the ordinary share capital and reserves of the Company and the Group will be adequate for ordinary business purposes; and
- the available working capital will be adequate to continue the operations of the Company and the Group,

and a resolution has been passed by the Board authorising the repurchase and confirming that the Company and the Group have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Company and the Group.

Additional information in respect of Special Resolution number 3

For the purposes of considering Special Resolution number 3 and in compliance with paragraph 11.26 of the Listings Requirements, shareholders are referred to the additional information below.

1. Directors' responsibility statement

The directors, whose names are given on page 2 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of this Special Resolution number 3 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and Special Resolution number 3 contains all the information required by law and the Listings Requirements.

2. Major shareholders

Details of major shareholders of the Company are set out on page 56 of the annual financial statements for the 52-week period ended 26 September 2025, which are available at <https://thespargroup.com/resource-centre/results-announcements/>

3. Share capital of the Company

Details of the share capital of the Company are set out in note 25 on page 49 of the annual financial statements for the 52-week period ended 26 September 2025, which are available at <https://thespargroup.com/resource-centre/results-announcements/>

4. Material changes

No material changes in the financial or trading position of the Company and its subsidiaries have occurred since the end of the 52-week period ended 26 September 2025, being the period for which the annual financial statements were published and are available at <https://thespargroup.com/resource-centre/results-announcements/>

To transact such other business as may be transacted at an AGM

Record date

The record date set by the Board to determine which shareholders are eligible to:

- Receive this notice is Friday, 9 January 2026 (the date on which a shareholder must be registered in the Company's securities register to receive this notice).
- Participate in, and vote at, the AGM is Friday, 20 February 2026. Accordingly, the last day to trade for a shareholder to be eligible to vote at the AGM is Tuesday, 17 February 2026.

Voting and proxies

Shareholders who have not dematerialised their shares or who have dematerialised their shares with own name registration are entitled to attend and vote at the AGM and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead at the AGM. The person so appointed need not be a shareholder.

Forms of proxy should be forwarded to reach the Company's transfer secretaries, JIS, P.O. Box 4844, Johannesburg, 2000, or meetfax@jseinvestorservices.co.za, by no later than 09:00 (South African Standard Time) on Monday, 2 March 2026. Thereafter, a form of proxy must be handed to the Chairperson of the AGM before the appointed proxy may exercise any rights of the shareholder at the AGM. Forms of proxy must only be completed by shareholders who have not dematerialised their shares or who have dematerialised shares with own name registration.



A form of proxy is attached.

Subject to the rights and other terms associated with any class of shares, on a poll, every shareholder present in person or represented by proxy shall have one vote for every share held in the Company by such shareholder.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with own name registration, should contact their CSDP or broker in the manner and time stipulated in their agreement:

- To furnish them with their voting instructions.
- Should they wish to attend the meeting, to obtain the necessary letter of authority to do so.

Identification

Section 63(1) of the Companies Act requires meeting participants to provide the person presiding over the meeting with satisfactory identification.

Electronic communication

1. The Company has secured the services of TMS to host the AGM on an interactive platform, in order to facilitate electronic participation and voting by shareholders. The online shareholder meeting guide contains detailed information in this regard and is attached to this notice.
2. All shareholders are entitled to attend and participate *via* the use of the electronic platform. Any shareholder (or a representative or proxy for a shareholder) who wishes to attend, participate in and/or vote at the AGM by way of electronic participation, must contact TMS at proxy@tmsmeetings.co.za or on 084 433 4836 or 081 711 4255 as soon as possible, and for administrative purposes, by no later than 09:00 (South African Standard Time) on Monday, 2 March 2026.

This is in order for TMS to arrange such participation for the shareholder and to provide the shareholder with the details as to how to access the AGM by means of electronic participation.

Shareholders may still register/apply to participate in and/or vote electronically at the AGM after this date, provided, however, that those shareholders are verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the AGM.

Any person wishing to attend the AGM as an observer, must contact TMS on the details provided above to register to attend the meeting, by no later than 09:00 (South African Standard Time) on Monday, 2 March 2026. Such attendance may be allowed at the discretion of the Company Secretary of the Company.

3. Shareholders participating in the AGM by way of electronic communication may still appoint a proxy to vote on their behalf at the AGM.
4. The cost of electronic participation in the AGM is for the expense of the shareholder so participating and will be billed separately by the shareholder's own service provider.
5. Each shareholder by their participation in the AGM, acknowledges that the electronic communication services are provided by third parties and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the shareholder or anyone else. In particular, but not exclusively, each shareholder that participates in the AGM acknowledges that they will have no claim against the Company, the directors or any employees or representatives of the Company for any direct or indirect damages or for consequential damages or otherwise, arising from the use of the electronic services or any defect in them or from total or partial failure of the electronic services and connections linking the shareholder who participates or wishes to participate *via* the electronic services to the AGM. The Company does not and cannot guarantee there will not be a break in electronic communication.

By order of the Board

Ms. M Chetty
Group Company Secretary

15 December 2025

Form of proxy

THE SPAR GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1967/001572/06)

JSE and A2X share code: SPP

ISIN: ZAE000058517

(SPAR or the Company or the Group)

For use by certificated and own name dematerialised SPAR shareholders (shareholders) at the AGM of the Company to be held *via* electronic communication and in the Company's boardroom, The Umhlanga Arch, 1 Ncondo Place, Umhlanga Ridge, Durban, South Africa on Wednesday, 4 March 2026 at 09:00 (South African Standard Time) for the purpose of conducting the following items of business:

I/We _____

of (address) _____

being the holder/s of _____ shares, appoint (see note 1)

1. _____ or failing him/her/it;

2. _____ or failing him/her/it;

3. the Chairperson of the AGM

as my/our proxy to act for me/us on my/our behalf at the AGM, which will be held for the purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions:

		Insert an 'X' or the number of shares with which you wish to vote		
		For	Against	Abstain
Ordinary business				
1.	Re-election of directors retiring by rotation			
1.1	Liesbeth Botha			
1.2	Marie Jamieson			
1.3	Sundeeep Naran			
2.	Re-election of independent external auditor			
	PricewaterhouseCoopers Inc. as external auditor			
3.	Election of members of the Audit Committee			
3.1	Olufunke Ighodaro			
3.2	Lwazi Koyana			
3.3	Sundeeep Naran (subject to passing of resolution 1.3)			



		Insert an 'X' or the number of shares with which you wish to vote		
		For	Against	Abstain
4.	Election of members of the Social, Ethics and Sustainability Committee			
4.1	Sundee Naran (subject to passing of resolution 1.3)			
4.2	Lwazi Koyana			
4.3	Marie Jamieson (subject to passing of resolution 1.2)			
4.4	Liesbeth Botha (subject to passing of resolution 1.1)			
4.5	Shirley Zinn			
4.6	Phumlani Dyini			
5	Non-binding advisory vote on the remuneration policy			
6	Non-binding advisory vote on the remuneration implementation report			
Special business				
1.	Financial assistance to related and inter-related companies			
2.	Non-executive directors' fees			
3.	General authority to repurchase shares			

Signed at _____ on this _____ day of _____

Signature _____

Notes to the form of proxy

Although voting will be permitted by way of electronic communication, shareholders are encouraged to make use of proxies for purposes of voting at the AGM.

Completed forms of proxy must be received at the office of the Company's transfer secretaries, JSE Investor Services (Pty) Ltd, P.O. Box 4844, Johannesburg, 2000, or meetfax@jseinvestorservices.co.za, by no later than 09:00 (South African Standard Time) on Monday, 2 March 2026. Thereafter, a shareholder or his proxy must deliver the form of proxy to the Chairperson of the AGM before the appointed proxy may exercise any rights of the shareholder at the AGM.

1. A member's instructions to the proxy must be indicated in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the AGM as he/she deems fit. A member may instruct the proxy to vote less than the total number of shares held by inserting the relevant number of shares in the appropriate box provided. A member who fails to do so will be deemed to have authorised the proxy to vote or abstain from voting, as the case may be, in respect of all the member's votes exercisable at the AGM.
2. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy unless previously recorded by the Company's share registrar or waived by the Chairperson of the AGM.
3. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
4. A minor must be assisted by the minor's parent or guardian unless the relevant documents establishing the minor's legal capacity are produced or have been registered by the Company's transfer secretaries.
5. The Chairperson of the AGM may accept any form of proxy that is completed other than in accordance with these notes if the Chairperson of the AGM is satisfied as to the manner in which the member wishes to vote.

Summary of rights of shareholders

In terms of section 58 of the Companies Act:

- A shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders meeting on behalf of such shareholder
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder
- A proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy
- Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise
- If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company
- A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's MOI, or the instrument appointing the proxy, provides otherwise
- If the instrument appointing a proxy has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice required in terms of the Companies Act or such company's MOI to be delivered to a shareholder must be delivered by such company to:
 - » The relevant shareholder, or
 - » The proxy or proxies, if the relevant shareholder has (i) directed such company to do so, in writing; and (ii) paid any reasonable fee charged by such company for doing so
- If a company issues an invitation to its shareholders to appoint 1 (one) or more persons named by the company as a proxy, or supplies a form of proxy instrument:
 - » The invitation must be sent to every shareholder entitled to receive notice of the meeting at which the proxy is intended to be exercised
 - » The invitation or form of proxy instrument supplied by the company must:
 - Bear a reasonably prominent summary of the rights established in section 58 of the Companies Act
 - Contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name and, if desired, an alternative name of a proxy chosen by the shareholder
 - Provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting
- The company must not require that the proxy appointment be made irrevocable
- The proxy appointment remains valid only until the end of the meeting at which it was intended to be used

Meeting guide for shareholders: how to access our virtual AGM

Any shareholder (or a representative or proxy for a shareholder) who wishes to attend, participate in and/or vote at the AGM by way of electronic participation, must contact TMS at proxy@tmsmeetings.co.za or on 084 433 4836 or 081 711 4255 as soon as possible, and for administrative purposes, by no later than 09:00 (South African Standard Time) on Monday, 2 March 2026.

In order to electronically attend, participate and vote at the AGM, each shareholder must have an internet-enabled device (e.g. phone, laptop, or a desktop) capable of browsing a regular website (in order to vote and participate).

- Closer to the AGM date or on the day of the virtual AGM, you will receive a link and a password to enter the virtual meeting room
- Click on the link and you will be directed to the AGM platform
- An additional unique link will be sent, individually, to each shareholder who has made contact with The Meeting Specialist Proprietary Limited (TMS) on proxy@tmsmeetings.co.za and who has successfully been validated to vote at the AGM
- Guests will only be allowed to observe and listen to the proceedings of the AGM

Navigating the meeting platform

- Shareholders who would like to pose questions, click on the Q&A icon on the bottom of your screen to ask your question.
- If you have a question on a particular resolution, type the resolution number, followed by your question and press enter or send.
- Alternatively, if you would like to address the meeting directly, please click on the raise your hand icon. Once the Chairperson of the AGM has identified you, please unmute your microphone and address the meeting.

How to exercise your votes

- All shareholders or their representatives, who have requested to vote, would have received a link from Digital Cabinet TMS to either their phone number or email address.
- The voting will be available on all the resolutions when the Chairperson of the AGM opens the AGM.
- Click on the vote now link and it will direct you to the voting platform.
- You will notice that the voting platform contains all the resolutions that have been published in the notice of AGM, with your votes automatically defaulted to 'Abstain'.
- Note that once you click submit, your votes cannot be retracted and revoked.
- You may vote on all the resolutions simultaneously by defaulting all your votes as either 'For' or 'Against' or keeping it as an 'Abstained' vote and then clicking on the submit button on the bottom of the electronic ballot form.
- You may also indicate your votes individually, per resolution, by selecting the relevant option ('For', 'Against' or 'Abstain'), on a resolution-by-resolution basis.
- Once you have voted on all the resolutions, scroll down to the bottom of the page and click 'submit'.
- You will receive a message on your screen confirming that your votes have been received.
- Once again, please ensure that you have selected the correct option on a resolution (either, 'For' or 'Against' or 'Abstain') before clicking the submit button. You will be able to access both the meeting platform and the voting platform approximately 10 minutes prior to the commencement of the virtual AGM.

Corporate information

The SPAR Group Ltd

(SPAR or the Group)

Registration number: 1967/001572/06

ISIN: ZAE000058517

JSE share code: SPP

<https://thespargroup.com>

Directors

MJ Bosman* (Chairman), SA Zinn* (Deputy Chairperson),
AP Swartz (Group CEO), MR Isaacs (Group CFO),
M Pydigadu (Group COO), E Botha*, P da Silva*, O Ighodaro*,
M Jamieson*, LM Koyana*, ST Naran*

** Independent non-executive.*

Group Company Secretary

M Chetty

Registered office

The Umhlanga Arch

1 Ncondo Place

Umhlanga Ridge

Durban

Transfer secretaries

JSE Investor Services (Pty) Ltd

PO Box 4844

Johannesburg

2000

Auditor

PricewaterhouseCoopers Inc.

Waterfall City

4 Lisbon Lane

Jukskei View, Midrand

2090

Sponsor

One Capital

17 Fricker Road

Illovo

2196

Bankers and corporate brokers

Rand Merchant Bank, a division of FirstRand Bank Ltd

PO Box 4130

The Square

Umhlanga Rocks

4021

Forward looking statements

This report includes forward looking statements that involve known and unknown risks, uncertainties, and other factors that could cause the Group's actual results, performance or achievements to differ materially from those anticipated. These statements have not been reviewed or audited by external auditors.

SPAR is under no obligation to publicly update or revise any forward looking statements to reflect events or circumstances after the report's date, or the occurrence of anticipated events.



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