PEPKOR
Holdings Limited

Reviewed ANNUAL RESULTS

FOR THE YEAR ENDED 30 SEPTEMBER 2026



IT'S IN OUR DNA.

Performance highlights

Continuing operations[1]

Market-leading retail performance results in 9.7% normalised[3] HEPS[4] growth



Revenue
R105.9bn ↑11.9%
(+7.3% organic | 2-year organic CAGR +9.6%)

Operating profit[2]
R11.9bn ↑7.4%
(+9.0% normalised)[3]

HEPS[4]
171.3 cents ↑6.9%
(+9.7% normalised | 2-year normalised CAGR +12.5%)[3]

Cash generated from operations
R15.3bn
↑40.6%

Free cash flow
R4.8bn
↑>100%

Dividend declared
57.9 cents per share ↑9.3%

[1] Continuing operations exclude Shoe City (within the Speciality division), which was closed in FY26 and classified as a discontinued operation.
[2] Operating profit before capital items.
[3] Normalised metrics exclude investments in the group's PlusB banking proposition.
[4] Headline earnings per share.

Strategic execution highlights

Continuing operations[1]

Pepkor's retail-powered consumer platform continued to expand across physical and digital channels – deepening customer touchpoints and powering high-margin expansion.

Retail Platform

Defensive positioning gaining market share

>200 bps market share **gains**[2]

6 744 retail stores
+699 **net stores** added

+1.4 million accounts opened – **4.1 million account base**

+42.2%
online sales growth

18.5 million
more
members +45%

AVENIDA
Strong recovery
in Brazil +8.1% like-for-like sales growth

Successful implementation of targeted acquisitions:

Growing adultwear market share
LEGIT
SWAGGA
STYLE
+474 stores

Scaling the Lifestyle business
OK FURNITURE
House&Home
+67 stores
(non-SA component)

Entering the off-price market segment
Choice. clothing
acquired in FY25, expanded to
124 stores

Financial services

Disruptive scale, multiplying customer value

2.7 million FoneYam
active cellular rental customers +32%

R1 billion
profit contribution reached by insurance
abacus

Acquired CloudBadger Technologies financial services platform and team

Progressing regulatory **approvals and build** for planned bank
plusb

Informal Market Platform

Expansion in high-growth fintech and informal channels

+17.6% throughput
R70.6 billion

Trader base grows to
176 000
traders

flash
R1 billion
operating profit reached in Flash +22%

Merger of Flash with Shop2Shop announced to form **FintechCo**
>R200bn combined throughput potential

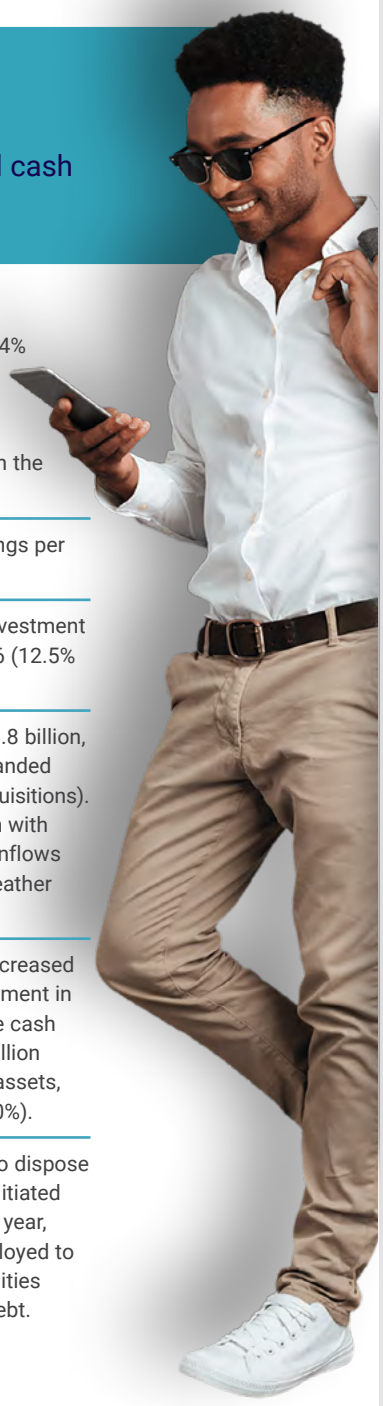
[1] Continuing operations exclude Shoe City (within the Speciality division), which was closed in FY26 and classified as a discontinued operation.
[2] Retailers' Liaison Committee (RLC) data – September 2026.

Financial performance

Continuing operations

R100 billion

in revenue, gross profit margin expansion, and strengthened cash generation – with disciplined platform investment



Revenue rose 11.9% to R105.9 billion with organic growth at 7.3% off FY25's elevated two-pot retirement withdrawal baseline (2-year organic CAGR: 9.6%).

Gross profit margin expanded 170 bps to 41.5%, with a 60 bps improvement in retail merchandise gross margin and increased contribution from higher-margin financial services.

Cellular ongoing revenue grew 4.2% to R2.2 billion.

Operating expenses (excluding debtors' costs and depreciation and amortisation) increased by 19.3%, decelerating in the second half of FY26. Growth was driven by acquired store operations and strategic investments. Excluding strategic investments, underlying expense growth was 8.0%.

Debtors' costs increased by 28.0% to R5.3 billion, a significant deceleration from +62.3% in FY25, reflecting a larger credit book base and disciplined moderation in credit granting. Debtors' costs as a percentage of average book decreased by 60 bps to 24.7% (FY25: 25.3%).

Operating profit increased by 7.4% to R11.9 billion (+9.0% normalised, excluding PlusB).

Net finance costs increased by 11.4% to R3.4 billion, driven by elevated net debt levels earlier in the year. Net debt-to-EBITDA normalised by year-end to 0.67 times – well within the targeted range.

HEPS increased by 6.9% and earnings per share (EPS) by 5.4%.

Normalised HEPS, excluding the investment in PlusB, increased by 9.7% in FY26 (12.5% 2-year CAGR).

Inventory increased by 1.2% to R18.8 billion, including acquisitions and the expanded retail footprint (-3.4% excluding acquisitions). Inventory age profiles remain clean with high levels of freshness. Summer inflows have been disrupted by adverse weather and domestic port congestion.

Cash generated from operations increased by 40.6% to R15.3 billion. As investment in strategic initiatives moderated, free cash flow increased by >100% to R4.8 billion (FY25: R1.7 billion). Return on net assets, pre-IFRS 16, was 23.0% (FY25: 24.0%).

A sale-and-leaseback transaction to dispose of a distribution centre portfolio (initiated in 2019) was concluded during the year, resulting in R2.0 billion to be redeployed to fund high-yielding growth opportunities across the group and reduce net debt.

Segmental performance

Continuing operations

The group's reporting segments have been realigned to better reflect strategic priorities.

Retail Platform

1 Clothing and General Merchandise

Revenue +9.9%
R75.3 billion

Operating profit +2.7%
R8.6 billion

79% contribution[1]

PEP | Choice. clothing

ACKERMANS

PEPKOR Speciality

LEGIT

SWAGGA STYLE

A+ Retail credit

PEP | Africa

AVENIDA

2 Furniture, Appliances and Electronics

Revenue +16.3%
R14.5 billion

Operating profit +1.6%
R0.8 billion

2% contribution[1]

PEPKOR Lifestyle

OK FURNITURE NON RSA STORES

House & Home Non RSA stores

PEPKOR Lifestyle Finance Retail credit

3 Financial Services

Revenue +35.2%
R6.2 billion

Operating profit +37.0%
R1.5 billion

10% contribution[1]

FoneYam

capfin

abacus

plusb

4 Informal Market Platform

Revenue +8.3%
R9.9 billion

Operating profit +21.6%
R1.0 billion

9% contribution[1]

flash

The Clothing and General Merchandise (CGM) segment now includes the A+ retail credit book operations as a sales enabler.

The Furniture, Appliances and Electronics (FAE) segment now includes the Lifestyle Finance retail credit book operations as a sales enabler.

The new Financial Services (FS) segment includes operations of FoneYam cellular rental, Capfin unsecured lending, Abacus insurance and PlusB, where the group is establishing its bank.

The new Informal Market Platform (IMP) segment includes the Flash business and will house the planned merged entity, FintechCo, following the combination of Flash and Shop2Shop.

[1] Headline earnings contribution

Retail Platform

LFL +2.6% (H1: +3.6% | H2: +1.6%)

LFL 2-year CAGR +4.6%

Pepkor's store network is no longer merely a conduit for retail sales. With over 38 million known customers, Pepkor's >6 700 store retail footprint and growing digital base operates as a powerful customer acquisition platform.

Group retail sales increased by 10.1% (+4.8% excluding acquisitions), with like-for-like (LFL) sales up 2.6% (2-year CAGR: +4.6%). South African operations consistently outperformed the rest of the market. Trading in Botswana was impacted by a deteriorating macro, accounting for c.2% of total sales and declining by 12.3%, in addition to local currency devaluation.

Aggregate retail selling price growth across PEP, Ackermans and Speciality was 2.1% overall.

Cash sales rose 8% (82% mix) and credit sales rose 20% (18% mix vs. 16% in FY25). The total store base reached 6 744 stores. 233 new stores were opened, 93 stores were converted, 541 stores were added through acquisitions and 168 stores were closed. Group online sales increased by 42.2% (contributing 1.5% to group sales) and +more membership expanded to 18.5 million (+45%).

	Total sales growth (%)			Like-for-like sales growth (%)		
	FY26	FY25	Contribution to total sales FY26	**FY26**	FY25	2-year CAGR
Retail segments[1]	**10.1**	**9.0**	**100**	**2.6**	**6.6**	**4.6**
Clothing and General Merchandise segment[1]	**9.2**	**9.4**	**84**	**2.4**	**7.0**	**4.7**
PEP	**5.1**	**10.8**	**42**	**3.1**	**9.3**	**6.2**
Ackermans	**0.2**	**7.2**	**23**	**(1.5)**	**7.1**	**2.8**
Speciality[1]	**51.0**	**11.1**	**11**	**3.3**	**4.4**	**3.8**
PEP Africa[2]	**6.0**	**21.5**	**3**	**6.0**	**22.3**	**14.1**
Avenida[2]	**12.5**	**13.0**	**5**	**8.1**	**1.8**	**5.0**
Furniture, Appliances and Electronics segment – Lifestyle	**15.3**	**7.2**	**16**	**4.1**	**4.7**	**4.4**

1 Retail segments, CGM and Speciality exclude Shoe City, which is classified as a discontinued operation.
2 Constant currency sales growth is reported for PEP Africa and Avenida.

CGM segment

PEP

LFL +3.1% (H1: +4.3% | H2: +1.7%)

LFL 2-year CAGR +6.2%

PEP defended price leadership and gained market share in Babies, Kids, Adult, Footwear and Home (RLC). The store footprint reached 2 772 stores (+95 new openings). PEP Home reached >500 stores and launched its online presence. Subsequently, all other PEP product categories were launched online by the end of FY26, with the average online basket being five times larger than in-store. 766 000 A+ retail credit accounts were opened during the year. PEP sold 9 million handsets, with a 6% increase in smartphones. FoneYam activations increased by 36% to 1.5 million, with 20% of these being second 18-month rental activations for existing customers. The distribution of PAXI parcels continued to expand with volumes increasing by 18% to 8.1 million.

Choice. clothing

Choice Clothing expanded to 124 stores (+21 openings, including 15 Shoe City conversions, with 14 opened on one day). A new ERP platform was implemented, and distribution migrated to a centralised distribution centre. This lays the operational foundation required to achieve its long-term potential of more than 300 stores.

ACKERMANS

LFL -1.5% (H1: -0.5% | H2: -2.7%)

LFL 2-year CAGR +2.8%

Ackermans sales increased by 0.2% (like-for-like -1.5%), impacted by the slowdown in credit granting in the second half of the year and the ongoing shift of Ackermans credit spend to other Pepkor brands. Lay-by, still a significant tender in Ackermans, continues to decline, while seasonal transition remains a focus. Low Summer 2025 inflation and product assortment challenges in Babies and the Cube youth range further weighed on performance. Markdowns were actioned, resulting in a clean inventory position, while disciplined expense management delivered strong cost control. Market share was expanded in Schoolwear, Footwear, Women and Beauty (RLC), despite intense promotional activity in the value sector. The store footprint reached 1 060 stores (+44 openings). 3 million handsets were sold and online sales increased by 50%.

PEPKOR Speciality

LFL +3.3% (H1: +5.1% | H2: +1.0%)

LFL 2-year CAGR +3.8%

Speciality sales rose 51.0% (+8.3% excluding acquisitions) and organic market share gains were achieved in adultwear and kidswear (RLC). The Legit, Swagga and Style acquisition was successfully integrated (+474 stores), with Legit delivering +8.7% sales growth in womenswear. The Speciality store footprint reached 1 356 stores (+44 new openings, +66 brand conversions, +474 stores acquired). The portfolio was rationalised with the closure of Shoe City (113 stores) and strategic evaluations are underway for Ayana and S.P.C.C.

Retail credit – enabling sales in PEP, Ackermans and Speciality

1.4 million new A+ accounts were activated during the year, growing the base to 4.1 million accounts with a gross book of R11.6 billion (FY25: R9.2 billion). The credit sales mix increased to 14% in PEP (FY25: 12%) and 24% in Ackermans (FY25: 22%), while moderating to 17% in Speciality (FY25: 20%) as a result of acquisitions. The proportion of customers able to purchase was 76% (FY25: 80%). Credit granting was moderated from the second quarter, reflecting the maturation of the book and cautious outlook on household disposable income.

PEP | Africa

LFL +6.0% (H1: 9.3% | H2: 2.8%)

LFL 2-year CAGR +14.1%

Constant currency sales rose 6.0%, with like-for-like sales increasing by 6.0% (FY25: +22.3%), constrained by structural currency devaluations. Trading momentum moderated during the second half due to macro pressure.

AVENIDA

LFL +8.1% (H1: 10.3% | H2: 6.0%)

LFL 2-year CAGR +5.0%

Constant-currency sales increased by 12.5%, driven by Babies, Kids and Women, showing a strong recovery in performance. Gross margin expanded on optimised assortment allocation. The store footprint closed at 200 stores with only five new store openings as expansion was deliberately limited to ensure the business model is optimal for long-term growth in this high-potential market.

AVENIDA Retail credit

Gross credit book rose to R1.1 billion (FY25: R0.9bn) and the credit mix increased to 48% from 42%.

FAE segment

PEPKOR Lifestyle

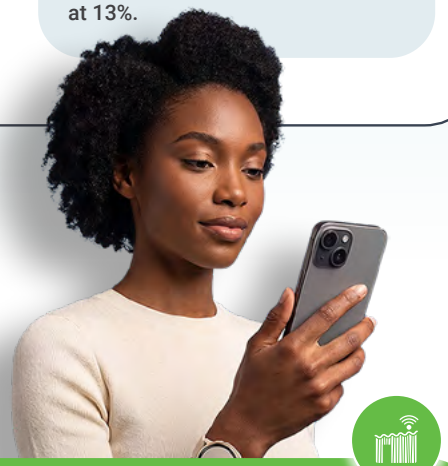
LFL +4.1% (H1: +3.6% | H2: +4.8%)

LFL 2-year CAGR +4.4%

Lifestyle sales rose 15.3%, outperforming benchmarks in TVs, audio and large appliances (GfK). Performance was led by the Tech-focused brands, while the Home-focused brands recorded more measured growth off a high base. Online sales reached R1.0 billion (+36%) and the store network reached 1 009 stores (+48 openings, +67 non-RSA OK Furniture/ House & Home acquired stores). The acquisition of the SA OK Furniture/House & Home business remains subject to ongoing competition authority proceedings.

PEPKOR Lifestyle Finance — Retail credit

Gross credit book expanded to R2.7 billion (FY25: R2.2 billion), driven by non-RSA OK Furniture/ House & Home book consolidation. The credit sales mix remained stable at 13%.



Financial Services segment

Financial Services is Pepkor's fastest-growing and highest-margin segment, enabled by the group's footprint and trusted brands to acquire customers and meet their needs for accessible and affordable financial products, which multiplies customer lifetime value for the group across a single platform.

Cellular rental — FoneYam

FoneYam activated 2.5 million cellular rental accounts, reaching 2.7 million active accounts (+32%). The cellular rental book expanded to R3.1 billion (FY25: R1.9 billion). Repeat customer adoption of second device rentals exceeded expectations with a 42% take-up rate, effectively extending the customer lifetime value of the FoneYam product by 18 months.

Unsecured lending — capfin

Active accounts reduced to 344 000 (FY25: 373 000) with the gross book closing at R5.1 billion (FY25: R4.6 billion). Credit origination was curtailed following collections disruptions caused by the national Registered Mandate payment transition, consumer wallet strain and the strategic decision to pivot future group unsecured lending capacity through PlusB, once operational.

Insurance — abacus

Profit contribution to the group surpassed R1.0 billion, which is a year ahead of plan. Revenue grew 88.5%, driven by embedded policy attachments across FoneYam, Lifestyle Finance, Capfin and PAXI. Lives covered by funeral policies exceeded 1.6 million.

Banking — plusb

The process to obtain a banking licence has advanced positively and is in the final stage of adjudication. The CloudBadger technology platform and team were acquired and the build cost of the bank remains firmly within the R920 million target, ahead of its planned launch expected in H2FY27.

Informal Market Platform segment

Pepkor's presence in the high-growth fintech and informal market extends its customer reach beyond formal retail channels, connecting opportunities across retail, financial services and the informal sector.

flash

Total Flash throughput reached R70.6 billion (+17.6%) this year, generating R9.9 billion in revenue (+8.3%) and reaching R1 billion in operating profit for the first time (+21.6%).

Trader network: Active traders expanded to 176 000 with lower churn and stable ARPU. Acquiring devices grew 10% to 75 000, lifting tapped card value by 25%.

Aggregation: Aggregation throughput grew 48% and a growing partner ecosystem now exceeds 100 partners.

Consumer: Voucher redemptions rose 42% to 568 million.

Cellular: The active cellular SIM base was defended at 3.1 million with +4% spend growth.

On 22 July 2026, the proposed merger of Flash and Shop2Shop was announced, to form FintechCo, with a combined throughput potential of more than R200 billion. The transaction remains subject to various conditions precedent, which include, but are not limited to, receiving all necessary regulatory approvals. The competition authority process is underway and implementation is expected in H2FY27.

Outlook and FY27 strategic priorities

Trading conditions across southern Africa are expected to remain constrained, with elevated living and transport costs weighing on household budgets. In this environment, Pepkor's core value proposition of affordability and accessibility remains highly relevant.

While ongoing port operational disruptions and delayed inventory inflows are expected to weigh on near-term trading performance, management has prioritised key product inflows heading into Black Friday and the festive period.

With a clear strategic roadmap, an entrenched position of customer trust and market-leading scale, Pepkor is uniquely positioned to navigate macroeconomic headwinds.

FY27 strategic priorities

1 Retail platform

- Extract synergies from acquired businesses
- Open >200 new stores
- Conclude the SA component of the OK Furniture/House & Home transaction
- Drive efficiencies through scale and technology – particularly AI

2 Grow financial services

- Continue to expand insurance offering
- Execute commercial launch of PlusB in H2FY27 within the R920 million build cost target

3 Expand presence in the fintech and informal market

- Complete the merger of Flash and Shop2Shop

Governance and directorate changes

Executive succession

Sean Cardinaal's contract as group chief operating officer (COO) concludes on 31 December 2026. Garth Napier (currently chief commercial officer) succeeds him as group COO effective 1 January 2027. Sean will serve in an advisory role to support the group, ensuring that his expertise and deep institutional knowledge are retained.

Board and committee appointments

- Louis du Preez retired on 24 February 2026.
- Richard Wainwright was appointed as independent non-executive director on 24 February 2026.
- Zola Malinga was appointed as chair of the audit and risk committee on 24 February 2026 (Hester Hickey remains a member).
- Wendy Luhabe resigned as independent board chair on 30 June 2026. Ian Kirk was appointed as acting chair of the board and nomination committee (having been appointed lead independent director on 25 May 2026). The process to appoint a chair is underway.
- Steve Müller retired on 18 August 2026 after a nine-year tenure. Nunu Ntshingila succeeded him as chair of the human resources and remuneration committee.

Dividend declaration

The board declared a gross cash dividend of 57.88375 cents per ordinary share out of income reserves (net: 46.30700 cents for shareholders liable for 20% dividend withholding tax).

Last date to trade cum dividend:
Tuesday, 12 January 2027

Date trading commences ex-dividend:
Wednesday, 13 January 2027

Record date:
Friday, 15 January 2027

Payment date:
Monday, 18 January 2027

Share certificates may not be dematerialised or rematerialised between Wednesday, 13 January 2027 and Friday, 15 January 2027, both days inclusive.

Issued ordinary shares: 3 688 million

Pepkor Holdings Limited Tax reference number: IT9542320180

Ian Kirk
Lead independent director and acting chair

Pieter Erasmus
Chief executive officer

Riaan Hanekom
Chief financial officer

23 November 2026

Independent Auditor's Review Report

on Condensed Consolidated Financial Statements

To the Shareholders of Pepkor Holdings Limited

We have reviewed the condensed consolidated financial statements of Pepkor Holdings Limited, set out on pages 12 to 35, which comprise the condensed consolidated statement of financial position as at 30 September 2026 and the related condensed consolidated income statements and condensed consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

Directors' Responsibility for the Condensed Consolidated Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the basis of preparation paragraph to the financial statements, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these condensed consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical financial information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of condensed consolidated financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Pepkor Holdings Limited for the year ended 30 September 2026 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the basis of preparation paragraph to the financial statements, and the requirements of the Companies Act of South Africa.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: JA Hugo
Registered Auditor
Cape Town, South Africa
23 November 2026

Independent Auditor's Assurance Report

on the compilation of pro forma financial information included in the Pepkor Reviewed Condensed Annual Results for the year ended 30 September 2026

To the Directors of Pepkor Holdings Limited

We have completed our assurance engagement to report on the compilation of the pro forma financial information of Pepkor Holdings Limited ("Pepkor" or the "Company") and its subsidiaries (together "the Group") by the directors. The pro forma financial information, as set out in the Pro Forma Financial Information section on pages 36 to 38 of the Pepkor Reviewed Condensed Annual Results for the year ended 30 September 2026 (the "Document") consists of non-IFRS financial measures and constant currency presentation (the "Pro Forma Financial Information"). The applicable criteria on the basis of which the directors have compiled the Pro Forma Financial Information are specified in the Listings Requirements of the JSE Limited ("the JSE Listings Requirements"), including Guidance Letter: *Presentation of constant currency information* dated 16 February 2026 and described in the Pro Forma Financial Information section of the Document (the "Applicable Criteria").

The purpose of the Pro Forma Financial Information is to illustrate the impact on the Group's earnings measures excluding the effects of the goodwill impairment recognised in the current and prior years, as well as the trade and brand name impairment, the acquisitions, including the bargain purchase gain and related costs of Shoprite non-RSA, SLS and Choice Clothing, the acquisition and related costs of CloudBadger and the establishment and start-up costs of PlusB and the constant currency information presented in the Document.

As part of this process, information about the Group's consolidated financial position and financial performance has been extracted by the directors from the Group's Reviewed Condensed Annual Results for the year ended 30 September 2026, on which a review opinion was issued on 23 November 2026.

Directors' responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the Pro Forma Financial Information on the basis of the Applicable Criteria.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors' (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express an opinion, as required by the JSE Listings Requirements, about whether the Pro Forma Financial Information has been compiled, in all material respects, by the directors, on the basis of the Applicable Criteria, based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Pro Forma Financial Information has been compiled, in all material respects, on the basis specified in the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information is to illustrate the impact on the Group's earnings measures excluding the effects of the goodwill impairment recognised in the current and prior years, as well as the trade and brand name impairment, the acquisitions, including the bargain purchase gain and related costs of Shoprite non-RSA, SLS and Choice Clothing, the acquisition and related costs of CloudBadger, the establishment and start-up costs of PlusB and the constant currency information. Accordingly, we do not provide any assurance that the actual outcome would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the events, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Financial Information included in the Document has been compiled, in all material respects, on the basis of the Applicable Criteria.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: JA Hugo
Registered Auditor
Cape Town, South Africa
23 November 2026

Condensed consolidated financial statements

for the year ended 30 September 2026

Condensed consolidated income statement

	Notes	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Restated[1] Rm	% change
Revenue	2	**105 919**	94 696	11.9%
Retail revenue		**96 481**	87 669	10.1%
Financial services revenue		**7 875**	6 198	27.1%
Insurance revenue		**1 563**	829	88.5%
Cost of sales		**(61 978)**	(56 994)	(8.7%)
Gross profit		**43 941**	37 702	16.5%
Other income		**1 064**	959	10.9%
Operating expenses		**(22 218)**	(18 626)	(19.3%)
Debtors' costs		**(5 251)**	(4 102)	(28.0%)
Operating profit before depreciation, amortisation and capital items		**17 536**	15 933	10.1%
Depreciation and amortisation		**(5 674)**	(4 890)	(16.0%)
Operating profit before capital items		**11 862**	11 043	7.4%
Capital items	3	**(438)**	(336)	(30.4%)
Operating profit		**11 424**	10 707	6.7%
Finance costs	4	**(3 698)**	(3 340)	(10.7%)
Finance income		**328**	315	4.1%
Profit before taxation and associated income		**8 054**	7 682	4.8%
Share of net profit of associate		**2**	–	100.0%
Profit before taxation		**8 056**	7 682	4.9%
Taxation	5	**(2 105)**	(2 045)	(2.9%)
Profit for the year from continuing operations		**5 951**	5 637	5.6%
Loss for the year from discontinued operations	7	**(96)**	(1)	(>100%)
Profit for the year		**5 855**	5 636	3.9%
Profit/(loss) attributable to:				
Equity holders of the parent		**5 854**	5 638	3.8%
Non-controlling interests		**1**	(2)	>100%
Profit for the year		**5 855**	5 636	3.9%
Earnings per share (cents)				
Basic earnings per share from continuing operations		**161.2**	153.0	5.4%
Basic earnings per share from discontinued operations		**(2.6)**	–	(>100%)
Total basic earnings per share	6	**158.6**	153.0	3.7%
Diluted earnings per share from continuing operations		**159.3**	151.2	5.4%
Diluted earnings per share from discontinued operations		**(2.6)**	–	(>100%)
Total diluted earnings per share	6	**156.7**	151.2	3.6%

[1] Prior year comparatives have been restated for the effect of the discontinued operation. Refer to note 7 for more details.

Condensed consolidated statement of comprehensive income

	Notes	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Restated[1] Rm
Profit from continuing operations		**5 951**	5 637
Loss from discontinued operations		**(96)**	(1)
Profit for the year		**5 855**	5 636
Other comprehensive income from continuing operations			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(155)**	120
Net fair value (loss)/gain on cash flow hedges		**(46)**	276
Deferred taxation on cash flow hedges		**(50)**	(20)
Other comprehensive (loss)/income for the year, net of taxation		**(251)**	376
Other comprehensive income from discontinued operations			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(1)**	(1)
Net fair value (loss)/gain on cash flow hedges		**(2)**	6
Other comprehensive (loss)/income for the year, net of taxation		**(3)**	5
Total comprehensive income for the year		**5 601**	6 017
Total comprehensive income/(loss) attributable to:			
Equity holders of the parent		**5 600**	6 019
Non-controlling interests		**1**	(2)
Total comprehensive income for the year		**5 601**	6 017
Total comprehensive income/(loss) for the year attributable to equity holders of the parent arises from:			
Continuing operations		**5 699**	6 015
Discontinued operations		**(99)**	4
Total comprehensive income for the year attributable to the equity holders of the parent		**5 600**	6 019

[1] Prior year comparatives have been restated for the effect of the discontinued operation. Refer to note 7 for more details.

Condensed consolidated statement of financial position

	30 September 2026 Reviewed Rm	30 September 2025 Reviewed Rm
ASSETS		
Non-current assets		
Goodwill	**31 126**	30 236
Intangible assets	**19 939**	19 050
Property, plant and equipment	**8 362**	10 062
Right-of-use assets	**12 601**	10 538
Interest in associates	**240**	–
Investments and loans	**61**	77
Deferred taxation assets	**3 215**	2 663
Trade and other receivables	**134**	123
Unsecured loans	**926**	950
	76 604	73 699
Current assets		
Investments and loans	**12**	3
Trade and other receivables	**18 959**	14 606
Unsecured loans	**3 239**	2 856
Inventories	**18 841**	18 618
Reinsurance contract assets	**28**	38
Current income taxation assets	**233**	149
Cash and cash equivalents	**9 246**	5 066
	50 558	41 336
Total assets	**127 162**	115 035
EQUITY AND LIABILITIES		
Capital and reserves		
Total equity attributable to equity holders of the parent	**67 113**	63 231
Non-controlling interests	**–**	9
Total equity	**67 113**	63 240
Non-current liabilities		
Deferred taxation liabilities	**3 942**	3 703
Interest-bearing loans and borrowings	**16 610**	12 183
Lease liabilities	**11 926**	10 033
Employee benefits	**77**	433
Provisions	**83**	62
	32 638	26 414
Current liabilities		
Insurance contract liabilities	**47**	40
Interest-bearing loans and borrowings	**948**	1 200
Put option liability	**–**	227
Lease liabilities	**3 295**	2 928
Employee benefits	**2 069**	1 911
Provisions	**213**	121
Trade and other payables	**19 207**	16 890
Current income taxation liabilities	**1 568**	1 505
Bank overdrafts and short-term facilities	**64**	559
	27 411	25 381
Total equity and liabilities	**127 162**	115 035

Condensed consolidated statement of changes in equity

	30 September 2026 Reviewed Rm	30 September 2025 Reviewed Rm
Balance at beginning of the year	**63 240**	58 749
Changes in reserves		
Total comprehensive income for the year attributable to owners of the parent	**5 600**	6 019
Profit for the year	**5 854**	5 638
Recognised in other comprehensive income from total operations	**(254)**	381
Shares issued under Pepkor Executive Share Rights Scheme	**192**	215
Share buy-back and cancellation	**(352)**	–
Treasury shares disposed of by a subsidiary company of the group	**–**	12
Dividends paid	**(1 956)**	(1 787)
Net movement in share-based payment reserve	**118**	22
Transfers to retained earnings	**(69)**	135
Transfers from other reserves	**(18)**	–
Net fair value gain/(loss) on cash flow hedges transferred to inventory	**307**	(48)
Movement in put option reserve	**60**	140
Changes in non-controlling interests		
Total comprehensive income/(loss) for the year attributable to non-controlling interests	**1**	(2)
Acquisition of non-controlling interest	**(10)**	(187)
Exchange differences on consolidation of foreign subsidiaries	**–**	(28)
Balance at end of the year	**67 113**	63 240
Comprising		
Ordinary stated capital	**67 216**	67 376
Treasury shares	**(62)**	(62)
Retained earnings	**344**	(3 485)
Share-based payment reserve	**493**	375
Hedging reserve	**136**	(73)
Foreign currency translation reserve	**(1 014)**	(858)
Put option reserve	**–**	(60)
Other reserves	**–**	18
Non-controlling interests	**–**	9
	67 113	63 240

Condensed consolidated statement of cash flows

	Notes	30 September 2026 Reviewed Rm	30 September 2025 Reviewed Rm
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating profit from total operations		**11 293**	10 718
Operating profit from continuing operations		**11 424**	10 707
Operating (loss)/profit from discontinued operations (note 7.1)		**(131)**	11
Adjusted for:			
Debtors' write-offs and movement in provision		**6 473**	4 792
Depreciation and amortisation		**5 675**	4 909
Capital items	3	**433**	374
Inventories written down to net realisable value		**687**	666
Profit on lease modification		**(245)**	(357)
Share-based payment expense		**308**	247
Non-working capital provisions releases and other non-cash adjustments		**664**	294
		25 288	21 643
Working capital changes			
Decrease/(increase) in inventories		**27**	(1 654)
Increase in trade and other receivables		**(787)**	(400)
Increase in instalment sale receivables and credit sales through store cards		**(8 107)**	(6 935)
Increase in unsecured loans		**(1 971)**	(2 112)
Increase in trade and other payables		**861**	346
Net changes in working capital		**(9 977)**	(10 755)
Cash generated from operations		**15 311**	10 888
Dividends paid		**(1 956)**	(1 787)
Finance cost paid	4	**(3 409)**	(3 043)
Finance income received		**282**	268
Taxation paid	5	**(2 547)**	(1 860)
Net cash inflow from operating activities		**7 681**	4 466
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment and intangible assets		**(2 631)**	(2 825)
Proceeds on sale and leaseback, net of transaction costs	10	**1 996**	–
Proceeds on disposal of property, plant and equipment and intangible assets		**79**	144
Payment for acquisition of subsidiary, net of cash and cash equivalents acquired	8	**(2 491)**	(218)
Decrease in investments and loans		**10**	35
Increase in investments and loans		**–**	(45)
Net cash outflow from investing activities		**(3 037)**	(2 909)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount paid on share buy-back		**(352)**	–
Transactions with non-controlling interests		**(21)**	–
Amounts received on short-term facilities		**15 633**	11 675
Amounts paid on short-term facilities		**(16 004)**	(11 617)
Amounts received on interest-bearing loans and borrowings		**6 380**	8 833
Amounts paid on interest-bearing loans and borrowings		**(2 197)**	(6 992)
Settlement of put option liability		**(218)**	(226)
Principal lease liability repayments		**(3 457)**	(2 961)
Net cash outflow from financing activities		**(236)**	(1 288)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**4 408**	269
Effects of exchange rate translations on cash and cash equivalents		**(105)**	29
Cash and cash equivalents at beginning of the year		**4 879**	4 581
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**9 182**	4 879
Consisting of:			
Cash and cash equivalents		**9 246**	5 066
Bank overdrafts		**(64)**	(187)
		9 182	4 879
Short-term facilities		**–**	(372)
		9 182	4 507

Notes to the condensed consolidated financial statements

for the year ended 30 September 2026

Basis of preparation

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements and Debt and Specialist Securities Listings Requirements (collectively, the Listings Requirements) for condensed financial statements and the requirements of the Companies Act of South Africa. The Listings Requirements require condensed financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting standards (IFRS) and Financial Pronouncements as issued by the Financial Reporting Standards Council and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and to also, as a minimum, contain the information required by IAS 34: Interim Financial Reporting.

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements.

New and revised accounting standards became effective during the year, but their implementation had no significant impact on the results of either the current or the previous financial year. The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The condensed consolidated financial statements are prepared in millions of South African rand (Rm) on the historical cost basis, except for certain assets and liabilities, which are carried at amortised cost, and derivative financial instruments, which are stated at their fair values. The preparation of the condensed consolidated financial statements for the year ended 30 September 2026 has been supervised by RG Hanekom CA(SA), the group's chief financial officer.

These condensed consolidated financial statements for the year ended 30 September 2026 have been reviewed by PricewaterhouseCoopers Inc., who expressed an unmodified review conclusion thereon. A copy of the auditor's review report is available for inspection at the company's registered office together with the financial statements identified in the auditor's report. The review was performed in accordance with ISRE 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity, of which the report has been included in this announcement. The auditor's report does not necessarily report on all the information contained in this announcement.

Any forward-looking and forecast information presented is the responsibility of the board and has not been reviewed or reported on by Pepkor's auditor.

Significant events

Share capital

The following movements in ordinary shares were recorded during the year:

- The group issued 10.2 million (2025: 9.8 million) ordinary shares during the current financial year for share rights that vested under the Pepkor Executive Share Rights Scheme (Pepkor Scheme).
- The group repurchased and cancelled 16.0 million (2025: nil) shares from the open market on the Johannesburg Stock Exchange (JSE).

Put option liability

On 24 February 2026, the group exercised tranche two (2025: 24 February 2025 the group exercised tranche one) of its put options to acquire the remaining non-controlling interest in Avenida. The consideration payable is based on the EBITDA and net debt value of Avenida for the financial year ending 2024. The group paid R218 million (2025: R226 million) for 5.25% (2025: 5.25%) of the shareholding of Avenida and to settle the remaining put option liability. The group therefore holds 100% of Avenida.

Interest-bearing loans and borrowings

The group has successfully raised R4.25 billion in total funding effective from December 2025, consisting of R1.75 billion in private placements under its Domestic Medium Term Note programme, R1.5 billion in term loans and a new R1.0 billion revolving credit facility. In addition, the group raised R1.13 billion in the bond market following an auction held on 2 March 2026. The proceeds from the public auction replaced R1.11 billion in floating rate notes. Refer to note 11 for more details.

Discontinued operations

The group has closed its Shoe City brand in all territories due to its consistent underperformance, and to redirect focus on strategic alternatives. As at 31 March 2026, all Shoe City stores have been closed and operations have ceased. Refer to note 7 for more details.

Acquisition of businesses

The group acquired the following businesses during the financial year. The board is of the opinion that these acquisitions present attractive investment opportunities that are aligned with the group's strategy to grow through value-accretive acquisitions:

- Effective 1 October 2025, the group acquired Shoprite Holdings Limited's (Shoprite's) furniture businesses (OK Furniture and House & Home) and the related preference shares in the insurance cell captive in Namibia (Shoprite furniture non-RSA). Shoprite furniture non-RSA operates 67 stores in Botswana, Eswatini, Lesotho, Namibia and Zambia. The acquisition is a net asset acquisition representing a business combination under IFRS 3: Business Combinations. The total purchase consideration of R564 million was settled in cash.
- Effective 2 November 2025, the group acquired Legit, Swagga, Style and Boardmans (SLS) from Retailability Proprietary Limited (Retailability). The businesses acquired operate 474 stores across South Africa, Botswana, Lesotho, Namibia and Eswatini. The acquisition is a net asset acquisition representing a business combination under IFRS 3: Business Combinations. The total purchase consideration of R1.8 billion was settled in cash.
- Effective 1 October 2025, the group obtained control over CloudBadger Technologies Proprietary Limited (CloudBadger) through acquiring 100% of the equity interest in the company. The total purchase consideration consists of an upfront cash payment of R206 million and contingent consideration of R18 million, payable over a four-year period subject to certain post-acquisition conditions. CloudBadger is a South Africa-based company that develops and provides a modern banking platform. Refer to note 8 for more details.

Sale and leaseback

Effective 8 September 2026, the group has successfully concluded a structured sale and leaseback of three prime distribution centres (DCs). These properties, comprising the Ackermans Hammarsdale DC, the PEP Hammarsdale DC, and the PEP Kuils River DC, have been transferred to Badger Properties Proprietary Limited (Badger Properties) with Pepkor retaining a 35% minority interest. This transaction unlocked approximately R2.0 billion in capital and these proceeds will be redeployed to fund high-yielding growth opportunities across the group and reduce net debt. This will optimise overall capital efficiency and further strengthen Pepkor's balance sheet. To ensure absolute operational continuity, Pepkor has secured 15-year 'triple net' lease agreements. The distribution centres will continue to be operated by PEP and Ackermans with no change to daily operations.

Through this transaction, Pepkor has anchored the establishment of Badger Properties as a black-owned and managed property fund, cementing a long-term partnership that creates a sustainable, transformed property entity with significant growth prospects, fully aligned with South Africa's B-BBEE objectives.

Impairment of goodwill and trade and brand names

The outcome of the annual impairment assessment process on goodwill and trade and brand names with an opening carrying value of R48.2 billion, as required by IFRS, resulted in a total impairment of R396 million recognised in FY26 (the impairment).

The impairment is allocated to the respective cash generating units (CGUs) as follows:

- In the current year, an impairment charge of R56 million was processed to impair goodwill in the Clothing and general merchandise segment relating to Choice Clothing, Style and Swagga, and R15 million to impair the trade and brand names in Style and Swagga.
- In the Furniture, appliances and electronics segment, a R12 million goodwill impairment and R55 million trade and brand names impairment relating to the Bradlows, Rochester, Russells and Sleepmasters group of CGUs was recognised, as well as a R14 million impairment relating to the House & Home trade and brand name.
- In the Financial services segment, goodwill of R20 million was impaired relating to CloudBadger and R224 million goodwill impairment was recognised relating to Capfin.
- The goodwill relating to Choice Clothing, Style, Swagga, Bradlows, Rochester, Russells, Sleepmasters and CloudBadger is impaired due to various strategic consolidation strategies and the current retail environment. The goodwill relating to Capfin is impaired as Pepkor has decided to run down the Capfin business from the next financial year. Given the anticipated launch of Pepkor's banking business, PlusB, in the next year, new unsecured personal loans will be granted via PlusB. PlusB will incrementally scale its credit book in line with a defined credit risk appetite. The establishment of PlusB as a banking operation remains subject to regulatory approval.

Acquisition of Shoprite furniture RSA

On 2 September 2024, the group signed an agreement to acquire Shoprite's furniture businesses (OK Furniture and House & Home) in South Africa, Botswana, Eswatini, Lesotho, Namibia and Zambia. Effective 1 October 2025, the group acquired Shoprite furniture non-RSA. Refer to note 8 for more details.

The South African agreement is subject to approval by the South African Competition Tribunal (Tribunal), being the last outstanding condition precedent. A positive recommendation was submitted by the South African Competition Commission to the Tribunal in June 2025, whereafter an application by Lewis Stores Proprietary Limited was granted to intervene in the merger proceeding. A timeline was agreed between the Tribunal and all parties in January 2026 with a hearing scheduled towards the end of H1FY27, with an outcome expected in H2FY27.

Acquisition of the controlling interest in FintechCo

As previously announced and communicated on 22 July 2026, Pepkor Proprietary Limited, a 100% subsidiary of Pepkor, entered into agreements with Shop2Shop Proprietary Limited (Shop2Shop), S2S Africa Holdings Limited and entities associated with certain members of the Shop2Shop management team, pursuant to which Pepkor Proprietary Limited will subscribe for new shares in Shop2Shop for R1.57 billion in cash, while simultaneously contributing Flash Mobile Vending Proprietary Limited, a wholly-owned subsidiary of Pepkor, to Shop2Shop in exchange for additional new Shop2Shop shares (the Proposed Transaction). The Proposed Transaction will result in Pepkor acquiring a controlling interest of 57.1% in the combined entity, FintechCo. The Proposed Transaction is subject to various conditions precedent, including Competition Commission approval. The Proposed Transaction is expected to close in H2FY27.

Events subsequent to reporting period

The board is not aware of any significant events after the reporting date that will have a material effect on the group's results or financial position as presented in these financial statements.

1. Segmental analysis

1.1 Basis of segmental presentation

The segmental information has been prepared in accordance with IFRS 8, which defines requirements for the disclosure of financial information of an entity's operating segments. IFRS 8 requires operating segments to be identified on the basis of internal reporting of group components that are regularly reviewed by the CODM to allocate resources to segments and to assess their performance. The executive members of the Pepkor Holdings Limited board of directors have been identified as the CODM.

Identification of segments

The composition of the previously reported segments, as detailed in the annual consolidated financial statements for the year ended 30 September 2025, has been revised to reflect the strategic internal review processes undertaken by the CODM during the current financial year. This reorganisation is considered essential for accurately representing the group's operational focus, thereby enhancing transparency and providing stakeholders with a clearer perspective on performance across key strategic areas. Consequently, the following adjustments have been implemented:

- The operations of Aplus, which provide support to the Clothing and general merchandise segment, have been reclassified from the Fintech segment to the Clothing and general merchandise segment.
- Similarly, Pepkor Lifestyle Finance (formerly Connect Financial Solutions), which supports the Furniture, appliances and electronics segment, has been reclassified from the FinTech segment to the Furniture, appliances and electronics segment.
- The costs associated with establishing PlusB have been reclassified from the Clothing and general merchandise segment to a new segment, Financial services.
- The residual FinTech segment has been disaggregated into two distinct segments: the Financial services segment, which includes Abacus, Capfin, FoneYam and PlusB (as referred to above) and the Informal market platform, which encompasses Flash.

This segmentation aligns with the CODM's strategic imperative to expand financial services and the informal market, and to increase transparency within these growth sectors.

Geographical analysis

The CODM reviews revenue, operating profit and assets as one geographical region. However, due to South Africa being the group's primary country of operations, the geographical segments have been split between South Africa and other foreign countries. In presenting information on the basis of geographical segments, segment revenue is based on the location of the customers, while segment assets are based on the location of the asset.

Major customers

No single customer contributes 10% or more of the group's revenue.

1. Segmental analysis

1.2 Segmental analysis

	Clothing and general merchandise[1,2,3,4,5] Reviewed Rm	Furniture, appliances and electronics[1,2,5] Reviewed Rm	Financial services[3,5] Reviewed Rm	Informal market platform[4] Reviewed Rm	Intersegmental consolidation entries Reviewed Rm	Total continuing operations Reviewed Rm
Year ended 30 September 2026						
Total revenue	**75 346**	**14 621**	**6 236**	**12 024**	**(2 308)**	**105 919**
External revenue	75 316	14 476	6 221	9 906	–	105 919
Intersegmental revenue	30	145	15	2 118	(2 308)	–
Cost of sales	**(44 767)**	**(9 656)**	**–**	**(9 914)**	**2 359**	**(61 978)**
Gross profit	**30 579**	**4 965**	**6 236**	**2 110**	**51**	**43 941**
Other income	962	331	111	6	(346)	1 064
Operating expenses	(15 721)	(3 338)	(2 408)	(1 046)	295	(22 218)
Personnel expenses	(8 991)	(1 738)	(526)	(835)	–	(12 090)
Other operating expenses	(6 730)	(1 600)	(1 882)	(211)	295	(10 128)
Debtors' costs	(2 387)	(479)	(2 391)	6	–	(5 251)
Operating profit before depreciation, amortisation and capital items	**13 433**	**1 479**	**1 548**	**1 076**	**–**	**17 536**
Depreciation and amortisation	(4 802)	(729)	(63)	(80)	–	(5 674)
Operating profit before capital items	**8 631**	**750**	**1 485**	**996**	**–**	**11 862**
Reconciliation of operating profit						
Operating profit per segmental analysis						**11 862**
Capital items (note 3)[6]						(438)
Operating profit per income statement						**11 424**
Finance costs (note 4)						(3 698)
Finance income						328
Profit before taxation and associated income						**8 054**
Share of net profit of associate						2
Profit before taxation						**8 056**
Geographical split of external revenue	**75 316**	**14 476**	**6 221**	**9 906**	**–**	**105 919**
South Africa	63 474	12 229	6 104	9 823	–	91 630
Other foreign countries[7]	11 842	2 247	117	83	–	14 289
Geographical split of sale of goods and related revenue (note 2.1.1)	**71 569**	**13 328**	**–**	**9 906**	**–**	**94 803**
South Africa	60 762	11 257	–	9 823	–	81 842
Other foreign countries	10 807	2 071	–	83	–	12 961

Refer to page 21 for the referenced footnotes.

1. Segmental analysis *continued*

1.2 Segmental analysis *continued*

	Clothing and general merchandise[1,2,3,4,5] Reviewed Restated[8,9] Rm	Furniture, appliances and electronics[1,2,5] Reviewed Restated[8] Rm	Financial services[3,5] Reviewed Restated[8] Rm	Informal market platform[4] Reviewed Restated[8] Rm	Intersegmental consolidation entries Reviewed Restated[8] Rm	Total continuing operations Reviewed Restated[9] Rm
Year ended 30 September 2025						
Total revenue	68 504	12 447	4 656	11 152	(2 063)	94 696
External revenue	68 504	12 447	4 602	9 143	–	94 696
Intersegmental revenue	–	–	54	2 009	(2 063)	–
Cost of sales	(41 311)	(8 348)	–	(9 255)	1 920	(56 994)
Gross profit	27 193	4 099	4 656	1 897	(143)	37 702
Other income	816	268	70	1	(196)	959
Operating expenses	(13 555)	(2 749)	(1 657)	(1 004)	339	(18 626)
Personnel expenses	(8 011)	(1 427)	(331)	(839)	–	(10 608)
Other operating expenses	(5 544)	(1 322)	(1 326)	(165)	339	(8 018)
Debtors' costs	(1 845)	(304)	(1 959)	6	–	(4 102)
Operating profit before depreciation, amortisation and capital items	12 609	1 314	1 110	900	–	15 933
Depreciation and amortisation	(4 207)	(576)	(26)	(81)	–	(4 890)
Operating profit before capital items	8 402	738	1 084	819	–	11 043
Reconciliation of operating profit						
Operating profit per segmental analysis						11 043
Capital items (note 3)[6]						(336)
Operating profit per income statement						10 707
Finance costs (note 4)						(3 340)
Finance income						315
Profit before taxation per income statement						7 682
Geographical split of external revenue	68 504	12 447	4 602	9 143	–	94 696
South Africa	55 717	11 535	4 602	9 049	–	80 903
Other foreign countries[7]	12 787	912	–	94	–	13 793
Geographical split of sale of goods and related revenue (note 2.1.1)	65 602	11 570	–	9 143	–	86 315
South Africa	53 580	10 681	–	9 049	–	73 310
Other foreign countries	12 022	889	–	94	–	13 005

1 Clothing and general merchandise segment revenue includes intergroup revenue earned relating to store development performed by Pepkor Installations to the Furniture, appliances and electronics segment.

2 Furniture, appliances and electronics segment revenue includes intergroup revenue earned relating to delivery fees for PAXI parcels to the Clothing and general merchandise segment.

3 Financial services segment revenue includes intergroup revenue earned relating to insurance cover provided on PAXI parcels to the Clothing and general merchandise segment.

4 Informal market platform segment revenue includes intergroup revenue earned relating to the sale of virtual vouchers and airtime to the Clothing and general merchandise segment.

5 Finance income earned of R2.8 billion (2025: R2.2 billion) was included in the Clothing and general merchandise segment revenue, R736 million (2025: R508 million) in Furniture, appliances and electronics segment revenue and R3.9 billion (2025: R3.1 billion) in Financial services segment revenue.

6 Capital items of R438 million loss includes goodwill impairment of R56 million and trade and brand names impairment of R15 million relating to the Clothing and general merchandise segment, goodwill impairment of R12 million, trade and brand names impairment of R69 million and a bargain purchase gain in terms of IFRS 3: Business Combinations of R118 million relating to the Furniture, appliances and electronics segment and goodwill impairment of R244 million relating to the Financial services segment (30 September 2025: R336 million loss includes goodwill impairment of R85 million relating to the Clothing and general merchandise segment).

7 Revenue from other foreign countries includes the Brazilian market revenue from Avenida of R5.2 billion (30 September 2025: R4.5 billion). The Brazilian contribution to total revenue is not deemed to be material and is therefore not separately disclosed.

8 During the 2026 financial year the CODM amended the composition of the previously reported segments to reflect how the CODM reviews the segments in the current financial year. The segments have also been amended to include intersegmental income and expenses to more accurately reflect the performance of the standalone segment. Refer to note 1.3 for the restatement between segments for the 2025 financial year.

9 Prior year comparatives have been restated for the effect of the discontinued operation in the Clothing and general merchandise segment. Refer to note 7 for more details.

1. Segmental analysis *continued*

1.3 Restatement of segmental analysis

	Clothing and general merchandise Reviewed Rm	Furniture, appliances and electronics Reviewed Rm	FinTech Reviewed Rm	Financial services Reviewed Rm	Informal market platform Reviewed Rm	Intersegmental consolidation entries Reviewed Rm	Total from continuing operations Reviewed Rm
Year ended 30 September 2025							
Total revenue							
Previously reported	66 898	11 813	18 692	–	–	–	97 403
Reallocation between segments	2 250	634	(18 692)	4 656	11 152	(2 063)	(2 063)
Restated for discontinued operations in Clothing and general merchandise	(644)	–	–	–	–	–	(644)
Total revenue restated	68 504	12 447	–	4 656	11 152	(2 063)	94 696
External revenue							
Previously reported	66 898	11 813	16 629	–	–	–	95 340
Reallocation between segments	2 250	634	(16 629)	4 602	9 143	–	–
Restated for discontinued operations in Clothing and general merchandise	(644)	–	–	–	–	–	(644)
External revenue restated	68 504	12 447	–	4 602	9 143	–	94 696
Intersegmental revenue							
Previously reported	–	–	2 063	–	–	–	2 063
Reallocation between segments	–	–	(2 063)	54	2 009	(2 063)	(2 063)
Intersegmental revenue restated	–	–	–	54	2 009	(2 063)	–
Cost of sales							
Previously reported	(41 794)	(8 348)	(7 246)	–	–	–	(57 388)
Reallocation between segments	–	–	7 246	–	(7 246)	–	–
Reallocation to intersegmental consolidation entries	89	–	–	–	(2 009)	1 920	–
Restated for discontinued operations in Clothing and general merchandise	394	–	–	–	–	–	394
Cost of sales restated	(41 311)	(8 348)	–	–	(9 255)	1 920	(56 994)
Gross profit							
Previously reported	25 104	3 465	9 383	–	–	–	37 952
Reallocation between segments	2 250	634	(9 383)	4 602	1 897	–	–
Reallocation to intersegmental consolidation entries	89	–	–	54	–	(143)	–
Restated for discontinued operations in Clothing and general merchandise	(250)	–	–	–	–	–	(250)
Gross profit restated	27 193	4 099	–	4 656	1 897	(143)	37 702
Other income							
Previously reported	775	115	74	–	–	–	964
Reallocation between segments	3	–	(74)	70	1	–	–
Reallocation to intersegmental consolidation entries	43	153	–	–	–	(196)	–
Restated for discontinued operations in Clothing and general merchandise	(5)	–	–	–	–	–	(5)
Other income restated	816	268	–	70	1	(196)	959

1. Segmental analysis *continued*

1.3 Restatement of segmental analysis *continued*

	Clothing and general merchandise Reviewed Rm	Furniture, appliances and electronics Reviewed Rm	FinTech Reviewed Rm	Financial services Reviewed Rm	Informal market platform Reviewed Rm	Intersegmental consolidation entries Reviewed Rm	Total from continuing operations Reviewed Rm
Year ended 30 September 2025							
Operating expenses							
Previously reported	(13 114)	(2 322)	(3 378)	–	–	–	(18 814)
Reallocation between segments	(497)	(274)	3 378	(1 603)	(1 004)	–	–
Reallocation to intersegmental consolidation entries	(132)	(153)	–	(54)	–	339	–
Restated for discontinued operations in Clothing and general merchandise	188	–	–	–	–	–	188
Operating expenses restated	(13 555)	(2 749)	–	(1 657)	(1 004)	339	(18 626)
Personnel expenses							
Previously reported	(7 935)	(1 429)	(1 325)	–	–	–	(10 689)
Reallocation between segments	(157)	2	1 325	(331)	(839)	–	–
Restated for discontinued operations in Clothing and general merchandise	81	–	–	–	–	–	81
Personnel expenses restated	(8 011)	(1 427)	–	(331)	(839)	–	(10 608)
Other operating expenses							
Previously reported	(5 179)	(893)	(2 053)	–	–	–	(8 125)
Reallocation between segments	(340)	(276)	2 053	(1 272)	(165)	–	–
Reallocation to intersegmental consolidation entries	(132)	(153)	–	(54)	–	339	–
Restated for discontinued operations in Clothing and general merchandise	107	–	–	–	–	–	107
Other operating expenses restated	(5 544)	(1 322)	–	(1 326)	(165)	339	(8 018)
Debtors' costs							
Previously reported	(304)	–	(3 797)	–	–	–	(4 101)
Reallocation between segments	(1 540)	(304)	3 797	(1 959)	6	–	–
Restated for discontinued operations in Clothing and general merchandise	(1)	–	–	–	–	–	(1)
Debtors' costs restated	(1 845)	(304)	–	(1 959)	6	–	(4 102)
Operating profit before depreciation, amortisation and capital items							
Previously reported	12 461	1 258	2 282	–	–	–	16 001
Reallocation between segments	216	56	(2 282)	1 110	900	–	–
Restated for discontinued operations in Clothing and general merchandise	(68)	–	–	–	–	–	(68)
Operating profit before depreciation, amortisation and capital items restated	12 609	1 314	–	1 110	900	–	15 933
Depreciation and amortisation							
Previously reported	(4 213)	(576)	(120)	–	–	–	(4 909)
Reallocation between segments	(13)	–	120	(26)	(81)	–	–
Restated for discontinued operations in Clothing and general merchandise	19	–	–	–	–	–	19
Depreciation and amortisation restated	(4 207)	(576)	–	(26)	(81)	–	(4 890)
Operating profit before capital items							
Previously reported	8 248	682	2 162	–	–	–	11 092
Reallocation between segments	203	56	(2 162)	1 084	819	–	–
Restated for discontinued operations in Clothing and general merchandise	(49)	–	–	–	–	–	(49)
Operating profit before capital items restated	8 402	738	–	1 084	819	–	11 043

1. Segmental analysis *continued*

1.3 Restatement of segmental analysis *continued*

	Clothing and general merchandise Reviewed Rm	Furniture, appliances and electronics Reviewed Rm	FinTech Reviewed Rm	Financial services Reviewed Rm	Informal market platform Reviewed Rm	Intersegmental consolidation entries Reviewed Rm	Total from continuing operations Reviewed Rm
Year ended 30 September 2025							
Geographical split of revenue							
South Africa							
Previously reported	54 169	10 916	16 371	–	–	–	81 456
Reallocation between segments	2 101	619	(16 371)	4 602	9 049	–	–
Restated for discontinued operations in Clothing and general merchandise	(553)	–	–	–	–	–	(553)
South Africa restated	55 717	11 535	–	4 602	9 049	–	80 903
Other foreign countries							
Previously reported	12 729	897	258	–	–	–	13 884
Reallocation between segments	149	15	(258)	–	94	–	–
Restated for discontinued operations in Clothing and general merchandise	(91)	–	–	–	–	–	(91)
Other foreign countries restated	12 787	912	–	–	94	–	13 793
Geographical split of sale of goods and related revenue							
South Africa							
Previously reported	54 133	10 681	9 049	–	–	–	73 863
Reallocation between segments	–	–	(9 049)	–	9 049	–	–
Restated for discontinued operations in Clothing and general merchandise	(553)	–	–	–	–	–	(553)
South Africa restated	53 580	10 681	–	–	9 049	–	73 310
Other foreign countries							
Previously reported	12 113	889	94	–	–	–	13 096
Reallocation between segments	–		(94)	–	94	–	–
Restated for discontinued operations in Clothing and general merchandise	(91)	–	–	–	–	–	(91)
Other foreign countries restated	12 022	889	–	–	94	–	13 005

1. Segmental analysis *continued*

		Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Rm
1.4	**Segmental assets**	**117 843**	109 889
1.4.1	**Reconciliation between total assets and segmental assets**		
	Total assets per statement of financial position	**127 162**	115 035
	Less: Cash and cash equivalents	**(9 246)**	(5 066)
	Less: Non-current investments and loans	**(61)**	(77)
	Less: Current investments and loans	**(12)**	(3)
	Segmental assets	**117 843**	109 889
1.4.2	**Geographical split of non-current assets**		
	South Africa	**66 019**	63 992
	Other foreign countries	**6 009**	5 894
	Non-current assets	**72 028**	69 886

Non-current assets consist of goodwill, intangible assets, property, plant and equipment and right-of-use assets.

2. Revenue

	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Restated[1] Rm
Revenue from contracts with customers		
Retail revenue	**96 481**	87 669
Sale of goods and related revenue (note 2.1.1)	**94 803**	86 315
Service fee income	**1 351**	1 076
Other revenue	**327**	278
Other sources of revenue		
Financial services revenue (note 2.1.2)	**7 875**	6 198
Insurance revenue	**1 563**	829
	105 919	94 696

2.1 Disaggregation of revenue from contracts

2.1.1	**Sale of goods and related revenue**		
	Sale of goods and related revenue excluding ongoing revenue	**92 563**	84 166
	Ongoing revenue	**2 240**	2 149
		94 803	86 315
2.1.2	**Financial services revenue**		
	Finance income earned	**7 398**	5 759
	Loan origination fees	**477**	439
		7 875	6 198

[1] Prior year comparatives have been restated for the effect of the discontinued operation. Refer to note 7 for more details.

3. Capital items

	Notes	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Restated[1] Rm
The effect of capital items should be excluded from earnings when determining headline earnings. Refer to note 6. Items of a capital nature are included in the 'capital items' line in the income statement. These items are:			
From continuing operations:			
Impairment		**560**	315
Goodwill	9	**312**	85
Intangible assets – trade and brand names	9	**84**	–
Intangible assets – excluding trade and brand names		**35**	33
Property, plant and equipment		**19**	–
Right-of-use assets		**110**	197
Loss on disposal of property, plant and equipment and intangible assets		**58**	21
Bargain purchase gain	8	**(118)**	–
Profit on sale and leaseback	10	**(62)**	–
		438	336
From discontinued operations:			
Impairment		**–**	37
Property, plant and equipment		**–**	37
(Profit)/loss on disposal of property, plant and equipment and intangible assets		**(5)**	1
		(5)	38
Capital items from continuing operations		**438**	336
Capital items from discontinued operations		**(5)**	38
Total capital items		**433**	374

4. Finance costs

4.1 Finance costs expense

	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Restated[1] Rm
Interest-bearing loans and borrowings	**1 398**	1 173
Bank overdrafts and short-term facilities	**399**	355
Discounting of trade payables	**281**	284
Lease liability finance cost	**1 518**	1 444
Put option liability	**–**	20
Other	**102**	64
	3 698	3 340

4.2 Finance costs cash flow reconciliation

Finance costs recognised in profit or loss	**3 698**	3 340
Discounting of trade payables	**(281)**	(284)
Put option liability recognised at amortised cost	**–**	(20)
Other	**(8)**	(7)
Finance costs from discontinued operations (note 7.1)	**–**	14
Cash outflow per the consolidated statement of cash flows	**3 409**	3 043

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.

5. Taxation

	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Restated[1] Rm
5.1 Total taxation for the period		
Taxation from continuing operations	**2 105**	2 045
Taxation from discontinued operations	**(35)**	(2)
Total taxation for the year	**2 070**	2 043

	%	%
5.2 Reconciliation of rate of taxation[2]		
South African standard rate of taxation	**27.0**	27.0
Foreign taxation rate differential	**0.2**	0.1
Irrecoverable foreign taxes	**0.8**	0.5
Unrecognised taxation losses net of prior year unrecognised taxation losses utilised	**(0.1)**	–
Prior year adjustments[3]	**(1.7)**	0.1
Tax-exempt income[4]	**(0.6)**	(1.0)
Tax-exempt income relating to the bargain purchase gain	**(1.5)**	–
Non-deductible expenses[5]	**2.4**	1.0
Non-deductible expenses relating to the impairment of goodwill and trade and brand names	**1.4**	0.3
Change in foreign corporate taxation rates	**(0.1)**	–
Special allowances	**(1.8)**	(1.3)
Other	**0.1**	(0.1)
Effective rate of taxation	**26.1**	26.6

	Rm	Rm
5.3 Taxation paid cash flow reconciliation		
Opening balance of current taxation payable and receivable	**1 356**	848
Opening balance of withholding taxation included in trade and other payables	**19**	23
Normal taxation charge for the year recognised in profit or loss	**2 525**	2 371
Normal taxation charge for the year through equity	**(19)**	(8)
Exchange differences on consolidation of foreign subsidiaries	**2**	1
Closing balance of current taxation payable and receivable	**(1 335)**	(1 356)
Closing balance of withholding taxation included in trade and other payables	**(1)**	(19)
Taxation paid	**2 547**	1 860

[1] Prior year comparatives have been restated for the effect of the discontinued operation. Refer to note 7 for more details.
[2] The reconciliation of rate of taxation items is impacted by the goodwill impairment which has a nil taxation impact.
[3] Prior year adjustments include a remeasurement of provisions raised for uncertain taxation positions in terms of IFRIC 23.
[4] Tax-exempt income mainly relates to income of a capital nature, franchise fees and tax incentives.
[5] Non-deductible expenses mainly relate to expenses of a capital nature, expenses not incurred in the production of income, depreciation of leasehold improvements and one-off non-deductible merger and acquisition expenses.

6. Earnings and headline earnings per share

	30 September 2026 Reviewed Million	30 September 2025 Reviewed Million
6.1 Weighted average number of ordinary shares		
Issued ordinary shares at beginning of the year	**3 693**	3 684
Treasury shares	**(4)**	(4)
Shares vested under Pepkor Scheme	**6**	6
Share buy-back and cancellation of shares	**(4)**	–
Weighted average number of ordinary shares at end of the year for the purpose of basic earnings per share and headline earnings per share	**3 691**	3 686
Effect of dilution due to share rights issues in terms of Pepkor Scheme	**45**	43
Weighted average number of ordinary shares at end of the year for the purpose of diluted earnings per share and diluted headline earnings per share	**3 736**	3 729
Number of shares in issue	**3 688**	3 693

	Year ended 30 September 2026			Year ended 30 September 2025		
	Continuing Reviewed Rm	Discontinued Reviewed Rm	Total Reviewed Rm	Continuing Reviewed Restated[1] Rm	Discontinued Reviewed Restated[1] Rm	Total Reviewed Rm
6.2 Earnings and headline earnings						
Profit/(loss) for the year	**5 951**	**(96)**	**5 855**	5 637	(1)	5 636
Attributable to non-controlling interests	**(1)**	**–**	**(1)**	2	–	2
Earnings attributable to ordinary shareholders	**5 950**	**(96)**	**5 854**	5 639	(1)	5 638
Capital items (note 3)	**438**	**(5)**	**433**	336	38	374
Taxation effect of capital items	**(66)**	**1**	**(65)**	(68)	(10)	(78)
Headline earnings attributable to ordinary shareholders	**6 322**	**(100)**	**6 222**	5 907	27	5 934

6.3 Diluted earnings and diluted headline earnings per share

Share rights issued to employees have been taken into account for diluted earnings and diluted headline earnings per share purposes.

6.4 Earnings per share	Continuing Reviewed Cents	Discontinued Reviewed Cents	Total Reviewed Cents	Continuing Reviewed Restated[1] Cents	Discontinued Reviewed Restated[1] Cents	Total Reviewed Cents
Basic	**161.2**	**(2.6)**	**158.6**	153.0	–	153.0
Headline	**171.3**	**(2.7)**	**168.6**	160.3	0.7	161.0
Diluted basic	**159.3**	**(2.6)**	**156.7**	151.2	–	151.2
Diluted headline	**169.3**	**(2.7)**	**166.6**	158.4	0.7	159.1

6.5 Net asset value per share	Continuing Reviewed Cents	Discontinued Reviewed Cents	Total Reviewed Cents	Continuing Reviewed Cents	Discontinued Reviewed Cents	Total Reviewed Cents
Net asset value per ordinary share is calculated by dividing the ordinary shareholders' equity by the number of ordinary shares in issue at year-end.						
Net asset value per share	**1 819.9**	**–**	**1 819.9**	1 712.2	–	1 712.2

[1] Prior year comparatives have been restated for the effect of the discontinued operation. Refer to note 7 for more details.

7. Discontinued operations

Shoe City

The group has closed its Shoe City brand in all territories due to its consistent underperformance, and to redirect focus on strategic alternatives. As at 31 March 2026, all Shoe City stores have been closed and operations have ceased.

		30 September 2026 Reviewed Rm	30 September 2025 Reviewed Rm
7.1	**Income statement**		
	Revenue	**263**	644
	Retail revenue	**263**	644
	Cost of sales	**(200)**	(394)
	Gross profit	**63**	250
	Other income	**–**	5
	Operating expenses	**(198)**	(188)
	Debtors' costs	**–**	1
	Operating (loss)/profit before depreciation, amortisation and capital items	**(135)**	68
	Depreciation and amortisation	**(1)**	(19)
	Operating (loss)/profit before capital items	**(136)**	49
	Capital items	**5**	(38)
	Operating (loss)/profit	**(131)**	11
	Finance costs	**–**	(14)
	Loss before taxation	**(131)**	(3)
	Taxation	**35**	2
	Loss for the year	**(96)**	(1)
7.2	**Geographical split of revenue**	**263**	644
	South Africa	**224**	553
	Other foreign countries	**39**	91
7.3	**Geographical split of sale of goods and related revenue**	**263**	644
	South Africa	**224**	553
	Other foreign countries	**39**	91

8. Net cash flow on acquisition of business

The group acquired the following businesses during the current year. The board is of the opinion that these acquisitions present attractive investment opportunities that are aligned with the group's strategy to grow through value-accretive acquisitions:

- Effective 1 October 2025, the group acquired Shoprite's furniture businesses (OK Furniture and House & Home) and the related preference shares in the insurance cell captive in Namibia (Shoprite furniture non-RSA). Shoprite furniture non-RSA operates 67 stores in Botswana, Eswatini, Lesotho, Namibia and Zambia. Through integrating the operations of Shoprite furniture non-RSA into the group's existing logistics network, this allows the group to leverage scale and unlock supply chain efficiencies. The acquisition further expanded the group's customer base and retail footprint. The acquisition is a net asset acquisition representing a business combination under IFRS 3: Business Combinations. The total purchase consideration of R564 million was settled in cash.
- Effective 2 November 2025, the group acquired Legit, Swagga, Style and Boardmans (SLS) from Retailability Proprietary Limited (Retailability). The businesses acquired operate 474 stores across South Africa, Botswana, Lesotho, Namibia and Eswatini. The acquisition of SLS accelerates the expansion of the group's store portfolio and further supports the group's ambition to grow its share in the adultwear market. The acquisition is a net asset acquisition representing a business combination under IFRS 3: Business Combinations. The total purchase consideration of R1.8 billion was settled in cash.
- Effective 1 October 2025, the group obtained control over CloudBadger Technologies Proprietary Limited (CloudBadger) through acquiring 100% of the equity interest in the company. The total purchase consideration consists of an upfront cash payment of R206 million and contingent consideration of R18 million, payable over a four-year period subject to certain post-acquisition conditions. CloudBadger is a South Africa-based company that develops and provides a modern banking platform and was acquired to support the establishment of the group's banking platform, PlusB.

The fair values are provisional and subject to further review for a period of up to one year from the acquisition date. Provisional at-acquisition values are presented below for the aforementioned acquisitions.

8.1 Provisional fair value of assets and liabilities at date of acquisition

	Year ended 30 September 2026			
	Shoprite furniture non-RSA Rm	SLS Rm	CloudBadger Rm	Total Rm
Assets				
Intangible assets	**177**	**374**	**218**	**769**
Property, plant and equipment	**12**	**177**	**1**	**190**
Right-of-use assets	**181**	**624**	**–**	**805**
Investments and loans	**–**	**–**	**3**	**3**
Deferred taxation assets	**70**	**27**	**–**	**97**
Trade and other receivables	**316**	**–**	**10**	**326**
Inventories	**198**	**464**	**–**	**662**
Reinsurance contract assets	**29**	**–**	**–**	**29**
Cash and cash equivalents	**35**	**1**	**29**	**65**
Liabilities				
Deferred taxation liabilities	**(40)**	**(63)**	**(52)**	**(155)**
Non-current lease liabilities	**(132)**	**(431)**	**–**	**(563)**
Non-current provisions	**–**	**(91)**	**(1)**	**(92)**
Employee benefits	**(7)**	**(8)**	**(3)**	**(18)**
Current lease liabilities	**(49)**	**(193)**	**–**	**(242)**
Current provisions	**(31)**	**(29)**	**–**	**(60)**
Trade and other payables	**(77)**	**(286)**	**(1)**	**(364)**
Total assets and liabilities acquired	**682**	**566**	**204**	**1 452**
Goodwill attributable to acquisition	**–**	**1 220**	**20**	**1 240**
Bargain purchase gain attributable to acquisition	**(118)**	**–**	**–**	**(118)**
Total consideration	**564**	**1 786**	**224**	**2 574**
Contingent consideration	**–**	**–**	**(18)**	**(18)**
Cash on hand at date of acquisition	**(35)**	**(1)**	**(29)**	**(65)**
Net cash outflow on acquisition of business	**529**	**1 785**	**177**	**2 491**

8. Net cash flow on acquisition of business *continued*

		Year ended 30 September 2026			
		Shoprite furniture non-RSA Rm	SLS Rm	CloudBadger Rm	Total Rm
8.2	**Trade and other receivables consist of the following:**				
	Instalment sale receivables	**471**	**–**	**–**	**471**
	Less: provision for expected credit losses relating to instalment sale receivables	**(155)**	**–**	**–**	**(155)**
	Other receivables	**–**	**–**	**10**	**10**
		316	**–**	**10**	**326**
8.3	**Acquisition-related costs**				
	Acquisition-related costs recognised in operating expenses	**(59)**	**(56)**	**–**	**(115)**
8.4	**Revenue contribution from the acquisition**				
	Revenue since acquisition date	**1 400**	**2 403**	**19**	**3 822**
8.5	**Profit/(loss) contribution from the acquisition**				
	Profit/(loss) since acquisition date	**102**	**(33)**	**(228)**	**(159)**

Shoprite furniture non-RSA and CloudBadger were acquired at the beginning of the financial year on 1 October 2025, thus the results since acquisition are equal to the results since the beginning of the year. SLS was acquired on 2 November 2025 and the results of SLS since the beginning of the year are not materially different from the results since acquisition and therefore has not been disclosed.

8.6 Goodwill

The goodwill arising on acquisition of the SLS business principally arises from the acquisition of a national store footprint, market share in womenswear and the skills and expertise gained in the adultwear apparel market.

The goodwill arising on acquisition of the CloudBadger business principally arises from the value of the acquired workforce, including their specialised knowledge and technical expertise required to manage and scale the banking software.

No goodwill is deductible for tax purposes.

8.7 Bargain purchase gain

The bargain purchase gain arising on the acquisition of Shoprite furniture non-RSA principally arises from recognition of the trade and brand names relating to OK Furniture and House & Home of R148 million which was acquired for R1.00.

8.8 Contingent liabilities

No contingent liabilities have been recognised as a result of the business combination.

	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Rm
9. Impairment of goodwill and trade and brand names		
9.1 Effect on goodwill		
Carrying amount at beginning of the year	**30 236**	30 218
Arising on business combinations	**1 240**	61
Additional goodwill raised and transferred on completion of IFRS 3 valuation	**15**	–
Impairments (note 3)	**(312)**	(85)
Exchange differences on consolidation of foreign subsidiaries	**(53)**	42
	31 126	30 236
Cost	**45 292**	44 090
Accumulated impairment	**(14 166)**	(13 854)
Carrying amount at end of the year	**31 126**	30 236
Impairment tests for cash generating units (CGUs) containing goodwill		
Goodwill is monitored by management at the following group of CGUs, not greater than the four operating segments from continuing operations identified in note 1:		
Clothing and general merchandise		
Ackermans, Dunns, PEP, PEP Africa, Refinery	**28 011**	28 011
Legit	**1 179**	–
Avenida	**1 823**	1 876
Furniture, appliances and electronics		
Bradlows, Rochester, Russells, Sleepmasters	**–**	12
Financial services[1]		
Capfin	**58**	282
Abacus	**55**	55
	31 126	30 236

[1] The Capfin and Abacus CGUs were reallocated from the Fintech group of CGUs to the Financial services group of CGUs due to the change in reportable segments. Refer to note 1 for more details.

When the group acquires a business that qualifies as a business combination in respect of IFRS 3: Business Combinations, the group determines the fair value of assets acquired, including identifiable intangible assets, and the liabilities assumed. Any excess of the aggregate of the consideration transferred, non-controlling interest in the acquiree and for a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, over the fair value of those net assets, is considered to be goodwill. The goodwill acquired in a business combination is allocated, at acquisition, to the group of CGUs that is expected to benefit from that business. Goodwill is assessed for impairment annually, irrespective of whether there is any indication of impairment.

9. Impairment of goodwill and trade and brand names *continued*

9.1. Effect on goodwill *continued*

The impairment test compares the carrying amount of the CGU, including goodwill to the higher of the value in use, or fair value less cost to sell of the unit. The recoverable amount of the group of CGUs is determined from the fair value less cost to sell calculation (fair value hierarchy level 3), using a discounted cash flow model. The key assumptions for the fair value less cost to sell calculation are those regarding the discount rates, growth rates, expected changes to the revenue growth during the forecast period and working capital requirements. The discount rates are based on the weighted average cost of capital, except for the Financial services CGU where cost of equity has been used, while growth rates are based on management's experience and expectations. Assumptions are based on past practices and expectations of future changes in the market, and are derived from the most recent financial budgets and forecasts that have been prepared by management for the next three years and extrapolated cash flows for the following years.

Management assessed the various CGUs for impairment based on the input factors above. The methodology applied in the impairment assessment is consistent with prior years.

An impairment charge has been recognised for both goodwill and indefinite useful life intangible assets when the carrying amount exceeds the recoverable amount. The recoverable amount of the group of CGUs reflected the fair value less cost to sell.

In the current year, an impairment charge of R56 million was processed to impair goodwill relating to Choice Clothing, Style and Swagga, R12 million relating to Bradlows, Rochester, Russells and Sleepmasters group of CGUs, R224 million relating to Capfin and R20 million relating to CloudBadger. In the prior year, an impairment charge of R85 million was processed to impair goodwill relating to S.P.C.C, CODE and Choice Clothing.

The goodwill relating to Choice Clothing, Style, Swagga, Bradlows, Rochester, Russells, Sleepmasters and CloudBadger is impaired due to various strategic consolidation strategies and the current retail environment. The goodwill relating to Capfin is impaired as Pepkor has decided to run down the Capfin business from the next financial year. Given the anticipated launch of Pepkor's banking business, PlusB, in the next year, new unsecured personal loans will be granted via PlusB. PlusB will incrementally scale its credit book in line with a defined credit risk appetite. The establishment of PlusB as a banking operation remains subject to regulatory approval.

9.2 Effect on intangible assets

As per note 9.1, the impairment test covered both the goodwill and the indefinite useful life intangible assets. In the current year, an impairment of R15 million (2025: Rnil) was recognised relating to the Style and Swagga brand names and an impairment of R69 million (2025: Rnil) was recognised relating to the Bradlows, Rochester, Russells, Sleepmasters and House & Home trade and brand names.

10. Sale and leaseback

On 8 September 2026, the group entered into a sale and leaseback transaction with IronOak relating to three distribution centres, namely, Ackermans Hammarsdale DC, PEP Hammarsdale DC, and PEP Kuils River DC. The sale and leaseback was achieved through a deemed disposal of Badger Properties, a previously wholly-owned subsidiary of Pepkor, which owned the three aforementioned properties. On disposal of the properties, the group immediately leased them back through a "triple net lease" of 15 years to ensure operational continuity. The properties were sold for R2.3 billion, of which R2.0 billion was received in cash, and the remaining consideration of R238 million is Pepkor's retained interest in Badger Properties of 35%.

	Year ended 30 September 2026 Reviewed Rm
Details of the sale and leaseback	
Cash proceeds received through loan settlement	**2 012**
Fair value of retained interest in Badger Properties	**238**
Fair value of distribution centres disposed	**2 250**
Costs to sell	**(16)**
Fair value disposed, net of transaction costs	**2 234**
Carrying amount of distribution centres	**(2 008)**
Profit on sale and leaseback, excluding retained interest	**226**
Lease liability recognised	**(1 626)**
Right-of-use asset recognised	**1 626**
Profit capitalised to right-of-use asset relating to retained interest in Badger Properties	**(164)**
Profit on sale and leaseback	**62**

	Year ended 30 September 2026 Reviewed Rm	Year ended 30 September 2025 Reviewed Rm
11. Borrowing facilities		
Unutilised banking and debt facilities consist of the following:		
Short-term cash facilities	**10 596**	9 194
Letters of credit, forex facilities and asset-based finance facilities	**2 285**	1 937
Total	**12 881**	11 131

The group successfully raised R1.75 billion in a private placement under its Domestic Medium Term Note programme. The new floating rate notes issued, effective 12 December 2025, are:

- PEP12: five-year floating rate notes of R750 million issued at three-month JIBAR plus 110 bps due December 2030
- PEP13: five-year floating rate notes of R1.0 billion issued at three-month JIBAR plus 110 bps due December 2030

The group also raised R1.5 billion in term loans, effective 19 December 2025:

- A three-year term loan of R500 million at three-month JIBAR plus 117 bps due December 2028
- A three-year term loan of R1.0 billion at three-month JIBAR plus 117 bps due December 2028

The group also entered into a new revolving credit facility, effective 19 December 2025, as follows:

- A three-year revolving credit facility of R1.0 billion at three-month JIBAR plus 117 bps due December 2028

The group further raised an additional R1.13 billion in the bond market following a very successful public auction held on 2 March 2026. The new floating rate notes issued, effective from 6 March 2026, are:

- PEP14: three-year floating rate notes of R595 million at three-month JIBAR plus 82 bps due March 2029
- PEP15: five-year floating rate notes of R535 million issued at three-month JIBAR plus 94 bps due March 2031

The proceeds from the above replaced the following notes:

- PEP04: five-year floating rate notes of R765 million at three-month JIBAR plus 170 bps due May 2026
- PEP05: three-year floating rate notes of R348 million at three-month JIBAR plus 123 bps due March 2026

The group has sufficient headroom to enable it to conform to covenants on its existing borrowings and sufficient working capital and undrawn facilities to service its operating activities and ongoing investments.

The group has various debt covenants relating to its term loans and revolving credit facilities. The group is not at risk of breaching its covenants for the year ended 30 September 2026.

12. Contingent assets and liabilities

The group has no significant contingent assets or liabilities in the current year.

13. Related parties

During the year, the group entered into immaterial related party transactions in the ordinary course of business. There were no related party balances for the year ended 30 September 2026.

14. Events after reporting date

There have been no material changes in the group's affairs or financial position since the statement of financial position date.

Pro forma financial information

The pro forma financial information, which is the responsibility of the group's directors, is presented in accordance with the JSE Listings Requirements, including Guidance Letter: *Presentation of constant currency information* dated 16 February 2026, and the SAICA Guide on Pro Forma Financial Information. The purpose of the pro forma financial information is to illustrate the impact on the group's earnings measures excluding certain items mentioned below as well as constant currency information. The group believes that this pro forma information assists shareholders in understanding the underlying financial performance of the group by providing a basis for comparison with prior periods unaffected by these one-off non-trading items. Certain financial information presented in these annual financial results constitutes pro forma financial information and is presented for illustrative purposes only. Because of its nature, the pro forma financial information may not fairly present the group's financial position, change in equity, results of operations or cash flows. An assurance report (in terms of ISAE 3420: Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a prospectus issued by the International Auditing and Assurance Standards Board) has been issued by the group's auditor, PricewaterhouseCoopers Inc., in respect of the pro forma financial information included in this announcement. The pro forma financial information should be read in conjunction with this assurance report on pages 10 to 11 of the condensed consolidated financial statements for the year ended 30 September 2026.

Pro forma earnings, headline earnings, diluted earnings and diluted headline earnings per share (EPS, HEPS, DEPS and DHEPS)

The group's reported EPS, HEPS, DEPS and DHEPS are adjusted for the impact of the following in the current and prior year (where applicable):

- The acquisitions, including the bargain purchase gain and related costs of Shoprite non-RSA, SLS and Choice Clothing;
- the acquisition and related costs of CloudBadger and the establishment and start-up costs of PlusB; and
- the goodwill and trade and brand names impairment.

The table below presents the adjustments to the items reported. The adjustments have been extracted from, or derived from information used in the preparation of, the condensed consolidated financial statements for the year ended 30 September 2026 and 30 September 2025.

	Year ended 30 September 2026					Year ended 30 September 2025					
	As reported Reviewed[1] Rm	Acquisitions, excluding CloudBadger, including bargain purchase gain and related costs Reviewed[3] Rm	Acquisition of CloudBadger and PlusB start-up costs Reviewed[4] Rm	Goodwill and trade and brand names impairment Reviewed[5] Rm	Pro forma after adjustment Reviewed Rm	As reported Reviewed Restated[2] Rm	Acquisition of Choice Clothing and related costs Reviewed[6] Rm	PlusB start-up costs Reviewed[7] Rm	Goodwill impairment Reviewed[8] Rm	Pro forma after adjustment Reviewed Rm	Pro forma % change on prior year
Revenue	**105 919**	**(4 539)**	**(19)**	**–**	**101 361**	94 696	(238)	–	–	94 458	7.3
Cost of sales	**(61 978)**	**2 720**	**–**	**–**	**(59 258)**	(56 994)	153	–	–	(56 841)	(4.3)
Gross profit	**43 941**	**(1 819)**	**(19)**	**–**	**42 103**	37 702	(85)	–	–	37 617	11.9
Other income	**1 064**	**(37)**	**–**	**–**	**1 027**	959	(1)	–	–	958	7.2
Operating expenses	**(22 218)**	**1 286**	**220**	**–**	**(20 712)**	(18 626)	77	55	–	(18 494)	(12.0)
Debtors' costs	**(5 251)**	**65**	**–**	**–**	**(5 186)**	(4 102)	–	–	–	(4 102)	(26.4)
Operating profit before depreciation, amortisation and capital items	**17 536**	**(505)**	**201**	**–**	**17 232**	15 933	(9)	55	–	15 979	7.8
Depreciation and amortisation	**(5 674)**	**396**	**32**	**–**	**(5 246)**	(4 890)	19	–	–	(4 871)	(7.7)
Operating profit before capital items	**11 862**	**(109)**	**233**	**–**	**11 986**	11 043	10	55	–	11 108	7.9
Capital items	**(438)**	**(82)**	**–**	**396**	**(124)**	(336)	–	–	85	(251)	50.6
Operating profit	**11 424**	**(191)**	**233**	**396**	**11 862**	10 707	10	55	85	10 857	9.3
Finance costs	**(3 698)**	**84**	**–**	**–**	**(3 614)**	(3 340)	3	–	–	(3 337)	(8.3)
Finance income	**328**	**(4)**	**(2)**	**–**	**322**	315	–	–	–	315	2.2
Profit before taxation and associated income	**8 054**	**(111)**	**231**	**396**	**8 570**	7 682	13	55	85	7 835	9.4
Share of net profit of associate	**2**	**–**	**–**	**–**	**2**	–	–	–	–	–	100.0
Profit before taxation	**8 056**	**(111)**	**231**	**396**	**8 572**	7 682	13	55	85	7 835	9.4
Taxation	**(2 105)**	**(26)**	**(3)**	**(23)**	**(2 157)**	(2 045)	(3)	–	–	(2 048)	(5.3)
Profit for the year from continuing operations	**5 951**	**(137)**	**228**	**373**	**6 415**	5 637	10	55	85	5 787	10.9
Loss for the year from discontinued operations	**(96)**	**–**	**–**	**–**	**(96)**	(1)	–	–	–	(1)	(>100)
Profit for the year	**5 855**	**(137)**	**228**	**373**	**6 319**	5 636	10	55	85	5 786	9.2
Profit/(loss) attributable to:											
Owners of the parent	**5 854**	**(137)**	**228**	**373**	**6 318**	5 638	10	55	85	5 788	9.2
Non-controlling interests	**1**	**–**	**–**	**–**	**1**	(2)	–	–	–	(2)	>100

Pro forma financial information *continued*

	Year ended 30 September 2026					Year ended 30 September 2025					
	As reported Reviewed[1] Rm	Acquisitions, excluding CloudBadger, including bargain purchase gain and related costs Reviewed[3] Rm	Acquisition of CloudBadger and PlusB start-up costs Reviewed[4] Rm	Goodwill and trade and brand names impairment Reviewed[5] Rm	Pro forma after adjustment Reviewed Rm	As reported Reviewed Restated[2] Rm	Acquisition of Choice Clothing and related costs Reviewed[6] Rm	PlusB start-up costs Reviewed[7] Rm	Goodwill impairment Reviewed[8] Rm	Pro forma after adjustment Reviewed Rm	Pro forma % change on prior year
Profit for the year	**5 855**	**(137)**	**228**	**373**	**6 319**	5 636	10	55	85	5 786	9.2
Pro forma headline earnings are adjusted as follows:											
Earnings attributable to ordinary shareholders	**5 854**	**(137)**	**228**	**373**	**6 318**	5 638	10	55	85	5 788	9.2
Capital items (note 3 in the condensed consolidated financial statements)	**433**	**82**	**–**	**(396)**	**119**	374	–	–	(85)	289	(58.8)
Taxation effect on capital items (note 6 in the condensed consolidated financial statements)	**(65)**	**10**	**–**	**23**	**(32)**	(78)	–	–	–	(78)	58.6
Headline earnings attributable to ordinary shareholders	**6 222**	**(45)**	**228**	**–**	**6 405**	5 934	10	55	–	5 999	6.8
Earnings per share (cents)[9]											
Basic earnings per share from continuing operations	**161.2**	**(3.7)**	**6.2**	**10.2**	**173.9**	153.0	0.3	1.5	2.3	157.1	10.7
Basic earnings per share from discontinued operations	**(2.6)**	**–**	**–**	**–**	**(2.6)**	–	–	–	–	–	(100.0)
Total basic earnings per share	**158.6**	**(3.7)**	**6.2**	**10.2**	**171.3**	153.0	0.3	1.5	2.3	157.1	9.0
Diluted earnings per share from continuing operations	**159.3**	**(3.7)**	**6.1**	**10.0**	**171.7**	151.2	0.3	1.5	2.3	155.3	10.5
Diluted earnings per share from discontinued operations	**(2.6)**	**–**	**–**	**–**	**(2.6)**	–	–	–	–	–	(100.0)
Total diluted earnings per share	**156.7**	**(3.7)**	**6.1**	**10.0**	**169.1**	151.2	0.3	1.5	2.3	155.3	8.9
Headline earnings per share from continuing operations	**171.3**	**(1.2)**	**6.2**	**–**	**176.3**	160.3	0.3	1.5	–	162.1	8.8
Headline earnings per share from discontinued operations	**(2.7)**	**–**	**–**	**–**	**(2.7)**	0.7	–	–	–	0.7	(>100)
Total headline earnings per share	**168.6**	**(1.2)**	**6.2**	**–**	**173.6**	161.0	0.3	1.5	–	162.8	6.6
Diluted headline earnings per share from continuing operations	**169.3**	**(1.2)**	**6.1**	**–**	**174.2**	158.4	0.3	1.5	–	160.2	8.7
Diluted headline earnings per share from discontinued operations	**(2.7)**	**–**	**–**	**–**	**(2.7)**	0.7	–	–	–	0.7	(>100)
Total diluted headline earnings per share	**166.6**	**(1.2)**	**6.1**	**–**	**171.5**	159.1	0.3	1.5	–	160.9	6.6

Notes to the pro forma financial information

1. The current year numbers were extracted without adjustments from the condensed consolidated financial statements of the group for the year ended 30 September 2026.
2. The prior year numbers were extracted from the condensed consolidated financial statements of the group for the year ended 30 September 2025, and restated for the discontinued operation.
3. The adjustment represents the impact of Shoprite-non-RSA, SLS and Choice Clothing acquisitions, including the bargain purchase gain and acquisition-related costs.
4. The adjustment represents the impact of the CloudBadger acquisition and related costs, as well as the establishment and start-up costs of PlusB.
5. The adjustment represents the impact of the goodwill and trade and brand names impairment.
6. The adjustment represents the impact of the Choice Clothing acquisition, including related costs.
7. The adjustment represents the impact of the establishment and start-up costs of PlusB.
8. The adjustment represents the impact of the goodwill impairment.
9. Pro forma earnings and diluted earnings per share, headline earnings and diluted headline earnings per share are calculated on the same basis and using the same weighted average number of ordinary shares and weighted average number of dilutive ordinary shares as per note 6 of the notes to the condensed consolidated financial statements of the group for the year ended 30 September 2026 and for the prior year ended 30 September 2025.

Impact of CloudBadger acquisition and PlusB on selected results

The acquisition of CloudBadger and the establishment and start-up costs of PlusB had a significant impact on the group's profitability as there is negligible revenue in CloudBadger to offset these costs. Excluding the impact of the CloudBadger acquisition and PlusB only, operating profit before capital items grew to 9.0% and headline earnings per share from continuing operations grew to 9.7% in the current year.

Pro forma constant currency disclosure

The Pepkor group discloses unaudited constant currency information to indicate PEP Africa and Avenida's performance in terms of sales growth, excluding the effect of foreign currency fluctuations. To present this information, current year turnover for these businesses reported in currencies other than South African rand is converted from local currency actuals into rand at the prior year's actual average exchange rates per country. The average exchange rates were calculated using the average monthly exchange rates (determined on the last day of each of the months in the reporting period). The table below sets out the approximate average rand cost for one unit as well as percentage change in sales, based on the actual continuing results for the year, in reported currency and constant currency, for the basket of currencies in which these businesses operate.

	Average exchange rate			
Change in sales on prior year (%)	**30 September 2026**	**30 September 2025**	**Reported currency**	**Constant currency**
Angolan kwanza	**0.0183**	0.0198	**(0.7%)**	**7.5%**
Malawian kwacha	**0.0096**	0.0104	**19.3%**	**29.7%**
Mozambican metical	**0.2614**	0.2843	**2.4%**	**11.4%**
Zambian kwacha	**0.8299**	0.6859	**15.4%**	**(4.6%)**
Total PEP Africa			**9.8%**	**6.0%**
Brazilian real	**3.1745**	3.1410	**13.7%**	**12.5%**

Corporate information

PEPKOR HOLDINGS LIMITED
('Pepkor' or 'the company' or 'the group')
(Incorporated in the Republic of South Africa)

Executive directors
PJ Erasmus (Chief executive officer)
RG Hanekom (Chief financial officer)

Non-executive directors
IM Kirk* (Acting chair)
P Disberry*
HH Hickey*
ZN Malinga*
LI Mophatlane*
RN Ntshingila*
F Petersen-Cook*
RJ Wainwright* (appointed 24 February 2026)

* *Independent*

Registration number
2017/221869/06

Share code
PPH

Debt code
PPHI

ISIN
ZAE000259479

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Rosebank Towers, 15 Biermann Avenue, Rosebank 2196

Company secretary
M Allie

Auditor
PricewaterhouseCoopers Inc.

Equity and debt sponsor
Investec Bank Limited

Corporate broker
Rand Merchant Bank (a division of FirstRand Bank Limited)

Announcement date
24 November 2026



PEPKOR

Holdings Limited

www.pepkor.co.za