CHOPPIES ENTERPRISES LIMITED
Registration number BW00001142508
ISIN:BW0000001072
BSE SHARE CODE: CHOP-EQO
JSE SHARE CODE: CHP
Tax Reference Number: C08710401018
("Choppies" or "Company" or "Group")

AUDITED GROUP FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2026

The board of directors of Choppies ("**Board**") announces the results of the Group for the year ended 30 June 2026 ("**FY2026**").

Continuing operations audited	**2026**	2025	Change
	Pula Millions	Pula Millions	
Revenue	**9,889**	9,173	7.8%
Retail sales	**9,822**	9,107	7.9%
Gross Profit	**2,016**	1,893	6.5%
Operating Profit	**243**	318	(23.6%)
Operating margin	**2.47%**	3.49%	(102 bps)
Adjusted Operating Profit	**219**	351	(37.6%)
Profit for the period	**74**	151	(51.0%)
Basic earnings per share	**4.1 Thebe**	8.4 Thebe	(51.2%)
Headline earnings per share	**4.1 Thebe**	9.4 Thebe	(56.4%)
Net cash flows generated from operating activities	**578**	679	(101)

Total operations including continuing and discontinued operations			
Basic earnings per share	**4.1 Thebe**	5.3 Thebe	(23%)
Headline earnings per share	**4.1 Thebe**	8.1 Thebe	(49%)

Financial highlights

Revenue momentum remains strong; profitability temporarily impacted by macroeconomics. The demand contraction is cyclical, but food retail fundamentals remain intact. The group is building scale now to capture operating leverage.

Group profitability was impacted by:

- Reduced consumer liquidity driven by the Botswana diamond market slump
- Devaluation of the Pula
- Constrained spending due to the Botswana Government's austerity measures
- The oil price shock and increase in fuel prices and transport costs
- Inflationary cost base
- New stores not yet reaching the maturity curve
- Implementation of living wage in Botswana
- Government subsidised commodities in Namibia
- Deflation on key food lines in Zambia due to the Kwacha appreciating
- Promotional intensity in a constrained consumer market

The Group's retail sales increased by 7.9% to BWP 9 822 million (2025: BWP 9 107 million), driven by 27 new stores and inflation. Choppies segments achieved no volume growth and price growth of 9.9%, while sales for like-for-like stores decreased by 1.2%.

The gross profit margin declined by 0.3% to 20.5% (2025: 20.8%), due to lower margins in all segments except Liquorama. The Liquorama gross profit margin improved from 12.4% to 13.1% compared to the prior year.

In Pula terms, gross profit increased by 6.5% to BWP 2 016 million (2025: BWP 1 893 million) despite the competitive and challenging economic environment.

Total expenses increased by 12.1% due to new stores and inflation. The loss of BWP 14 million last year relates to the sale of the Zimbabwe segment and this year included a gain from the derecognition of payables resulting from the discontinued operations of Kenya, Tanzania, and Mozambique, which were discontinued in the 2019 financial year. Excluding the derecognition and loss on sale of businesses, total expenses increased by 14.4%.

Operating profit (EBIT) decreased by 23.6% from BWP 318 million to BWP 243 million. Adjusted EBIT decreased by 37.6% from BWP 351 million to BWP 219 million. The EBIT decline is due to costs growing at a much faster rate than Pula gross profit.

Net finance costs increased 11.9% due to lower debt offset by higher interest on leases because of new stores.
The effective tax rate of 43.5% (2025: 30.7%) is higher than the standard rate primarily due to losses in Namibia for which we have not yet raised any deferred tax, and non-taxable gain on the derecognition of payables. Last year's rate was lower than the standard rate due to losses for which we did not raise any deferred tax and the loss on sale of Zimbabwe.

The Board has resolved not to declare a final dividend for the FY 2026 (2025: 0.6 thebe) and to retain earnings currently to preserve liquidity for core operations and support the Company's growth plans, considering current market conditions. The Board remains committed to shareholder returns and will resume declarations as the Group delivers sustainable earnings growth and achieves financial stabilisation.

Short-form announcement

This short-form announcement is the responsibility of the Board. It is only a summary of the information contained in the Group's FY2026 audited financial statements ("Full Announcement"), which is available on the BSE's X-News and on the JSE's SENS at:https://senspdf.jse.co.za/documents/2026/JSE/ISSE/CHP/FY2026.pdf and on the Group's website: https://choppiesgroup.com/investor-relations/.

Any investment decision should include consideration of the information in the Full Announcement.

The Company has a primary listing on the BSE and a secondary listing on the JSE.

18 September 2026

BSE Sponsoring Broker
Motswedi Securities (Pty) Ltd

JSE Sponsor
PSG Capital