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Independent Auditor's Report

To the Shareholders of Choppies Enterprises Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Choppies Enterprises Limited and its subsidiaries ("Choppies Group") set out on pages 9 to 75 which comprise the consolidated and separate statement of financial position as at 30 June 2026, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Choppies Group as at 30 June 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the Choppies Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of consolidated and separate financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Matter #01	
Description of the key audit matter	**How we addressed the key audit matter**
Accounting for supplier rebate income	
This key audit matter relates to the consolidated financial statements. Refer to the following note to the consolidated financial statements for detail: Accounting policy Note 1.16 – Rebates from suppliers As described in the group's accounting policy in note 1.16, the group recognises a reduction in cost of sales with regard to rebates agreements with suppliers. The reduction in cost of sales primarily comprise of rebates from suppliers in relation to: • Volume-related allowances, • Promotional and marketing allowances, and • Various other fees and discounts. These rebates are received in connection with the purchase of goods for resale from those suppliers. The recognition of supplier rebates has been considered to be a matter of most significance to the audit as there is a risk that rebates may be materially misstated due to the significant magnitude thereof, the varying terms with the suppliers and the judgements made in accruing for rebates as at year-end in relation to the nature and level of fulfilment of the group's obligation under the supplier agreements. Such agreements typically allow for various adjustments to the original selling price of goods subsequent to delivery of the goods, including (but not limited to) trade rebates, volume discounts (often measured using purchases over an extended period of time), early settlement discounts, advertising, and other allowances (collectively, "rebate income")	We performed the following audit procedures, amongst others: • Evaluated the systems used to calculate rebates as well as the design, implementation and operating effectiveness of the controls implemented by management over the accuracy of the calculation of rebates. • Tested the inputs used in calculating the supplier rebates by performing, among other, the following procedures for a sample of rebates: ➢ Reviewed the major supplier agreements to understand their terms; ➢ Evaluated management's conclusion as to whether the rebate relates to a specific and genuine service, and consequently the treatment of the rebate in relation to the measurement of the cost of inventory at year end, through comparison to prior year treatment and evaluation of the types and terms of rebates received with reference to contractual terms; ➢ Recalculated and assessed the rebate amounts recognised and the period in which they were recognised. This was based on the review of contractual performance obligations on a sample of contracts with suppliers to assess the conditions required for supplier rebates to be recognised and whether these had been met; • Evaluated the appropriateness of the recognition and classification of the rebates and other income and related costs in terms of the requirements of IAS 2, Inventories; and • Assessed and evaluated the presentation and disclosure of the above matter, as set out in the note 1.16 of the financial statements (Rebates from suppliers).

Matter #02	
Description of the key audit matter	**How we addressed the key audit matter**
Goodwill impairment	
This key audit matter relates to the consolidated financial statements. Refer to the following notes to the consolidated financial statements for details: • Accounting policy Note 1.2 – Basis of Consolidation; • Accounting policy Note 1.2 – Goodwill; • Accounting policy Note 1.22 – Significant judgements and sources of estimation uncertainty • Note 17 – Goodwill As required by both the applicable accounting standards and the group's accounting policy (note 1.2), goodwill is tested for impairment by assessing the recoverable amount of the cash-generating units (CGUs) to which the goodwill relates. The recoverable amount of each CGU that includes goodwill is determined as the higher of value in use, using a discounted cash flow model, and fair value less cost to sell, where applicable. There are several assumptions made in estimating the expected future cash flows, in calculating discount rates and the perpetuity growth rate used in the forecast model. Assumptions by their nature are a significant area of judgement. We have determined the above to be a key audit matter, due to the extensive audit effort to evaluate the assumptions and judgements applied by management with regard to projected cash flow forecasts.	We obtained the value-in-use calculations on the lowest level of CGUs and performed the following procedures: • Compared the future projected cash flows used in the models against historical achieved results to assess the appropriateness and reasonability; • Compared the future projected cash flows used in the models against actual results achieved after year-end. • Evaluated the valuation methodology applied by management for appropriateness against the requirements of the IAS 36 and acceptable industry practices; • Reviewed the reasonability and appropriateness of the discount rates by assessing the assumptions made by management in relation to current market data; • Reviewed the reasonability of specific risk premium used in the calculation of the discount rates; • Reviewed the reasonability of the perpetuity growth rate by assessing the assumptions made by management in relation to current market data; • Recalculated the recoverable amount of each CGU to ensure mathematical accuracy; and • Evaluated the completeness and appropriateness of disclosures against the requirements of IAS 36, *Impairment of Assets*.

Other information

The directors are responsible for other information. The other information comprises the information included in the document titled "Choppies Enterprises Limited Consolidated and Separate Annual Financial statements for the year ended 30 June 2026", which includes the Directors' Responsibilities and Approval of the Consolidated and Separate Financial Statements and the Chief Executive Officer and Chief Financial Officer Responsibility Statement, which we obtained prior to the date of this auditor's report, and the "Choppies Enterprises Limited Annual Integrated Report 2026", which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

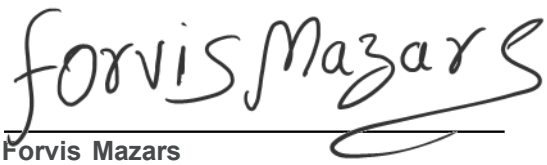
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the latter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Forvis Mazars
Certified Auditors
Practicing member: Devaprasad Arakkal
Membership number: CAP 0036 2026

Date: 17 September 2026

Gaborone