

Chairman's statement



Stephen Koseff

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In 2026, we mark the tenth anniversary of Bidcorp separately listing on the JSE – a significant value-creating step for our shareholders. Since our unbundling in 2016, annual group revenues have more than doubled, from R114 billion in June 2016 (excluding revenue from logistics which were subsequently sold) to R242 billion this year. This equates to compound annual growth of 8% while inflation has averaged around the 3% mark. In that time, headline earnings have grown at a compound annual rate of 10%, from R3,3 billion to R9,1 billion.

In a decade, Bidcorp has delivered compound annual shareholder returns of 18% and paid R24,1 billion in dividends. Return on funds employed (excluding property) was 55,6% in F2026, while return on equity was 19,1%.

A decade of resilience

All of this has been achieved in 10 years of considerable flux and economic challenge, with fluctuating fortunes for our customers and the end-consumers alike. Even during the dark days of the COVID pandemic, our resilient, locally managed businesses succeeded in navigating the local headwinds and kept our teams working and our doors open.

The year ended June 30 2026 was not unlike many in the preceding decade. Geopolitical tensions persisted throughout the first six months, erupting into war in the Middle East in the second half. This year, most of the economies in which we operate struggled to achieve meaningful growth and, in many geographies, consumers were more cautious about spending their hard-earned income on eating out and travel. Towards the end of Q3 F2026, the war between the United States and Iran began pushing up oil prices, with an inevitable impact on our businesses.

Yet, once again, we saw our operations rise to their particular challenges to sustain profitability, and in most cases growing and winning over new customers.

This success is built on the decentralised entrepreneurial culture of our group, enabling our management teams to be agile and responsive, doing what is best for their operations and local environments – with the oversight and support from the group. All the while sharing best practice and lessons learned with each other.

Empowering growth

Behind our strong group executive leadership and equally strong local management is a balance sheet that is robust with low gearing

and the room to empower our operations to take advantage of opportunities as and when they present themselves.

In F2026, we saw more of our businesses invest in the opportunities that value-add manufacturing and Own Brand product offerings present. Aligned to our strategy, we saw operations transitioning towards the right mix of customers and the right mix of products.

The board and I have watched the group's progress this year with great satisfaction. We have noted Bidcorp's progress not only in terms of operations and financial performance but also in terms of its environmental, social and governance obligations, with sound progress made toward the 2034 carbon emission reductions target.

Doing the right thing

Today, most of our businesses have invested in renewable power, generating solar energy and the like. The group surpassed the first set 2025-target of a 25% reduction in scope 1 and 2 carbon emissions with a year to spare. We have since tasked management with reducing emissions by a further 25% by 2034, using 2024 externally assured reported emissions as the baseline and are on track to achieve this target.

It is important to caution, however, that we can only move on our decarbonisation agenda as fast as technology allows. Our businesses are introducing electric vehicles on a pragmatic basis, mindful that they are not always fit for the required purpose, and that they remain very costly. That being said, we are a business that takes its environmental and social responsibilities seriously – to the point that delivering on these responsibilities is not something we do in addition but rather something embedded into our day-to-day approach to how we conduct business.

As always, health and safety is a priority for the board. Directors receive detailed quarterly reports on our food safety and occupational health and safety performance. As a values-driven organisation, the safety of our customers and our people is our utmost priority. I am pleased to report that there were no material food-safety issues in the year to report, and that we continued making progress towards our goal of reducing sick days resulting from workplace accidents and occupational illness by F2030.

Succession

Bidcorp has a uniquely successful culture, ethos, and structure; it is essential that newly appointed directors imbue these attributes from the outset.

Chairman's statement continued

During the year we welcomed two new members to the board this year, Trevor Brown and Katherine Ostin. Trevor and Katherine both have a wealth of accounting experience of the highest order and will be invaluable members of the board and our audit and risk committee, ensuring that our systems and controls remain world class.

Over the next few years, some of the directors who were appointed at the time of the unbundling will be stepping down from the board. The renewal process has commenced, with changes expected to be announced ahead of the upcoming AGM. I would like to thank those directors for their commitment, dedication, and valuable contribution during their tenure.

Appreciation

I thank Bernard, David, and the group corporate team for the outstanding way in which they have led the group and supported the management teams around the world. Clearly, what these individuals and teams did in F2026 has worked – as is borne out by the excellent results delivered.

I salute my fellow non-executive directors who have performed such sterling, tireless service during the year. I thank our founder, Brian Joffe, for his sage advice and support.

I would also like to thank our lead independent director, Nigel Payne, who also chairs our remuneration committee; our chair of the audit and risk committee, Helen Wiseman; our chair of the environmental, social and ethics committee, Tasneem Abdool Samad; and our chair of the acquisition committee, Paul Baloyi, for their dedication and support during the past year. Thank you to Cliff Rosenberg and Keneilwe Moloko for their continued contribution.

Prospects

Bidcorp is a very good organisation with great people.

We have property, plant and equipment that is fit-for-purpose and ready to accommodate real growth, consistently above inflation. We have sound financial structures. We are cash generative, with a strong balance sheet, and effective governance in place.

We look forward to our second decade with optimism and are well positioned to continue to grow and deliver to our stakeholders.

Stephen Koseff

Chairman



Consistently compounding value through sustainable strategy and disciplined operational excellence

A proven record of growth and shareholder returns

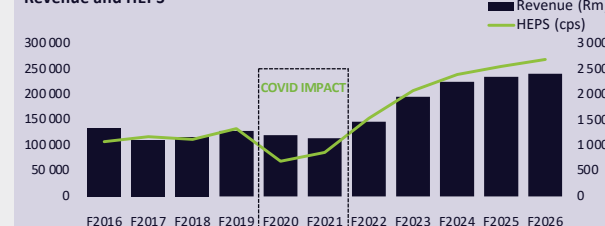
Bidcorp has delivered a proven record of long-term value creation since its 2016 listing, achieving consistent growth through disciplined capital allocation, operational excellence and strategic excellence.

The group's performance across multiple economic cycles demonstrates the resilience of its diversified portfolio and the proven strength of its decentralised business model.

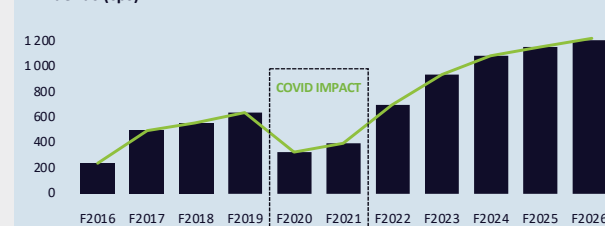
Consistent value creation since 2016 listing

Total shareholder returns <i>Share growth and capital returns</i>	8,1% CAGR	Solid compound annual growth returned to shareholders
HEPS	10% CAGR	8% revenue growth, higher GPs and improved trading margins have delivered solid and consistent HEPS growth
EPS	10% CAGR	EPS and HEPS growth consistent Earnings 138% larger than 2016
Distribution to shareholders	18%	Distributions to shareholders with compound growth since listing
ROFE <i>(excluding properties)</i>	55,6%	ROFE has grown by 600bps since listing, reflecting management's effectiveness in generating returns while growing
ROIC	16,8%	Returns to shareholders have improved at a compound rate of 300bps annually

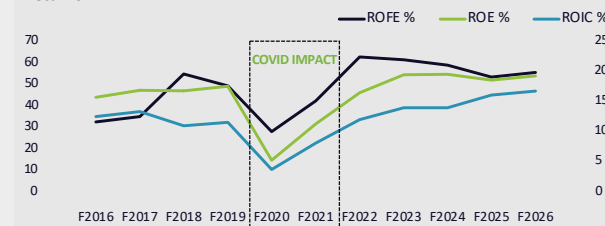
Revenue and HEPS



Dividends (cps)



Returns



Gross profit and Trading profit margin

