KAL GROUP

Annual Results Presentation

for the financial year ended 30 September 2026

Presenters:

Johann le Roux, Chief Executive Officer

Graeme Sim, Financial Director

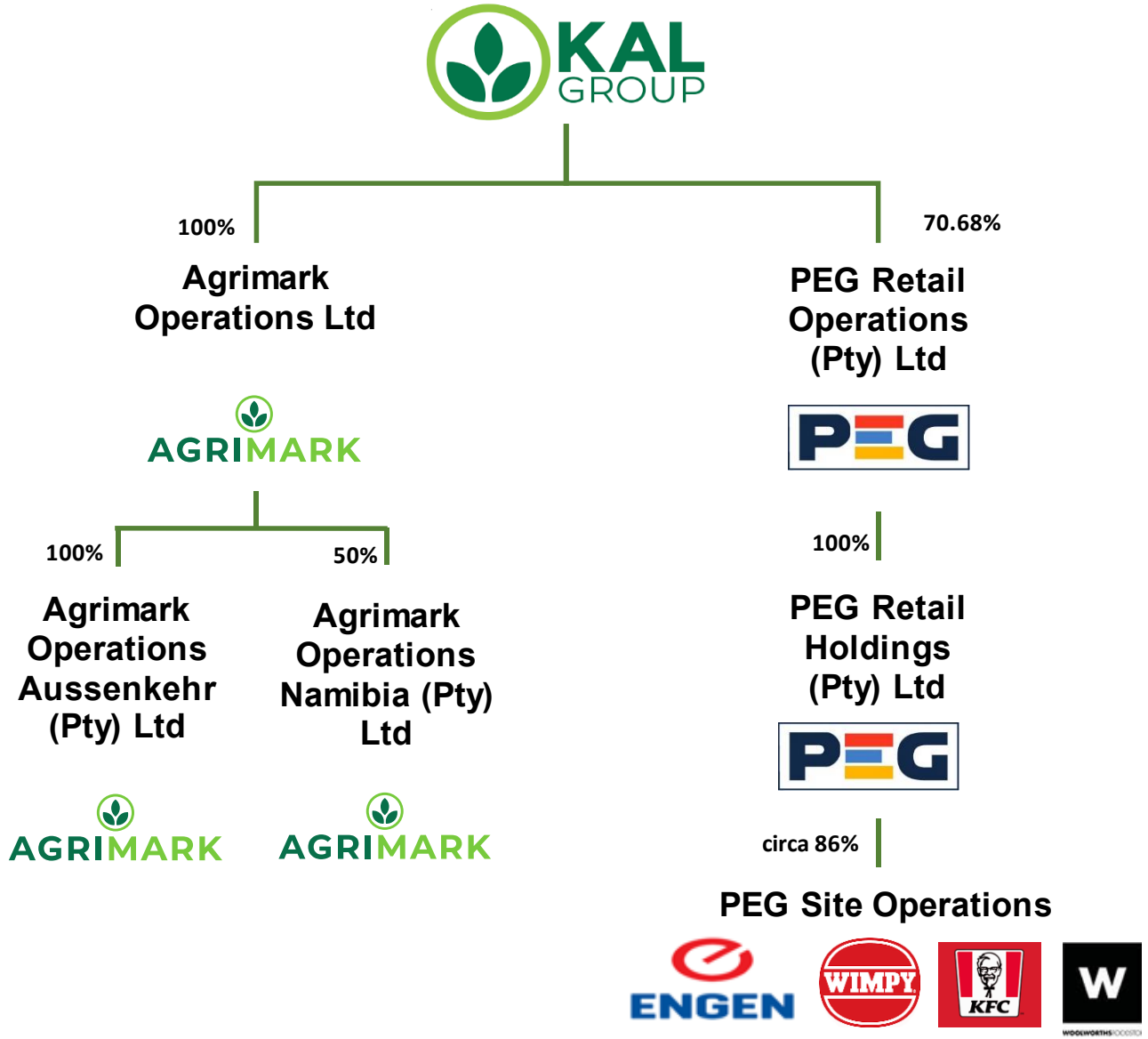


INDEX

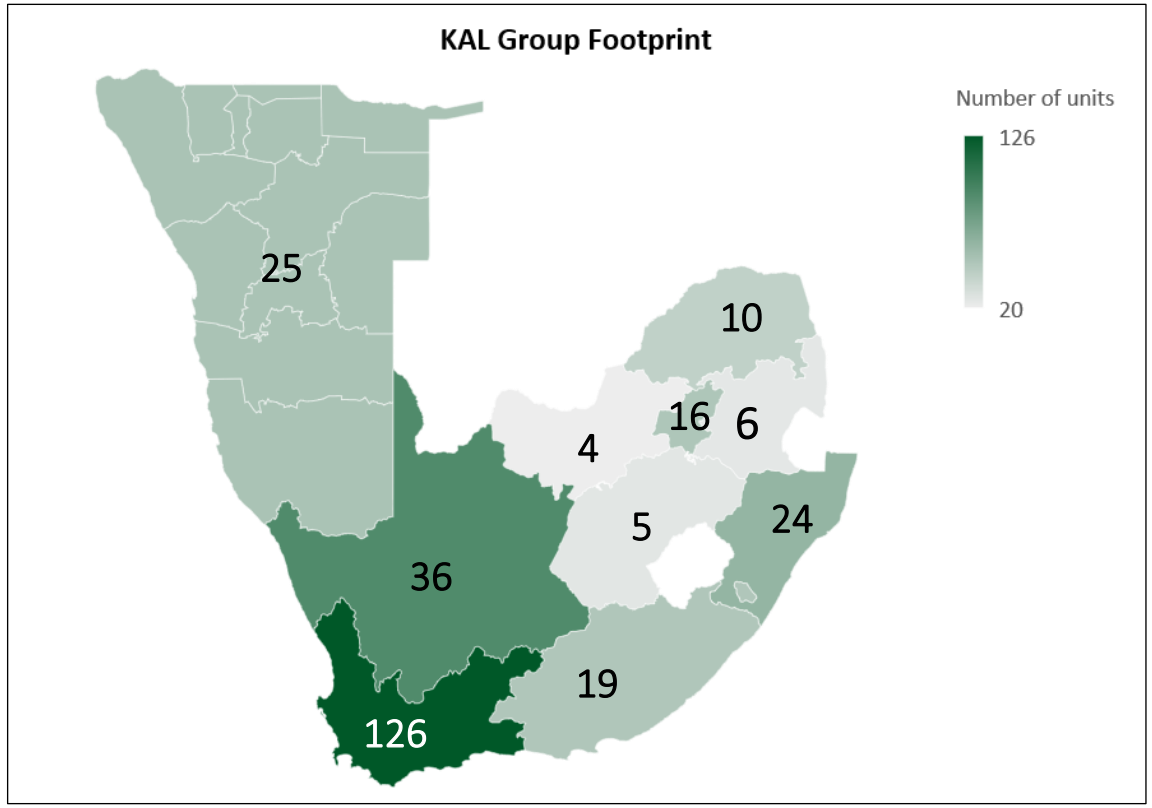
- Group structure and Segments
- Geographic representation & Footprint overview
- Operational environment during the year
- Key indicators for the year
- Financial performance
  - Income statement
  - RHE & RHEPS reconciliation
  - Balance sheet
  - Return on invested capital
  - Capital expenditure
  - Trade debtors
  - Cash flow performance
- Segmental reviews
  - Agrimark
  - PEG
- Business Strategy
- Business Outlook

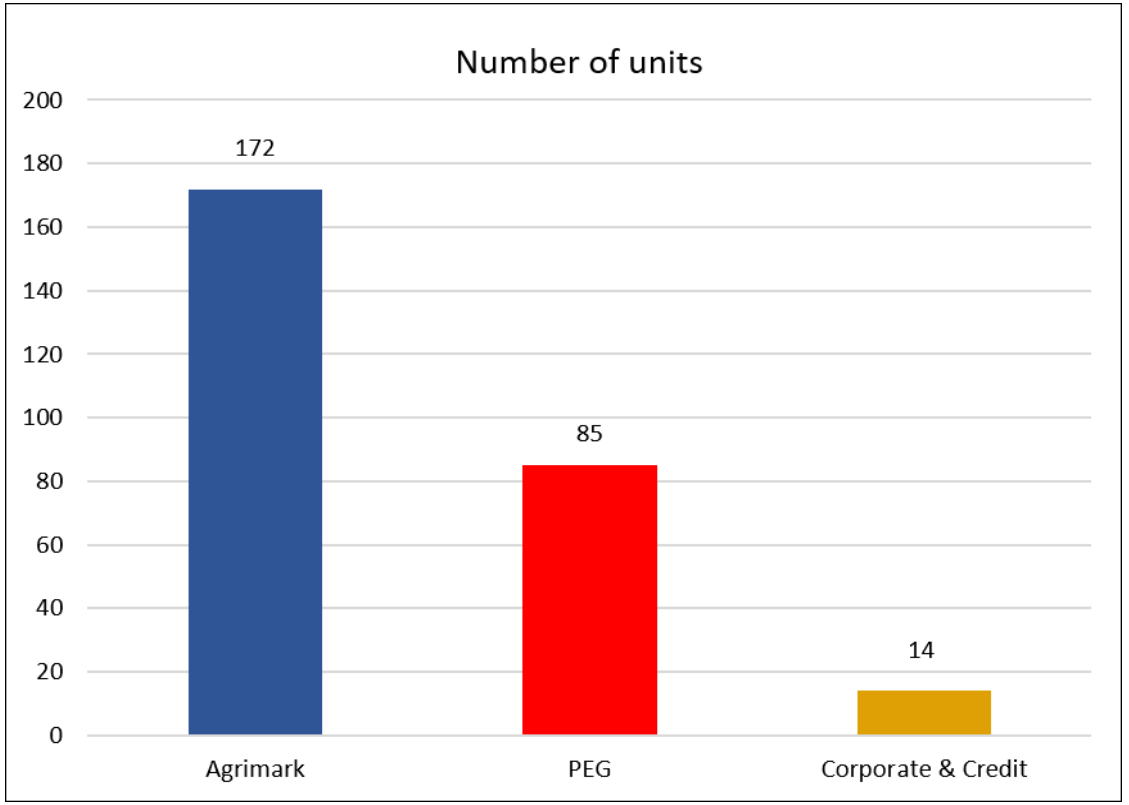


GROUP STRUCTURE AND SEGMENTS



GEOGRAPHIC REPRESENTATION & FOOTPRINT OVERVIEW





- KAL: 271 Units, SA & Namibia
- PEG: 85 Units, SA only
- Fuel licences KAL 155 including PEG 79
- Mainly peri-urban, rural and highway locations

- Agriplas disposal
- Agrimark: +1 store, +2 mechanisation, +1 service station, +1 grain bunker
- PEG: +2 fuel sites, +5 QSRs

OPERATING ENVIRONMENT DURING THE YEAR

F26 was a tale of two distinctly different halves, the largest part of H1 was favourable, whilst H2 had significant headwinds, mainly due to the Iran war and resultant economic impact.

H1: supportive conditions

Favourable agricultural conditions, expectation of lower interest rates, less pressure on consumers and a stable local and international political outlook.

15.1% half-year RHEPS growth

H2: abrupt deterioration

Record fuel prices, two interest rate hikes, weaker agricultural conditions, flood damage and weaker consumer spend, with farming profits under pressure.

12.9% full-year RHEPS growth

Material once-off fuel price adjustments during H2 had a positive impact on the full year results, whilst the negative impact of longer-term higher fuel prices cannot be accurately measured.

OPERATING ENVIRONMENT DURING THE YEAR

The continued high fuel price has a negative impact on consumers and the high-level impact on a South African household is therefore significant.

KEY DRIVERS

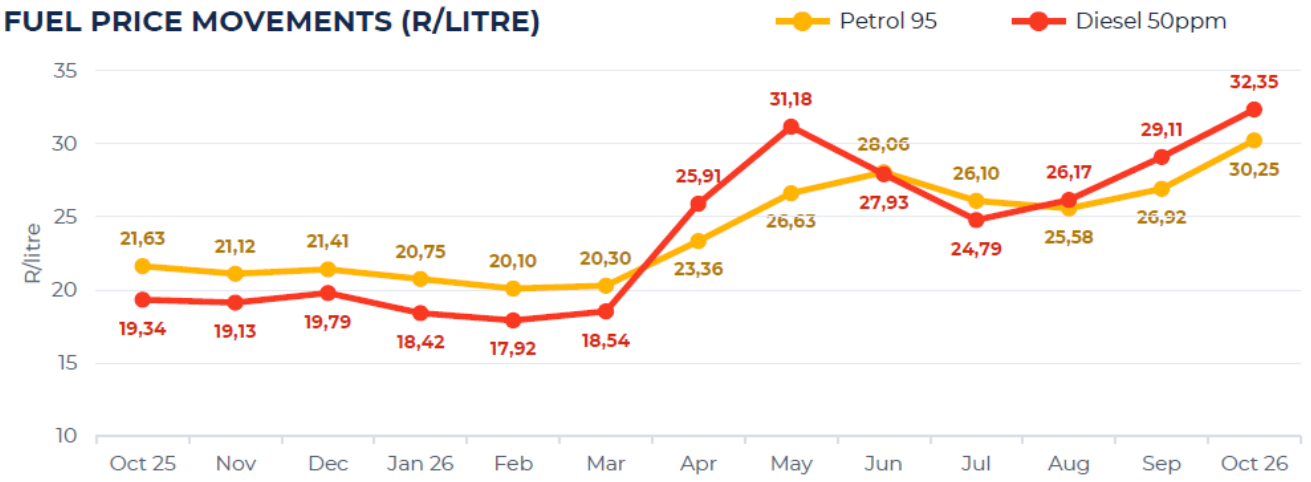
Global oil prices
Brent crude rose from about US$65/bbl to US$101/bbl (+55%).

Supply risk
US–Iran tensions and Strait of Hormuz uncertainty.

Shipping costs
Higher freight costs and lower global fuel stocks.

Slate levy
Raised to 87.66c/l to recover a R10.5bn under-recovery.

FUEL PRICE MOVEMENTS (R/LITRE)



Fuel type	Oct 2025	Oct 2026	Change (R/litre)	% increase
Petrol 95	21.63	30.25	+8.62	+40%
Diesel 50ppm	19.34	32.35	+13.01	+67%

PRICE INCREASE: OCT 2025 → OCT 2026

Petrol 95
Oct 2025 **R21.63** → **R30.25**
+R8.62/litre
(+40%)

Diesel 50ppm
Oct 2025 **R19.34** → **R32.35**
+R13.01/litre
(+67%)

IMPACT ON A SOUTH AFRICAN HOUSEHOLD

Based on 3 tanks of 50 litres per month (150 litres/month)

Petrol 95
Oct 2025 **R3,245** → **R4,538** /month
+R1,293 per month
≈ R15,500 per year

Diesel 50ppm
Oct 2025 **R2,901** → **R4,853** /month
+R1,952 per month
≈ R23,400 per year

OCTOBER 2026: THE LATEST STEP

+R3.33
Petrol 95 in one month, to a record R30.25 (previous high R28.06, June)

+R3.24
Diesel 50ppm in one month, to R32.35 (previous high R31.18, May)

OPERATING ENVIRONMENT DURING THE YEAR

The negative impact can also be modelled in terms of the additional for road transport, which inevitably will lead to higher inflation and further pressure on consumers.

1 LONG-HAUL TRUCKING: JOHANNESBURG–CAPE TOWN

Heavy interlink truck, about 560 litres of diesel one way, at +R13/litre

R7,280
extra per one-way trip
560 litres × R13

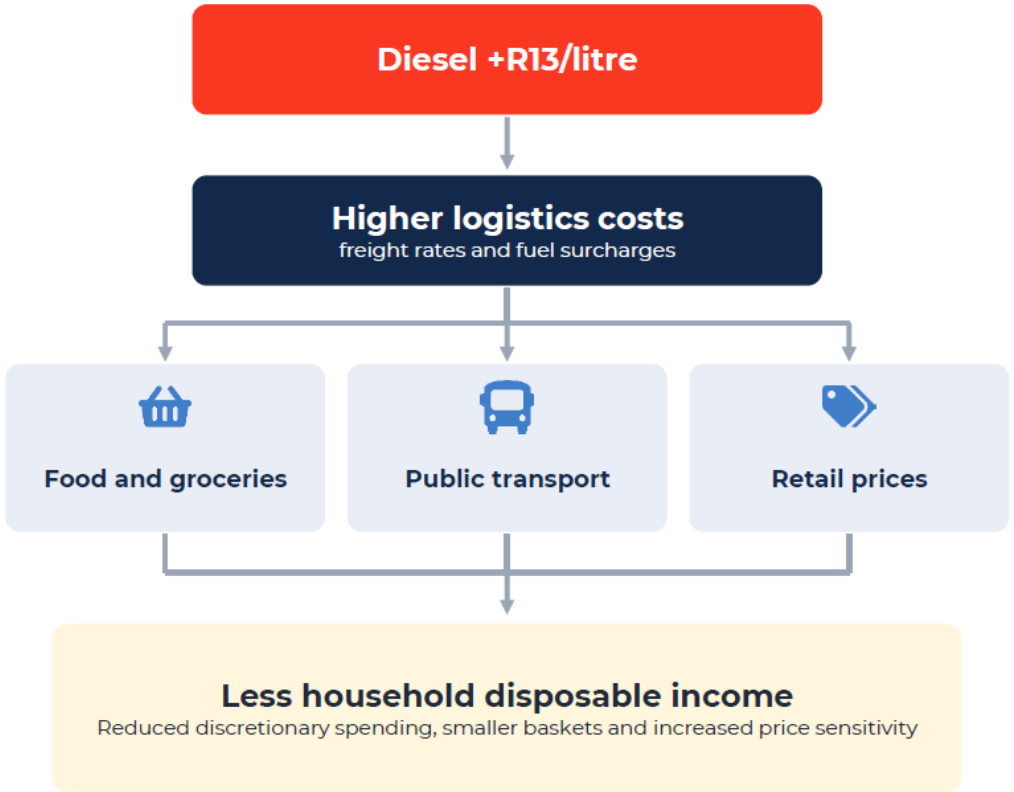
R14,560
extra per round trip
1,120 litres × R13

R5.82m
extra per month, 100-truck fleet
8 one-way trips per truck per month

24c/kg
extra per kilogram moved
30-tonne load, one journey

The operator either absorbs this cost or recovers it through higher freight rates. 24c/kg is not a retail price increase in itself, but it shows the pressure on distribution economics.

2 HOW THE INCREASE FILTERS THROUGH TO CONSUMERS



OPERATING ENVIRONMENT DURING THE YEAR

The following noteworthy developments impacted the full year results.

- Once-off fuel price adjustments during H2 had a positive impact on the full year results (negative fuel volume and consumer pressure cannot be measured)
- Almost R300m in capital has been deployed on growth and earnings enhancing initiatives during the year (new PEG sites, increase in PEG shareholding and share buybacks)
- Sustained fuel volume pressure on semi-urban sites resulted in material impairments of goodwill and right-of-use assets on 15 PEG loss making sites:
  - Changed driving behaviour post COVID-19 and general consumer pressure (inflation & higher interest rates)
  - Middle East hostilities and fuel prices at historically high levels
  - Mainly sites which existed prior to the PEG acquisition, run as corporate managed sites (fuel and convenience offerings only)
  - PEG actively exploring opportunities to exit underperforming operations – offers on the table for 6 sites
  - All sites acquired as part of / subsequent to PEG acquisition - operating partners hold minority shareholdings (fuel, expanded convenience and multi-branded QSRs)
  - Growth strategy of PEG focusses on larger retail offerings on sites, supported by robust fuel volumes

KEY INDICATORS FOR THE YEAR

Gross profit

R3,35 b

▲ +8.5%

EBITDA

R982,7 m

▲ +6.4%

RHEPS

705.28 cents

▲ +12.9%

Return on Invested Capital ("ROIC")

14.8%

▲ LY: 13.2%

Fuel volumes

608.2m litres

Group ▲ +3.2%
PEG ▲ +4.2%
Agrimark ▲ +0.5%

Total dividend per share

270.00 cents

▲ +28.6%

Gearing Ratios:

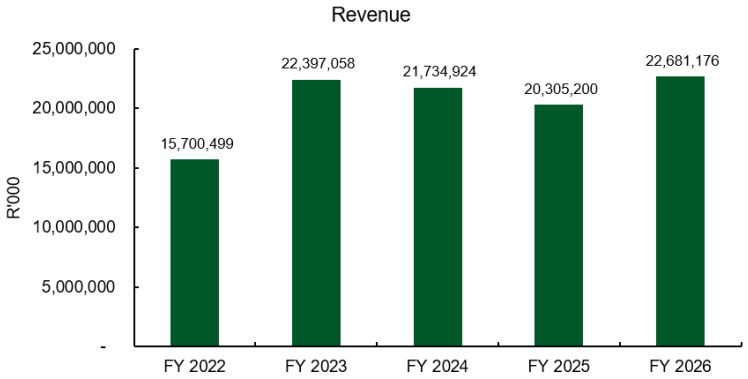
✓ **Debt: Equity**
29.0% (LY: 38.1%)

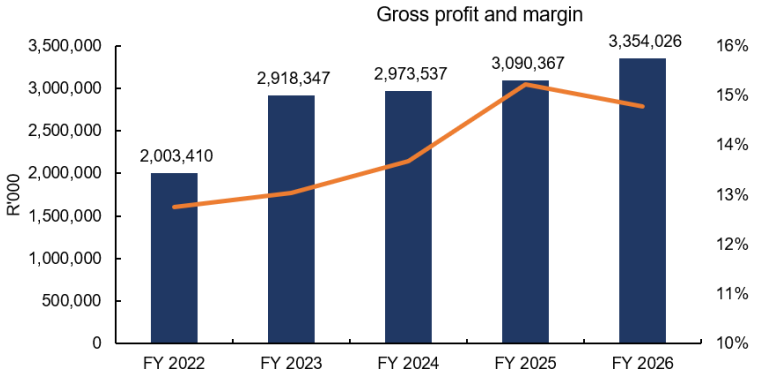
✓ **Debt: EBITDA**
1.0x (LY: 1.2x)

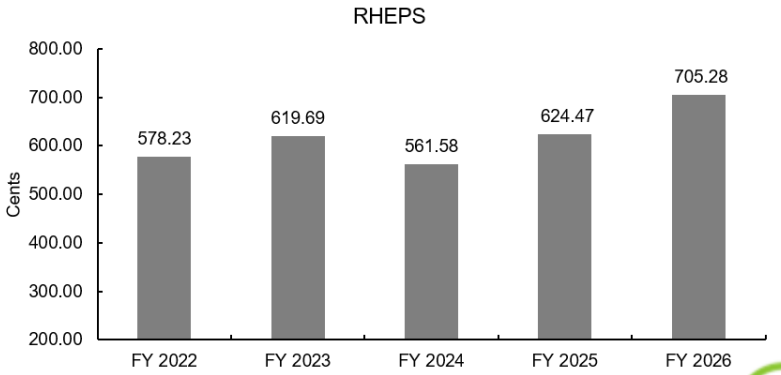
✓ **Interest cover**
5.7x (LY: 4.6x)

FINANCIAL PERFORMANCE – INCOME STATEMENT

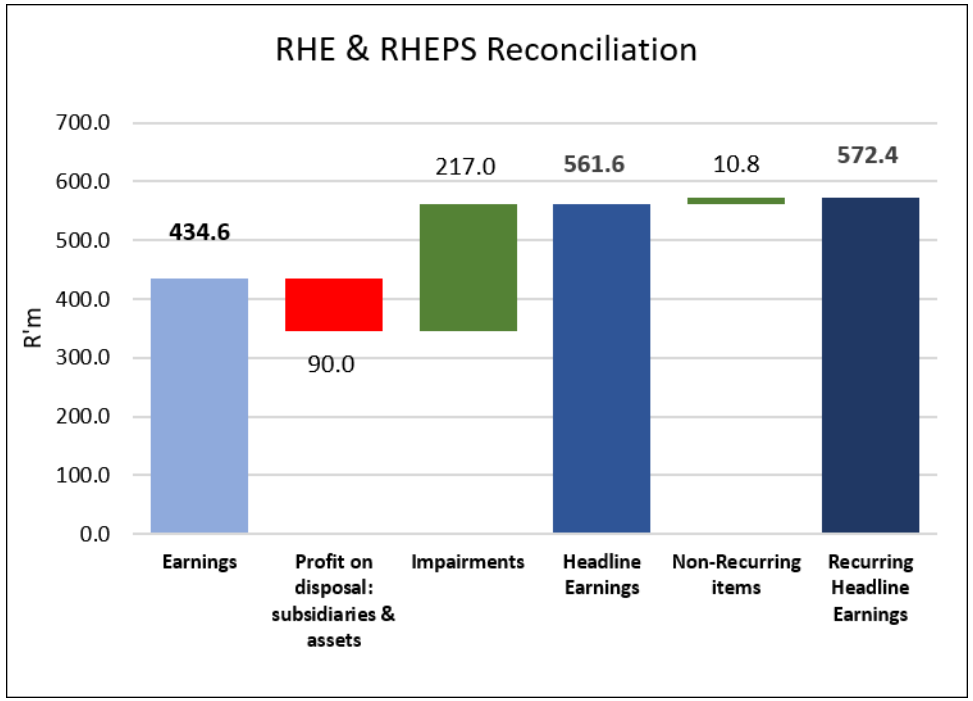
R'000	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenue	15,700,499	22,397,058	21,734,924	20,305,200	22,681,176
Gross profit	2,003,410	2,918,347	2,973,537	3,090,367	3,354,026
Gross profit margin	*12.8%*	*13.0%*	*13.7%*	*15.2%*	*14.8%*
EBITDA	673,226	898,592	859,294	923,820	982,700
Recurring headline earnings	430,521	493,959	450,597	495,925	572,416
Return on equity	16.5%	16.7%	13.9%	14.1%	15.8%
Recurring headline earnings per share (cents)	578.23	619.69	561.58	624.47	705.28
Dividend per share (cents)	168.00	180.00	180.00	210.00	270.00
Dividend cover (times)	3.3	3.3	3.0	2.8	2.5

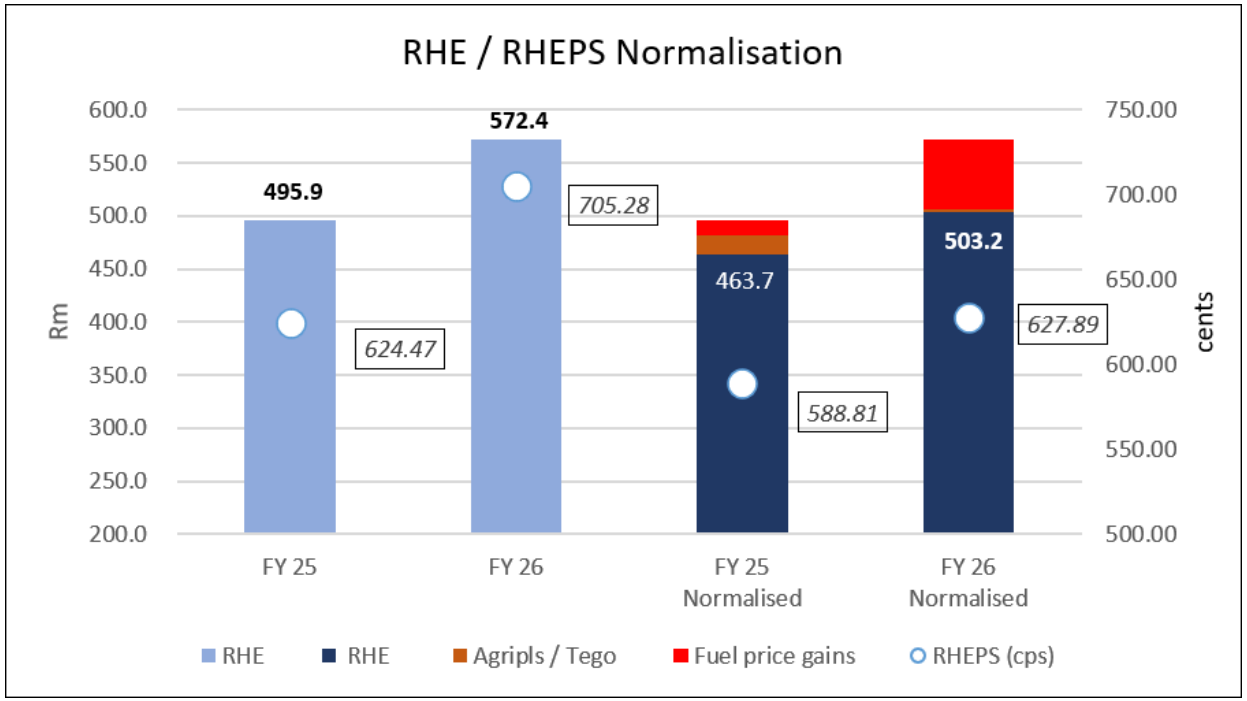






FINANCIAL PERFORMANCE – RHE & RHEPS RECONCILIATION





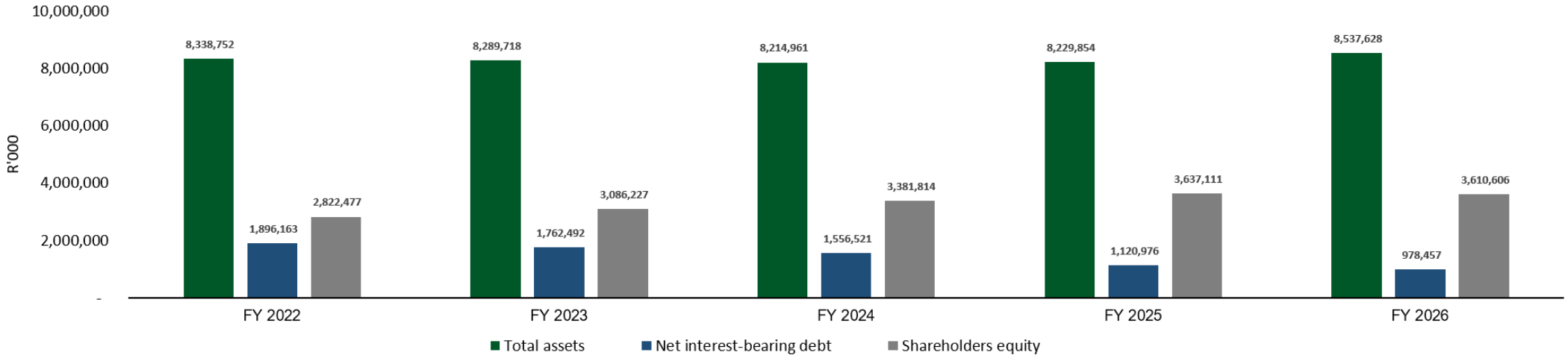
- HE adjustments:
  - Profit on disposal of Agriplas
  - Goodwill & Right-of-use asset impairments
- RHE adjustments:
  - non-recurring transaction, legal and once off costs

- Impairments non-HE items
- Reported:
  - RHE +15.4%
  - RHEPS +12.9%

- Normalised (excl. fuel price gains & Agriplas / Tego profitability):
  - RHE +8.5%
  - RHEPS +6.6%

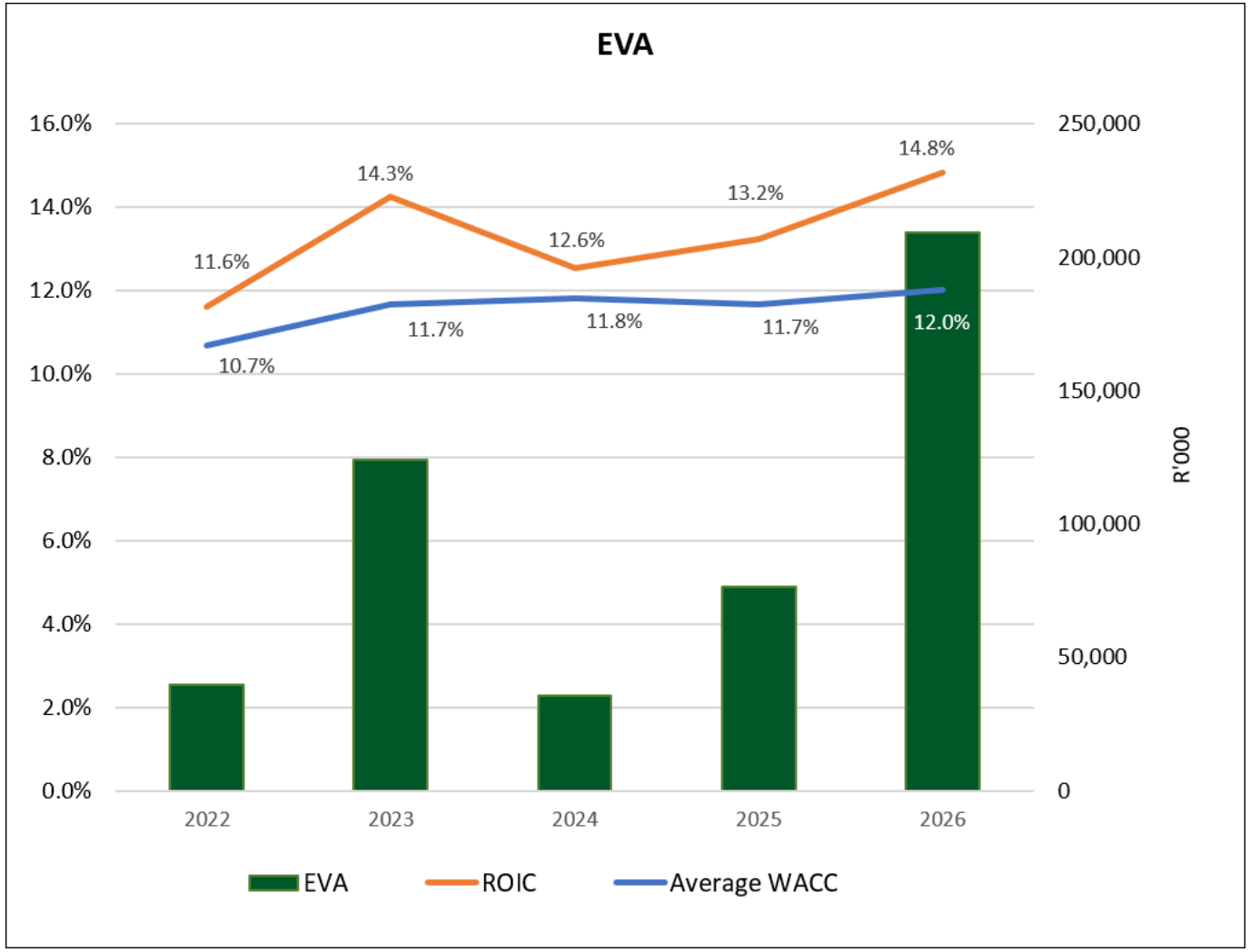
FINANCIAL PERFORMANCE – BALANCE SHEET

R'000	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Total assets	**8,338,752**	**8,289,718**	**8,214,961**	**8,229,854**	**8,537,628**
Non-current assets	3,683,198	3,670,253	3,983,058	3,900,272	3,809,888
Current assets	4,655,554	4,619,465	4,231,903	4,329,582	4,727,740
Liabilities and loans	**5,516,275**	**5,203,491**	**4,833,147**	**4,592,743**	**4,927,021**
Net interest-bearing debt	1,896,163	1,762,492	1,556,521	1,120,976	978,457
Shareholders equity	**2,822,477**	**3,086,227**	**3,381,814**	**3,637,111**	**3,610,606**
Net asset value (rand)	38.2	41.8	45.3	48.7	51.6
Debt to equity[1]	59.5%	61.9%	51.3%	38.1%	29.0%
Interest cover (times)	6.0	4.0	4.1	4.6	5.7



1 calculated on average balances

FINANCIAL PERFORMANCE – RETURN ON INVESTED CAPITAL



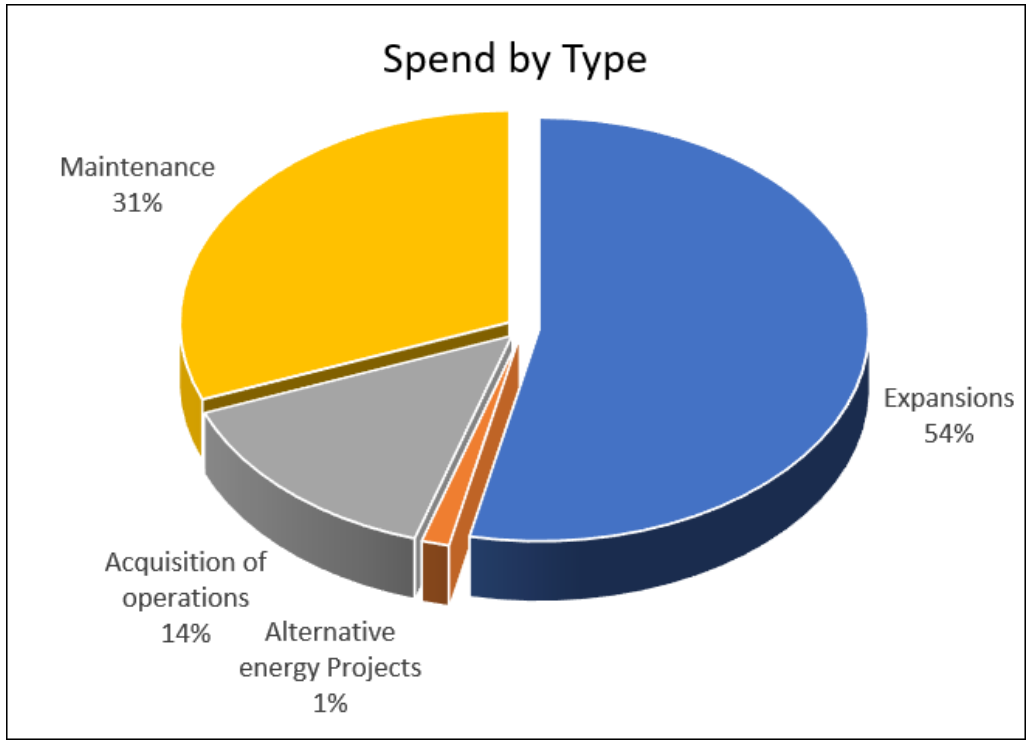
SINCE FY 2022:

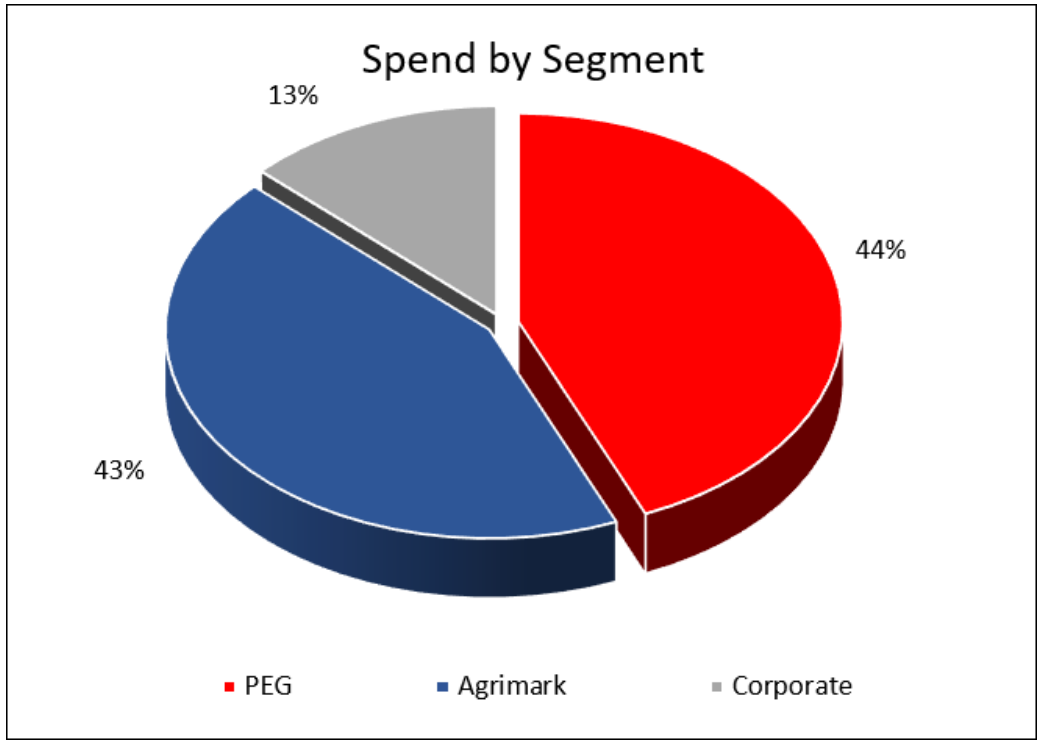
- Consistent ROIC > WACC = EVA
- FY 2026
  - Strong RHEPS growth
  - Share repurchase, lower invested capital (adjusted for impairments)
  - ROIC vs WACC increasing

ROIC OUTLOOK:

- FY 2027 ROIC
  - Prudent capital investment
  - Focused working capital management
  - Gearing increase (PEG acquisitions)
  - Increased dividends
  - Share buy backs

FINANCIAL PERFORMANCE – CAPITAL EXPENDITURE

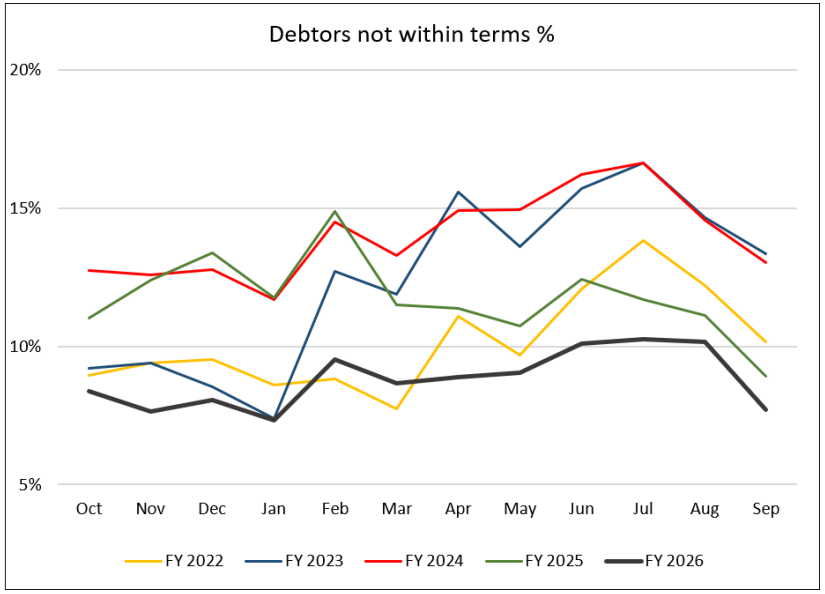


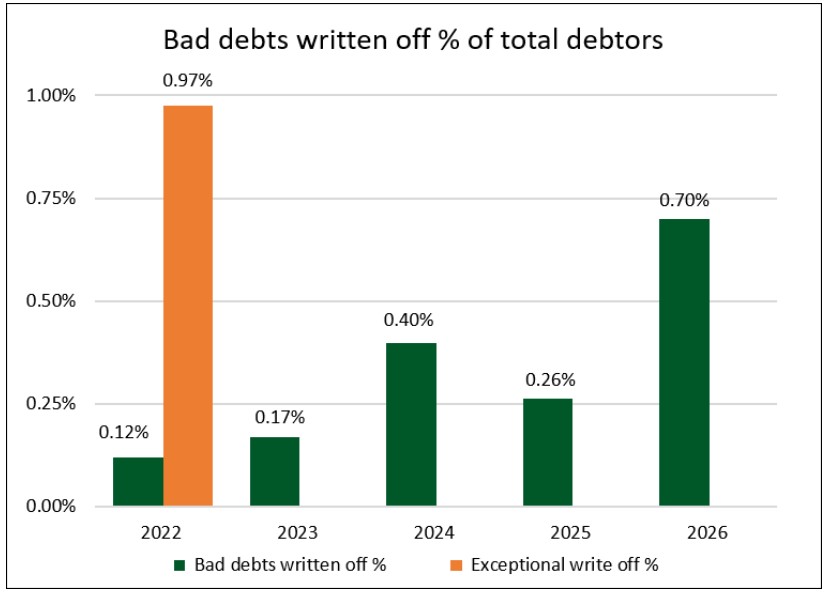


- Total capex R268.9m (LY: R145.3m)
- Expansions R143.6m
- Alternate energy R3.7m
- Maintenance R83.2m
- Includes: Acquisition of PEG sites R38.5m
- 68% spent on value enhancing projects

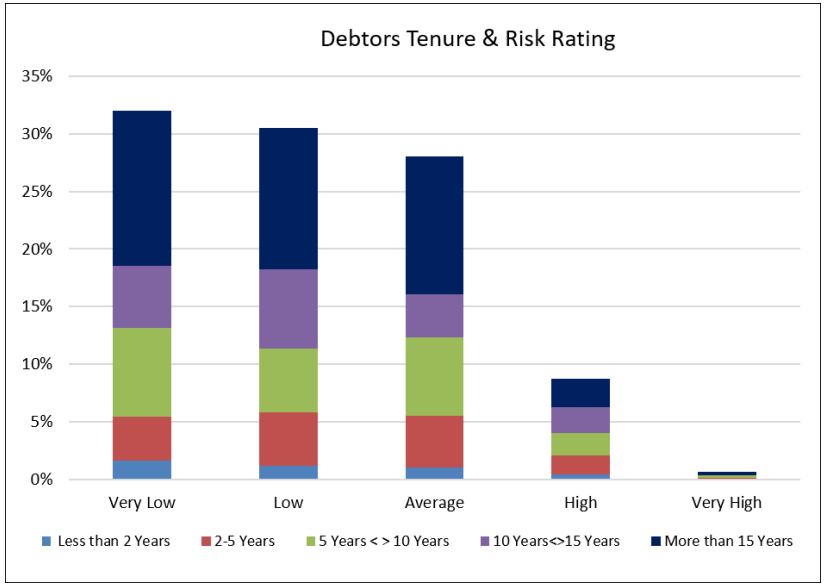
- Agrimark: includes new store, new site, new service station, new packaging facility, grain bunker, other expansions / upgrades
- PEG: includes 2 new sites, 5 new QSR's, site & QSR upgrades
- Corporate: ERP modernisation & IT

FINANCIAL PERFORMANCE – TRADE DEBTORS



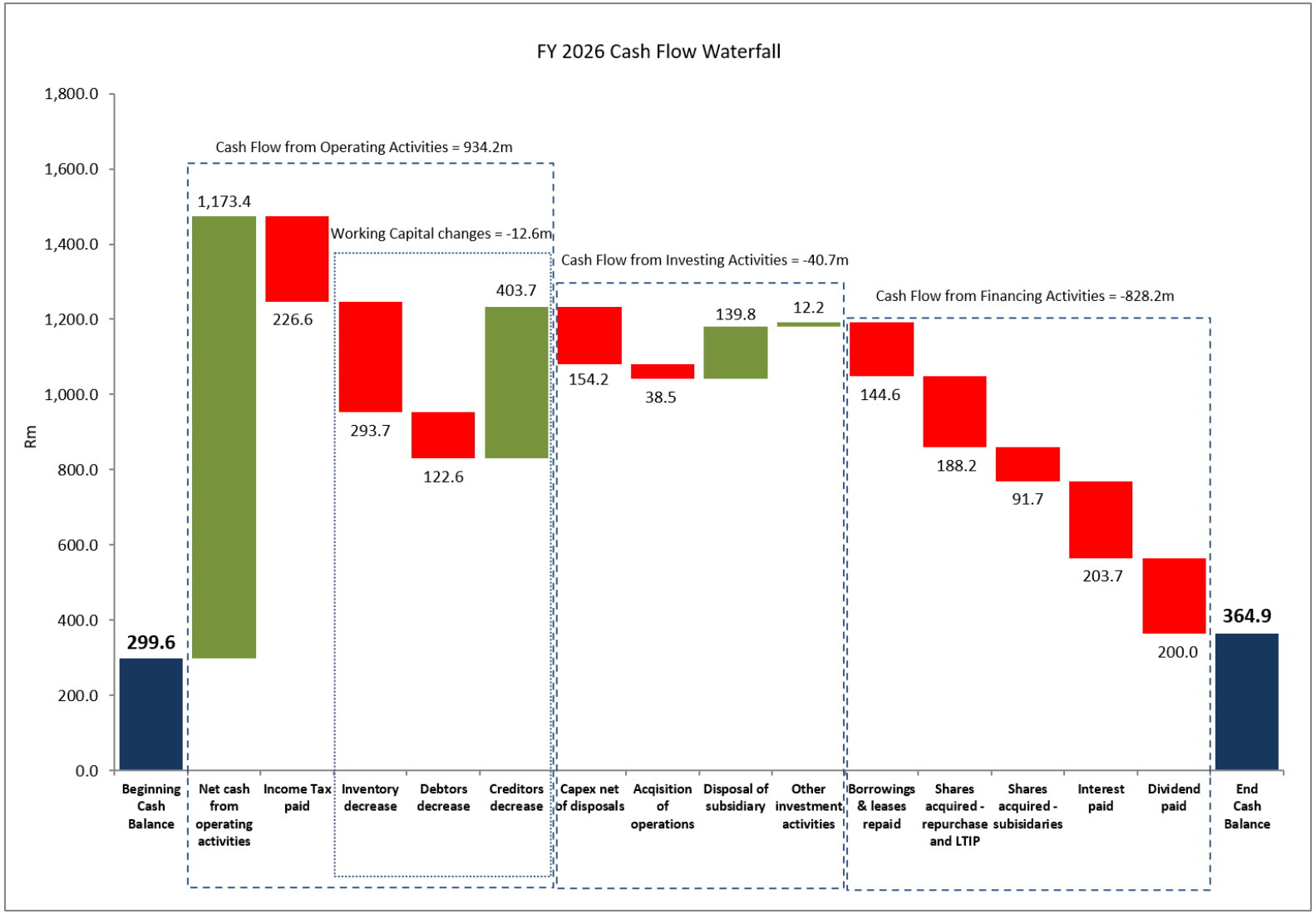


- NWT debtors 7.7% of total debtors (8.9 LY)
- Bad debts written off 0.7% of total debtors (R17.1m)
  - 5 yr average 0.51%
  - 10 yr average: 0.38%
- Provision 2.4% (2.6% LY)
- Income spread ~ 250 bps



- Credit supports revenue growth
- Trade receivables +5.5% (higher input costs)
- Product and geographic diversity reduces risk & improves cash flow
- 15,738 accounts (3,172 seasonal & 12,566 monthly) decreased 3.1% YOY due to Agriplas disposal
- Debtors book turns 4.2x per year (4.2x LY)
- Long tenure, low risk profile
- Proactive engagement re. agri challenges / headwinds

FINANCIAL PERFORMANCE – CASH FLOW PERFORMANCE



KEY CASHFLOW DRIVERS:

- Strong cash generation
- Working capital changes
  - Debtors: +5.5% YOY
  - Inventory: +22.1% YOY
  - Creditors days similar
- Acquisition of PEG sites
- Disposal of Agriplas
- Term debt repayment
- Interest paid reduction, lower debt levels, lower average interest rates
- F25 dividends paid
- Focused returns-based capital spend


AGRIMARK
AGRIMARK

SEGMENTAL REVIEW - AGRIMARK

(R'000)	2024	2025	2026
Revenue	7,775,413	8,272,333	9,044,291
Retail	2,060,706	2,085,685	2,127,996
Agri	3,123,397	3,297,465	3,481,383
Fuel	2,591,309	2,889,183	3,434,912
Grain	1,050,248	761,201	830,795
Gross Profit %	*10.7%*	*11.4%*	*11.2%*
Fuel price gains	6,973	9,693	34,949
PBT as reported	493,956	550,442	645,143
Gross Assets	4,670,758	5,014,788	5,418,405
Net Assets	2,640,410	2,764,172	2,990,433
Fuel volumes ('m Litres)	158.2	164.0	164.8
Growth %	-10.8%	3.7%	0.5%
Wheat volumes (tons)	325,208	271,360	309,252
No. of Operating units	160	167	172

* GP% excludes direct transactions
* Category commentary based on total value of transactions

FY 2026 REVIEW:

- Includes Agrimark Grain
- **Growth strategy**: Market share, efficiencies, footprint, farm fuel, margin & stock management
- **5 new** sites
- **Retail top 5 categories**: Building materials -5.3%, Gardening +6.8%, Paint +5.6%, Pets -1.1%, FMCG -3.2%
- **Agri top 5 categories**: Packaging material +3.5%, Plant nutrition +0%, Animal feeds -4.3%, Plant protection -8.6%, Poles +14.6%
- **Margin %**: Retail up, fuel up, Agri flat
- **Fuel volumes** +0.5%, high fuel price gains
- **Directs** -0.6% (Building mat. & Plant protection)
- **Expenditure** well controlled
- **PBT** as reported +17.2%
- **PBT** excl. Agriplas property disposal profit +8.0%





PEG



ENGEN
ASTRON ENERGY
TotalEnergies
sasol
deli by Shell
STEERS
KFC
WOOLWORTHS FOODSTOP
café bonjour
brazmata coffee co.
OK Express
WIMPY
SEATTLE COFFEE COMPANY
GRILL to GO
sasol delight
Fast. Fresh. Friendly.
HOMESTEAD TRUE FOOD
fishaways
CATCH IT FRESH
Crispy Chicken
freshly fried chicken
MUGG & BEAN
GIVING YOU MORE AND MORE
FRESH STOP
SPAR express
ourmeal bakkery
Shell Select
Barcelos
Flame Grilled Chicken
Galito's
FLAME-GRILLED CHICKEN
Mochachos
MEXICAN CHICKEN FIESTA
Quick SHOP
DEBONAIRS PIZZA
BOOTLEGGER COFFEE COMPANY
Café 365

SEGMENTAL REVIEW – PEG

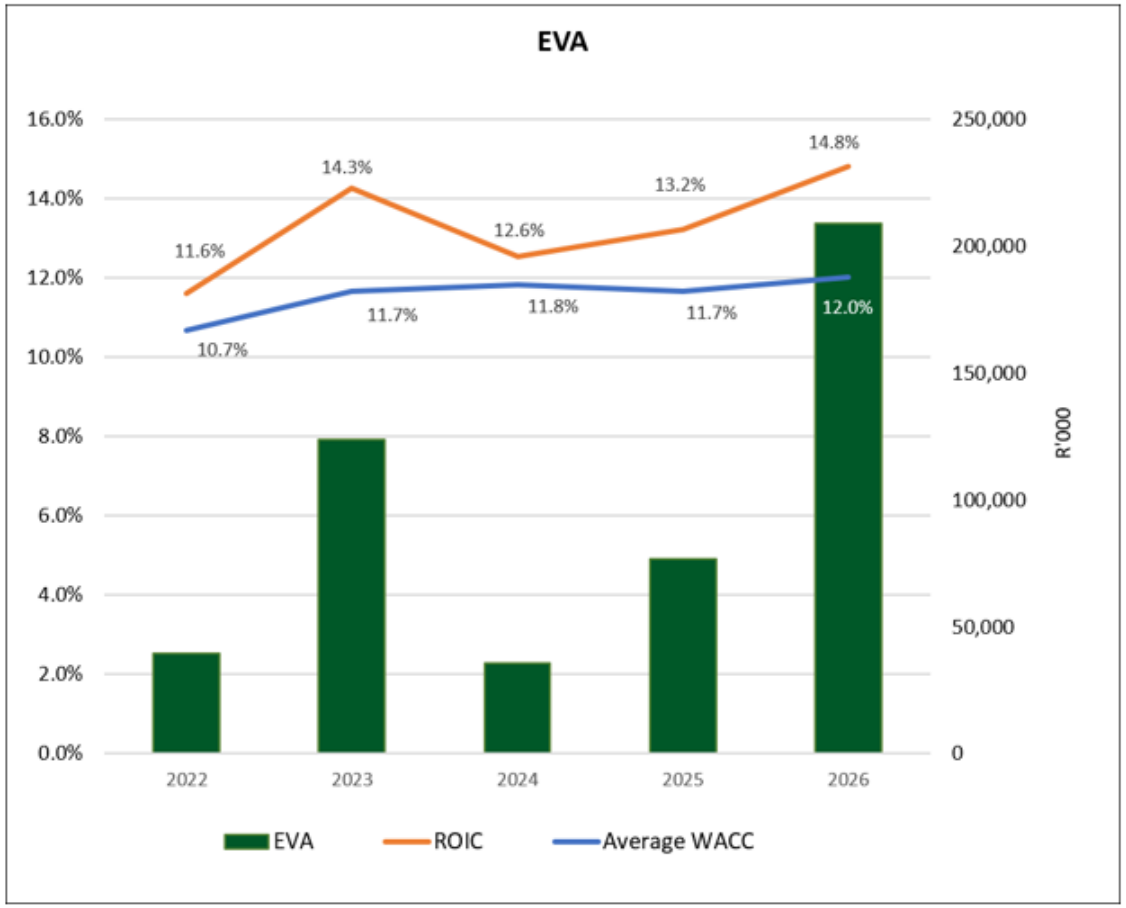
(R'000)	2024	2025	2026
Revenue	12,694,576	11,042,999	12,744,309
Fuel	10,697,808	9,017,616	10,586,243
Retail	1,996,768	2,025,383	2,158,066
Gross Profit %	*13.4%*	*15.2%*	*14.2%*
Fuel price gains	9,095	9,087	55,465
PBT as reported	204,887	147,731	45,846
Gross Assets	3,048,771	2,774,250	2,785,851
Net Assets	583,008	573,229	400,990
Fuel volumes ('m Litres)	427.9	425.4	443.4
Growth %	-4.8%	-0.3%	4.2%
Petrol mix %	44.0%	44.6%	44.9%
Diesel mix %	56.0%	55.5%	55.1%
No. of Operating units	89	82	85

FY 2026 REVIEW:

- **Growth strategy**: Footprint (fuel & QSR), QSR expansions, operational efficiencies
- **2 new** fuel sites, 5 new QSRs
- **Fuel:** Fuel volumes +4.2%, 15.1% higher average fuel prices, high H2 fuel price gains
- **Retail**: Revenue +6.6%, consumer pressure, retail spend per litre slightly up
- **GP** per litre increase +3.5%
- **PBT** as reported -69.0%
- **PBT** excluding impairments +49.9%
- **Term debt** repayment
- **Cash** generation remains strong
- New site **pipeline** positive

BUSINESS STRATEGY

The KAL Group strategy is to create long term shareholder value by growing our existing businesses and allocating capital mainly to activities and growth initiatives that are expected to earn returns sustainably above the cost of capital.



ROIC

14.8% in FY26, above average WACC of 12.0%. ROIC spread to WACC improved by 186%

ROE

15.8% versus 14.1% in FY25. Share buy-backs and lower dividend cover contributed to the improvement.

EVA

EVA improvement. Fuel-price gains had a positive impact on earnings, combined with a disciplined review of capital allocation in the business (historic and new).

BUSINESS STRATEGY

Our strategy is nothing more than how we allocate capital for growth and aims to deliver attractive shareholder returns by focusing on value creation over mere growth. We mostly delivered on our promises during FY26, as value was created for KAL shareholders.

Value-accretive growth, growth alone does not create value

The strategy is operationally growth-focused, with capital allocated where returns are expected to remain above WACC.

Agrimark

- Market share growth (limited capital)
- Customer focus (innovation)
- Branch and supply chain optimisation
- Working-capital efficiency

PEG

- Scale the winners and expand QSR (new capital)
- Grow the pipeline (new capital)
- Fix or exit weak sites (redeploy existing capital)

Group

- Growth in earnings
- Widening and sustaining the ROIC to WACC spread
- Dividends, share buybacks - improve ROE
- Create EVA

Capital allocated in terms of increasing our shareholding at PEG and share buybacks will meet attractive ROIC targets, whilst an improved dividend is testament to our strong cash generation and the strength of our balance sheet. The focus is now on the execution of our strategic initiatives, whilst managing a challenging operating environment.

BUSINESS OUTLOOK

H1 2027 OUTLOOK:

- Prolonged high oil price will lead to lower demand; domino effect of higher inflation and interest rates, adding pressure on the disposable income of consumers and general retail.
- Convergence of pressures on the agricultural sector in the short to medium term:



- As a result Agrimark will also feel these pressures into FY27.
- We remain excited about the various opportunities within the KAL Group, despite these challenges.
- Team is motivated to create further sustainable long-term value for shareholders.

KAL GROUP

THANK YOU