



THE SPAR GROUP LIMITED

Reg. No. 1967/001572/06

("the Company")

MINUTES OF THE ANNUAL GENERAL MEETING HELD IN THE BOARDROOM AT SPAR HEAD OFFICE, THE UMHLANGA ARCH, 1 NCONDO PLACE, UMHLANGA RIDGE, DURBAN AND VIRTUALLY ON FRIDAY, 28 FEBRUARY 2025 AT 09H00

PRESENT:	MJ Bosman	(Chairman representing various nominees and by proxy)
	SA Zinn	(Independent Non-executive Deputy Chairman)
	EC Botha	(Independent Non-executive Director)
	PMP da Silva	(Independent Non-executive Director)
	F Ighodaro	(Independent Non-executive Director)
	MJ Jamieson	(Independent Non-executive Director)
	L Koyana	(Independent Non-executive Director)
	ST Naran	(Independent Non-executive Director)
	AP Swartz	(Group CEO and representing Ferbros Nominees)
	ML Pydigadu	(Group COO)
	RM Isaacs	(Group CFO)
	M Moore	(representing Aylett Fund Managers)
VIRTUAL:	G Blizzard	(Shareholder representing Just Share)
	N Kwanele	(Shareholder representing First World Trader Nominees)
	N Sibanda	(Shareholder representing Standard Bank Nominees)
	M Mncube	(Shareholder representing ESG Insights)
	K Ngogela	(Shareholder representing Just Share)
	G B Stratton	(Shareholder representing First World Trader Nominees)
	Jacobus Cilliers	(Shareholder representing First National Nominees)
	MF Taukobong	(Shareholder representing Public Investment Corporation)
IN ATTENDANCE:	NP O'Brien	(Interim Company Secretary)
	S Marimuthu	(Assistant Company Secretary)
	V Bazley	(SPAR Southern Africa)
	P Pelcher	(PricewaterhouseCoopers)
	B da Gama	(SPAR HR Executive)
	Z Nonganga	(SPAR Investor Relations Executive)
	M Oliva	(SPAR Southern Africa)
	B Hughes	(SPAR Encore)
	J Jacobs	(SPAR Southern Africa)
	S Engelbrecht	(SPAR Southern Africa)
	E Von Gericke	(SPAR Southern Africa)
	M Webber	(SPAR Southern Africa)
	W Mahne	(SPAR Southern Africa)

CONFIDENTIAL

2

	G Ackerman	(SPAR Merchandise Executive)
	H du Preez	(Build-It)
	T Silwana	(SPAR Liquor Executive)
	K Armstrong	(SPAR Head Office)
	J Williams	(Sponsor – One Capital)
	K January	(Sponsor – One Capital)
	D Jansen	(Just Share)
	E Pickworth	
	T Kotobe	
	A Crotty	
	Representatives of TMS Meetings – Virtual meeting organiser	
	Representatives of Digital Cabinet – Virtual meeting platform host	

WELCOME

The Chairman welcomed all those present to the meeting and introduced all the Board members, who were present at the meeting.

Prior to commencing with the formalities of the meeting, the Chairman commented briefly on the business, highlighting the following:

- At the beginning of the year-end review the business transitioned seamlessly to the new Group CEO, Angelo Swartz.
- Megan Pydigadu was also introduced to the business as the Group COO. Ms. Pydigadu led the successful exit from Poland and the handover of the operation to the new owners.
- The business also transitioned to the new Group CFO, Reeza Isaacs, who took over from Mark Godfrey, who retired after twenty-nine years with the Group.
- The business also welcomed a new Head of Group Strategy, Natasha Andrykowsky, and a new Group Head of HR, Brigitte da Gama.
- The Group was successfully developing an inclusive and modern culture with a diverse universe of staff members.
- The Group had successfully negotiated a change of arrangement with the banks in Ireland, which for the first time would allow a proper flow of dividends and cash back to the Group from Ireland.
- The board and management continued to focus on underperforming assets and geographies. Shareholders could expect to see things fixed quickly, or an exit from the operations that performed sub-optimally.
- The Group focused on generating returns in excess of the group weighted average cost of capital and maintained very strict capital allocation disciplines.
- The goal was to return to a 3% operating margin in SPAR Southern Africa by the end of 2026, and indications were that the plan was on track.

- The KZN operation had returned to normal trading conditions and significantly improved levels of profitability after the SAP disaster.
- Much attention was being given to reducing total debt across the Group, having reduced from approximately R12 billion to R9 billion over the past year. If the business in Switzerland should be sold, debt would be reduced to approximately R6 billion, an overall reduction of approximately 50%.
- The Board was committed to resuming the payment of dividends as soon as possible.
- The profitability of retailers remained extremely important to the Group, as well as their loyalty to SPAR as reflected by their purchases.

NOTICE TO SHAREHOLDERS

The notice convening the meeting had been in shareholders' hands for the statutory period and with the unanimous consent of the shareholders' present in person and virtually, was taken as read.

QUORUM AND CONSTITUTION

The Company Secretary confirmed the presence of a quorum, and the Chairman declared the meeting duly constituted.

Shareholders or their proxies would be entitled to ask questions at any time during the meeting. Guests who were not shareholders were welcome to ask questions following the conclusion of the voting.

The notice of meeting and the revised notice of the meeting had been posted to all shareholders. The Chairman proposed that they be taken as read and this was confirmed.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

In accordance with section 61(8)(a) of the Companies Act No. 71 of 2008 ("the Companies Act"), the Annual Financial Statements of the Company for the year ended 30 September 2024, including the Directors' report, the Audit Committee report, the independent auditor's report and the Social, Ethics and Sustainability Committee report were presented to Shareholders.

There were no questions or comments posed by any of the shareholders present.

QUESTIONS

Mr. Mehluli Mncube, representing ESG Insights, asked the following four written questions:

Resolution 1: Director Appointments: The board has limited expertise in key governance areas such as sustainability, legal, IT, and international retail. Given SPAR's increasing focus on ESG and digital transformation, how does the nominations committee plan to address these gaps to ensure effective oversight?

The Chairman responded by summarising the extensive qualifications, skills and experience of the board members in the fields raised in the question.

CONFIDENTIAL

4

SAP Implementation and Risk Oversight: The SAP implementation in KwaZulu-Natal caused significant financial losses (10-15% drop in retailer loyalty and a R280 million loss). Can the board explain why stronger risk oversight was not in place beforehand, and what governance measures have been introduced to prevent similar IT project failures in the future?

The Chairman replied that the current the board members were not board members when the project was approved and initiated, which made it difficult to comment on how the decisions were made. However, lessons had been learnt and the Group had imposed much stricter capital allocation disciplines.

Debt and Capital Allocation: The group has taken on a R2 billion bridge loan to settle Polish debt, while also considering non-core asset sales. How is the board ensuring that these capital allocation decisions balance debt reduction with long-term shareholder value creation?

The Chairman noted that a considerable amount of time would be required to answer the question in detail, but in summary the board looked at how it could maximise shareholder value and maximise the benefits for its stakeholders. In making decisions regard was had to the weighted average cost of capital, to ensure that there would be a positive gain. Debt was being reduced across the Group, but it was also important not to reduce debt too much, since below a certain level of debt the average weighted cost of capital increased due to more shareholder funds being used and less bank funds.

Climate Change and Carbon Emissions: While SPAR has made commendable progress in reducing Scope 1 emissions, Scope 2 emissions have increased by 23.25% and Scope 3 emissions by 4.77%. Given that Scope 3 emissions account for a significant portion of SPAR's carbon footprint, what concrete measures is the company implementing to address indirect emissions across its supply chain, and by when can we expect meaningful reductions?

The Chairman replied that a whole set of initiatives were being run through the Group under the department headed by Mr. Kevin O'Brien. On an annual basis shareholders would be able to track performance on the initiatives.

Mr. Murray Moore, representing Aylett Fund Managers, asked how the Board was going to manage the rollout of SAP to the remaining DCs in South Africa.

The Chairman asked the CEO, Mr. Angelo Swartz, to respond to the question. Mr. Swartz said that there had been a significant overhaul of the IT steering committee, with all senior heads of the business sitting on the committee. The committee had also been streamlined to make it more agile. In addition a Business Transformation Committee has been formed, led by Dr. Liesbeth Botha, which had oversight of the project. To manage the risk and scale of implementation, the next implementation would be at the Build-It warehouse, which made up less than 1% of Group sales and only 7% of Build-It itself.

ORDINARY BUSINESS**Confirmation of appointment of directors**

On the recommendation of the Nominations Committee, and motioned by the Chairman,
IT WAS RESOLVED:

CONFIDENTIAL

5

5.1.1	<p>THAT the appointment of Funke Ighodaro as an independent non-executive director of the Company, with effect from 21 February 2024, be and is hereby confirmed.</p> <p>IT IS RECORDED THAT the resolution <u>was passed</u> by 99.70% of shareholders present or represented by proxy.</p>
5.1.2	<p>THAT the appointment of Reeza Isaacs as an executive director of the Company, with effect from 1 January 2025, be and is hereby confirmed.</p> <p>IT IS RECORDED THAT the resolution <u>was passed</u> by 99.73% of shareholders present or represented by proxy.</p>
<p>QUESTION</p> <p>Mr. Graeme Stratton, representing Ince, asked the following written question: Spar is embroiled in quite a high-profile court case with a group of franchisees which has resulted in SPAR losing the case in both the High Court and the Supreme Court of Appeal. Can you give members assurance that there is not a significant risk should a damages claim be instituted and awarded against you? Is it not time to "smoke the peace pipe" and amicably settle the matter?</p> <p>The Chairman replied that since he and Mr. Swartz had been appointed to the board, they had spent considerable time with members of the Giannacopoulos family to understand their issues with the Group. They were held in high regard as important customers of SPAR and there was mutual respect on both sides. Mr. Swartz has been instrumental in cleaning up most of the issues with them and they continued to trade with SPAR very successfully. The one outstanding issue was the extent, if any, to which they had been prejudiced in past years with sales in one particular set of stores. The issue would either be resolved by arbitration or a court hearing and all that was required was a fair outcome for both sides.</p> <p>Mr. Swartz added that summons had been issued by the Giannacopoulos family approximately 2,5 years ago, but they had not advanced the claim since then. The matter was being discussed internally to find a resolution to the issue.</p>	
<p><u>Re-election of non-executive directors retiring by rotation</u></p>	
<p>In accordance with article 5.1.10 of the Company's Memorandum of Incorporation (Moi), Mike Bosman retires by rotation and being eligible, offer himself for re-election.</p>	
<p>On the recommendation of the Nominations Committee, and motioned by the Chairman, IT WAS RESOLVED that Mike Bosman be and is hereby re-elected as independent non-executive director of the Company.</p> <p>IT IS RECORDED THAT the resolution <u>was passed</u> for the re-election of Mike Bosman by 96.37% of shareholders present or represented by proxy.</p>	
<p>In accordance with article 5.1.10 of the Company's Memorandum of Incorporation (Moi), Pedro da Silva retires by rotation and being eligible, offer himself for re-election.</p> <p>On the recommendation of the Nominations Committee, and motioned by the Chairman, IT WAS RESOLVED that Pedro da Silva be and is hereby re-elected as independent non-executive director of the Company.</p> <p>IT IS RECORDED THAT the resolution <u>was passed</u> for the re-election of Pedro da Silva by 99.73% of shareholders present or represented by proxy.</p>	

CONFIDENTIAL

6

In accordance with article 5.1.10 of the Company's Memorandum of Incorporation (Mol), Shirley Zinn retires by rotation and being eligible, offer herself for re-election.

On the recommendation of the Nominations Committee, and motioned by the Chairman, **IT WAS RESOLVED** that Shirley Zinn be and is hereby re-elected as independent non-executive director of the Company.

IT IS RECORDED THAT the resolution was passed for the re-election of Shirley Zinn by 97.55% of shareholders present or represented by proxy.

Re-election of the independent external auditor

In accordance with section 90(1) read with section 61(8)(c) of the Companies Act, at each annual general meeting, the shareholders of the Company appoint the auditors and designated individual audit partner, as nominated by the Audit Committee.

On the recommendation of the Audit Committee, and motioned by the Chairman, **IT WAS RESOLVED**, each by way of a separate resolution, that Pricewaterhouse Coopers Inc. be and are hereby elected as the Company's independent external auditor for the ensuing year, with Pieter Pelcher as the individual audit partner.

IT IS RECORDED THAT the resolutions for the election of Pricewaterhouse Coopers Inc. as the external auditor was passed by 97.11% and Pieter Pelcher as the audit partner by 97.11%, of shareholders present or represented by proxy.

Re-election of the members of the Audit Committee

In accordance with section 94(2) of the Companies Act, at each annual general meeting, the shareholders are required to elect the members of the Audit Committee.

On the recommendation of the Nominations Committee, and motioned by the Chairman, **IT WAS RESOLVED**

8.1. 1	THAT Funke Ighodaro be and is hereby re-elected as a member of the Audit Committee until the next annual general meeting.
-----------	--

	IT IS RECORDED THAT the resolution <u>was passed</u> by 100% of shareholders present or represented by proxy.
--	--

8.1. 2	THAT Lwazi Koyana be and is hereby re-elected as a member of the Audit Committee until the next annual general meeting.
-----------	--

	IT IS RECORDED THAT the resolution <u>was passed</u> by 99.73% of shareholders present or represented by proxy.
--	--

8.1. 4	THAT Sundeep Naran be and is hereby re-elected as a member of the Audit Committee until the next annual general meeting.
-----------	---

	IT IS RECORDED THAT the resolution <u>was passed</u> by 99.73% of shareholders present or represented by proxy.
--	--

Re-election of the members of the Social, Ethics and Sustainability Committee

In accordance with section 94(2) of the Companies Act, at each annual general meeting, the shareholders are required to elect the members of the Social, Ethics and Sustainability Committee.

On the recommendation of the Nominations Committee, and motioned by the Chairman, **IT WAS RESOLVED**

9.1. **THAT** Sundeeep Naran be and is hereby re-elected as a member of the Social, Ethics and Transformation Committee until the next annual general meeting.

IT IS RECORDED THAT the resolution was passed by 99,73% of shareholders present or represented by proxy.

9.1. **THAT** Liesbeth Botha be and is hereby re-elected as a member of the Social, Ethics and Transformation Committee until the next annual general meeting.

IT IS RECORDED THAT the resolution was passed by 99,73% of shareholders present or represented by proxy.

QUESTION

Ms. Greer Blizzard of Just Share raised three issues:

- She commended the Company on publishing a revised notice of AGM for the election of members of the Social, Ethics and Sustainability Committee, as required by the Companies Amendment Act which came into effect on 27 December 2024.
- She commended the Company on allowing stakeholders to ask questions, which was in line with the requirements of good governance.
- She suggested that the Company could communicate more information relating to the qualifications, skills and experience of board members, as this did not necessarily come through strongly in the correct reporting format.

9.1. **THAT** Marie Jamieson be and is hereby re-elected as a member of the Social, Ethics and Transformation Committee until the next annual general meeting.

IT IS RECORDED THAT the resolution was passed by 99,73% of shareholders present or represented by proxy.

9.1. **THAT** Lwazi Koyana be and is hereby re-elected as a member of the Social, Ethics and Transformation Committee until the next annual general meeting.

IT IS RECORDED THAT the resolution was passed by 99,68% of shareholders present or represented by proxy.

9.1. **THAT** Shirley Zinn be and is hereby re-elected as a member of the Social, Ethics and Transformation Committee until the next annual general meeting.

IT IS RECORDED THAT the resolution was passed by 99,72% of shareholders present or represented by proxy.

CONFIDENTIAL

8

9.1. 6	THAT Kevin O’Brien be and is hereby re-elected as a member of the Social, Ethics and Transformation Committee until the next annual general meeting.
	IT IS RECORDED THAT the resolution <u>was passed</u> by 98,15% of shareholders present or represented by proxy.
<u>Authority to issue shares for the purpose of the Conditional Share Plan</u>	
On the motion by the Chairman, IT WAS RESOLVED THAT such number of the ordinary shares in the authorised but unissued capital of the company, required for the purpose of The SPAR Group Ltd Conditional Share Plan (CSP), be and is hereby placed under the control of the directors, who are hereby, as a specific authority, authorised to issue those shares in terms of the rules of the CSP.	
The Chairman noted that the Company did not plan to issue shares and that this item would probably not be included in a future agenda, as the policy was to purchase shares of the market to settle share scheme awards.	
IT IS RECORDED THAT the resolution <u>was passed</u> by 98.45% of shareholders present or represented by proxy.	
<u>Non-binding advisory vote on the remuneration policy</u>	
On the recommendation of King IV, at each annual general meeting, the Company’s Remuneration Policy is required to be tabled for a non-binding advisory vote.	
On the motion by the Chairman, IT WAS RESOLVED THAT the Company’s Remuneration Policy, be and is hereby approved by way of a non-binding advisory vote.	
IT IS RECORDED THAT the resolution <u>was passed</u> by 83,96% of shareholders present or represented by proxy.	
QUESTIONS: Mr. Murray Moore, representing Aylett Fund Managers, noted that the use of HEPS for measuring achievement of long-term incentive targets was positive, but there was a concern that the targets were too easy to reach and there was not enough stretch.	
The Chairman responded that the board had engaged with other shareholders on the issue in recent weeks and as a result of there had been an adjustment to the scorecards of the three executive directors during the current week. There was a threshold target and a stretch target.	
Mr. Moore noted that SPAR used ROCE for its LTI target, whereas Aylett preferred ROIC.	
The Chairman replied that in the engagement with shareholders preference was expressed for different measures, some favouring RONA and others favouring ROCE, ROIC or HEPS. The solution was to try to achieve good returns on all the measures by being very strict on working capital, being smart on the level of total debt and generating returns in excess of the weighted average cost of capital, which would result in the business looking good on all the metrics.	

Mr. Moore questioned the payment of STI’s even though the financial targets weren’t met, with the board exercising a discretion, with 15/75 paid out.

The Chairman confirmed that the financial metrics were not met, but during the course of the year other urgent and important projects arose, such as SAP and being able to exit the Polish business timeously. The Remuneration Committee and the board did not wish to get into the habit of exercising a discretion, but under the circumstances it was considered that there had been a diversion and an important and urgent business imperative that was achieved.

Mr. Moore referred to SPAR’s Malus and Clawback Policy. In FY23 a former CEO, Mr. Brett Botten was paid out a significant amount and was subsequently potentially implicated in wrongdoing and he queried whether the clawback policy was implemented.

The Chairman advised that SPAR was going through a two-phase process and phase 1 had been completed. Phase 1 entailed looking at the Malus and Clawback Policy and the Conflict of Interest Policy to see whether the Company had any claims against past executives directors. It was found that no claims could be brought because the policies were not in existence at the time those executives were in action. Phase 2 entailed looking at sections 75, 77 and 162 of the Companies Act, relating to the duties of directors and possible breaches thereof, which was currently being considered by the board.

Mr. Kwanele Ngogela, representing Just Share, asked if the scope of the fair wage policy that was adopted by the Group in June 2024 could be clarified, and whether it included corporate store employees, with the rationale for the decision if they were excluded. He also asked how the Company was tracking in regard to implementation of the R15,000 living wage commitment by the end of 2025.

The Chairman said that he would ask Mr. Swartz to respond to the question but noted that the Group was above the minimum wage in all of its DC’s and the Central Office and was well on track to get all employees onto a living wage of R 15,000 per month.

Mr. Swartz said that this was a good example of the Company responding to shareholder concerns. A similar question had been asked at the previous AGM regarding corporate stores and other businesses outside of the core DC’s and corporate office, after which SPAR decided to adopt a fair wage policy, which it was currently implementing. The fair wage policy sought to ensure that if SPAR could not move all wages to the broader living wage within the Group, that the business ensured that it acted fairly and appropriately to the staff in the corporate stores. That policy would be set out in detail in the current financial year’s Integrated Annual Report. In terms of tracking to the living wage within the approved organization, SPAR was making progress and was on track to meet the target by the end of 2026.

Non-binding advisory vote on the remuneration implementation report

On the recommendation of King IV, at each annual general meeting, the Remuneration Implementation Report is required to be tabled for a non-binding advisory vote.

On the motion by the Chairman, **IT WAS RESOLVED THAT** the Company’s Remuneration Implementation Report, be and is hereby approved by way of a non-binding advisory vote.

IT IS RECORDED THAT the resolution was passed by 86.45% of shareholders present or represented by proxy.

SPECIAL BUSINESS**Financial assistance to related or inter-related companies**

In accordance with section 45(3)(a)(ii) of the Companies Act and on the motion by the Chairman, **IT WAS RESOLVED THAT**, with effect from 1 March 2025, directors of the Company, in terms of section 45 of the Companies Act, No. 71 of 2008 (as amended) (Companies Act), be and are hereby authorised to cause the Company to provide any financial assistance, whether by lending money, guaranteeing a loan or other obligation and/or securing any debt or obligation, to any of its subsidiary companies or other related or inter-related companies.

IT IS RECORDED THAT the resolution was passed by 98,45% of shareholders present or represented by proxy.

Non-executive director's fees

In accordance with section 66(9) of the Companies Act, shareholders are required to approve the fees paid to directors for their services rendered as directors.

On the motion by the Chairman, **IT WAS RESOLVED THAT**, with effect from 1 March 2025, the fees payable to the non-executive directors be increased by 5% as outlined in the table below, as well as to provide for the payment of fees to members of the Business Transformation Committee that was formed in June 2024, at the same level as the fees payable to the members of the Remuneration Committee. With the exception of the fees for the Chairman and Deputy Chairman of the Board (who will be paid purely on a retainer basis) and ad hoc meeting fees, the total annual fees for all other Board and Board Committee roles will be paid on a retainer and attendance per meeting basis (based on a 40% retainer and 60% for the scheduled meetings during the year).

	Current per annum VAT exclusive		Increase %
Board			
Chairman (representing an all-inclusive fee for participation in all scheduled meetings of the Board and committees)	R2 902 060	R3 047 163	5.0%
Deputy Chairman (representing an all-inclusive fee for participation in all scheduled meetings of the Board and committees)	R1 519 245	R1 549 630	5.0%
South African resident member	R539 123	R566 078	5.0%

CONFIDENTIAL

Non-South African resident member (representing an all-inclusive fee for membership and participation in scheduled meetings of the Board and committees)	€84 000	€88 200	5.0%
Audit Committee			
Chairman	R423 438	R444 610	5.0%
Member	R225 912	R237 208	5.0%
Risk Committee			
Chairman	R306 281	R321 595	5.0%
Member	R151 368	R158 936	5.0%
Social, Ethics and Sustainability Committee			
Chairman	R229 226	R240 687	5.0%
Member	R135 786	R142 575	5.0%
Remuneration Committee			
Chairman	R291 312	R305 878	5.0%
Member	R135 786	R142 575	5.0%
Nominations Committee			
Chairman	R217 487	R225 211	5.0%
Member	R135 786	R142 786	5.0%
Business Transformation Committee			
Chairman	N/A	R305 878	
Member	N/A	R142 575	
Ad hoc meetings and other assignments			
South African resident members (including the Chairman and Deputy Chairman of the Board)			
Daily fee (if meeting exceeds four hours)	R32 722	R34 358	5.0%
Hourly fee	R5 565	R5 843	5.0%
Non-South African resident members			
Daily fee (if meeting exceeds four hours)	€3 157	€3 315	5.0%
Hourly fee	€537	€564	5.0%

IT IS RECORDED THAT the resolution was passed by 83,06% of shareholders present or represented by proxy.

GENERAL

Members of the Board and Management responded to questions raised under General and the following were noted:

Transformation and diversity

Mr. Ngogela expressed the view that black Africans in particular, and woman were notably underrepresented across middle and senior management levels at SPAR. Reports issued by SPAR stated that the Company had faced challenges in identifying qualified equity candidates for senior management roles. He asked for clarification on the representation of African, coloured and Indian employees at the senior management or È grade level. The Integrated Annual Report recorded the representation at 42%, whereas the Sustainability Report recorded the representation at 37% and it was not clear which was correct. Clarity had been sought from the Investor Relations department, but no reply had been forthcoming. Mr. O'Brien clarified that an email query from Mr. Ngogela received on 24 February 2024, had been forwarded to the Group Investor Relations Executive to respond, but unfortunately Ms. Zihle Ngonganga had been ill for the past few days.

The Chairman pointed out that at the end of December 2024, the board comprised six men and six women, six white people and six from designated groups. A slight imbalance arose following the resignation of Mrs. Trudi Makhaya on 31 December 2024, to take up an executive directorship at the Boston Consulting Group. Over the past eighteen months SPAR had appointed the CEO, the CFO, the Group Head of Strategy and the Group Head of HR from designated groups. Mr. Swartz added that SPAR had demonstrated its commitment to transformation over the past year, with approximately 75% of the appointments at senior management levels over the past year having been female. Eighteen months ago, SPAR had one female employee at E upper-level or above and currently there were five female employees at that level.

Centralisation

Mr. Murray Moore said that a number of SPAR retailers he had spoken to had expressed concern about centralisation.

The Chairman responded that the board was engaged in a programme to look at the best operating model for the business, called the Target Operating Model. Currently SPAR had 6 or 7 DC's, each running their own income statements and with their own marketing and HR directors. There was no plan to move everything back to head office, since there were enormous advantages to a decentralised model. It was possible that some functions would be totally decentralised, and others would be more centralised.

Working capital and inventory levels

Mr. Murray Moore said that another concern expressed by SPAR retailers was about working capital and that the DC's were too lean on inventory.

The Chairman advised that a significant amount of time and energy was devoted to inventory. The concern was a little difficult to understand, as the SPAR philosophy was to err on the conservative side. It was a national imperative to ensure that people could buy food, and SPAR also did not wish to place its retailers in a position where they had no stock.

Mr. Swartz added that there had been some inventory shortfalls, although SPAR's general guideline was not to be out of stock by more than 5%, which meant delivering at least 95% of what the retailers ordered. The current average for the year was approximately 94.5%. In South Africa there had been challenges, with issues around infrastructure, loadshedding, ports and the roads between Durban and Johannesburg, but SPAR's service levels to its retailers were significantly higher than the service levels SPAR's experienced with its inbound suppliers.

CONFIDENTIAL

13

Performance of stores

Mr. Murray Moore noted that there was a view that the rural stores were doing well and town stores were really struggling, and he asked what SPAR was doing to assist her the town stores. He also asked whether SPAR had any concerns about bad debts in that regard.

The Chairman said that it would be best for the issue to be discussed in detail offline. In general, it was true that some retailers in towns were battling, while other retailers in small towns were not battling. Each region kept a tight track on which retailers were hurting, and which retailers were performing very well. In terms of bad debts there were no indications of any serious concerns.

Impact of overrides

Mr. Jacobus Cilliers posed a written question asking for an indication of how the new override plan had assisted with sales growth and loyalty in the new calendar year.

Mr. Swartz replied that it was too early to tell as the override was paid out towards the end of October of each year, but it was anticipated that it would give SPAR a significant push in sales towards the end of the year.

TRADING UPDATE

The Group CEO presented a brief overview of the trading statement for the first four months of the financial year, which had been released on SENS on 27 February 2025.

DECLARATION OF RESULTS


The results from the voting were presented onscreen at the meeting by the meeting facilitators.

The Chairman declared that all the ordinary resolutions and special resolutions were passed by the requisite majority of shareholders present or represented by proxy. A SENS announcement would be released later the same day to record the outcome of the voting on the resolutions.

CONCLUSION

There being no further business to discuss, the Chairman thanked all for their contribution and declared the meeting closed.

Signed as a fair reflection of the proceedings.

Signed by:

 0E71CC9948C7439...

CHAIRMAN