

Boxer's strong first-year results secure its status as "People's Champion"

Boxer Retail Limited, a South African soft discounter, has published its first annual financial results after listing in November 2024, delivering a standout performance with consistent market share gains.



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The company outperformed its pre-IPO guidance on its trading margin, reporting a 5.4% 52-week trading margin ahead of the 5% guidance set ahead of its listing.

Boxer Retail Limited made history as the biggest initial public offering (IPO) listing on the JSE in eight years which was oversubscribed multiple times at the top end of the offer price range.

The discounter reported turnover growth of 13.2% to R42.3bn for its annual results for 53 weeks to 2 March 2025 (FY25).

During the FY25 period, Boxer also delivered strong trading profit growth of 9.9% to R2.3bn. This growth was 17.0% if excluding non-recurring non-cash gains on the derecognition of a Pick n Pay financial guarantee in the prior year.

Comparing year-on-year performance on a pro forma 52-week basis, turnover increased by 10.4%, in line with pre-IPO market guidance, while trading profit increased by 7.0% (to R2.3bn) and 14.0% when excluding the once-off non-cash gain in the prior year, detailed above.

South Africa's evolving retail landscape

Boxer's lean discount model, efficient supply chain, and focused expansion give it a strong edge in South

Africa's evolving retail landscape. Its customer-centric approach, prioritising price and efficiency, continue to resonate with price-sensitive shoppers, reinforcing its position as the "People's Champion", especially in a low economic growth environment.

The retailer added 48 net new stores during the reporting period, bringing its total store network across South Africa and Eswatini to 525. Boxer targets another 60 stores in FY26 (25 superstores and 35 liquor stores), ensuring more customers can access its trusted discount offer closer to home.

Store growth has had a positive impact on job creation, with Boxer creating nearly 3,000 new jobs over the period, growing its staff complement to close to 32,000 and reinforcing its commitment to uplifting the communities it serves.

"Lower Prices Every Day"

Boxer's commitment to "Lower Prices Every Day" was reaffirmed through its normalised FY25 internal selling price inflation of 0.3% after adjusting for mix change impacts (which are highly influenced by promotional activity). This reflects the real inflation customers experience in-store, contributing to Boxer's growing and loyal customer base.

Boxer has invested in its Boxer Rewards Club loyalty programme and attracted over 1.9 million sign-ups since its launch in October 2024. The Club has a range of benefits, but most importantly offers substantial discounts on repeat shopping trips through redemption of B Rewards.

The loyalty data is providing valuable insights, enabling Boxer to better understand and serve its already well-established customer base.

Marek Masojada, Boxer CEO, says "This has been a breakthrough year in Boxer's journey – from our successful IPO to delivering strong results showing our growth and future potential. It's a proud moment for our entire team, who have worked exceptionally hard to deliver value to both our customers and stakeholders. It speaks to the passion for our customers and the commitment to excellence that defines Boxer. We're closing off this milestone year on a high and with renewed commitment to continue delivering on our winning strategy for the new year."



Boxer CEO, Marek Masojada. Image supplied

“The results today are a testament to our powerful discount model underpinned by a deep understanding of our customers' needs. We drive volume growth by giving customers great value, enabling us to expand our store network and improve our efficiency, all of which helps us deliver even better prices for our customers.”

“It’s a model that continues to work, and we’re excited about the opportunities ahead and future growth. While there will be continued economic pressures, this is where Boxer really thrives, and we are resolutely focused on execution to capture growth opportunities, which remains our primary focus.”

Despite the strong trading profit growth, Boxer’s headline earnings for FY25 remained flat at -0.1%, reflecting higher net finance costs associated with the new external debt introduced as part of the pre-IPO balance sheet restructuring, alongside an increase in the effective tax rate, which offset the positive impact of the operational performance.

Boxer remains focused on creating long-term value by compounding earnings growth at a high Return on Invested Capital (ROIC) - a sector-leading 25.5% (73.6% excluding IFRS 16) - over multiple consecutive years. This will be achieved through store growth, and its goal to maintain mid-single-digit like-for-like sales growth.

As stated in its prelisting statement, Boxer has not declared a FY25 final dividend, and maintains its intention to pay out 40% of headline earnings per share from FY26. Boxer intends to declare an interim FY26 dividend at the time of the H1 FY26 result.