

 Early Warning System

IFC-50509

Boxer SA



Quick Facts

Countries	Eswastini, South Africa
Specific Location	eThekwin Municipality, Salt Rock, Kwa-Zulu-Natal
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-11-14
Borrower	Boxer Superstores (Pty) Ltd
Sectors	Agriculture and Forestry, Industry and Trade
Investment Type(s)	Equity
Investment Amount (USD)	\$ 30.00 million
Project Cost (USD)	\$ 470.00 million



Project Description

According to the IFC, a new distribution center (DC), Whetstone, is under construction in the eThekweni Municipality, Kwa-Zulu Natal, South Africa. The DC is owned by Boxer in partnership, as a consortium, with a property developer, and the property developer oversees the construction of the DC, including permitting and regulatory compliance. Construction is estimated to be completed in August 2025.

Boxer also operates a meat processing plant, located in Salt Rock, Kwa-Zulu-Natal, which produces ready to eat polony and sausages. Logistics is handled by a third-party company who also handle logistics for some of Boxer's refrigerated and frozen products. Confined label brands (such as cooking oil, flour, rice, pasta, condiments, washing powder and nappies), brands owned by Boxer, are manufactured by 3rd parties. They account for approximately 600 stock keep units ("SKUs") (within around 3000 SKUs). Confined label brands are manufactured by suppliers across 103 sites, 94 of which are in South Africa.

The proposed Boxer IPO will comprise a sale of a 35% stake in Boxer. **IFC's proposed investment of ZAR350 million (approximately US\$20m) will result in a shareholding of up to 1.4%.** Boxer expects to open approximately 60 – 70 stores annually and three DCs in SA in the medium term, with a significant portion of the stores in underserved areas. Store expansion involves landlord-managed construction and renovation, including in existing malls, with Boxer-supervised contractors handling shop fitting.



Investment Description

- International Finance Corporation (IFC)

As stated by the IFC, the proposed project is an equity investment of up to US\$30 million equivalent in ZAR to participate in Boxer IPO as a cornerstone investor. The target amount to be raised by the Boxer IPO is ZAR8.0 billion (US\$ 470 million).



Private Actors Description

As stated by the IFC, **Boxer Superstores Pty Ltd** is South Africa's leading discount supermarket chain focused on the lower-income population and underserved rural and peri-urban areas. The first Boxer store opened in Kwa-Zulu Natal South Africa in 1977. Since 2002, Boxer has been a wholly owned subsidiary of Pick n Pay Stores Ltd, South Africa's third-largest food retailer.

As of September 2024, Boxer operates six distribution centers for dry goods, a meat processing factory, 300 superstores (ranging in size from 1,800 to 2,000 m²), 159 liquor stores (adjacent to superstores, with typical store sizes of 220 to 400 m²), and 30 hardware stores called Boxer Build (with typical store sizes of 410 m² and a 1,000 m² storage yard) across South Africa and Eswatini. Facilities in Eswatini are limited to nine superstores. Most facilities are leased.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Boxer Superstores Pty Ltd	Client	Industry and Trade



Contact Information

General IFC Inquiries - IFC Communications:

Address: 2121 Pennsylvania Avenue, NW, Washington DC 20433

Telephone: +1 202-473-3800

Fax: +1 202-974-4384

Client - Boxer Superstores (Pty) Ltd:

Phone: +27 31 275 7000

Fax: +27 (0) 86 686 2820

Email: informationofficer@boxer.co.za

Address: 41 The Boulevard, Westend Office Park, Westville, 3610, South Africa

Website: <https://www.boxer.co.za>

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You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



Bank Documents

- [Environmental and Social Review Summary \(ESRS\)](#)
- [Response of the IFC to the letter of concern 25FEB25](#)

Community Documents

- [Letter of concern to the IFC re: late disclosure of project information_05FEB25](#)