

FIVE-YEAR CONSOLIDATED SUMMARY OF PROFITS

FOR THE YEAR ENDED 31 AUGUST

R'million	5-year compound annual growth %	2020	2019 ¹	2018 ²	2017 ²	2016 ²
Turnover	9.3%	34 364	31 352	29 239	26 809	24 171
Cost of merchandise sold	9.1%	(27 156)	(24 662)	(23 071)	(21 185)	(19 157)
Gross profit	9.8%	7 208	6 690	6 168	5 624	5 014
Other income	12.4%	2 166	1 960	1 717	1 523	1 354
Total income	10.3%	9 374	8 650	7 885	7 147	6 368
Expenses	8.8%	(6 607)	(6 143)	(5 853)	(5 333)	(4 796)
Depreciation and amortisation		(1 131)	(1 005)	(320)	(283)	(252)
Occupancy costs		(185)	(190)	(928)	(795)	(683)
Employment costs	9.2%	(3 497)	(3 342)	(3 095)	(2 846)	(2 551)
Other costs	7.8%	(1 790)	(1 605)	(1 514)	(1 409)	(1 310)
Impairment allowance/(recovery)		(4)	(1)	4	–	–
Operating profit	14.7%	2 767	2 507	2 032	1 814	1 572
Adjustment for capital items		(10)	(1)	(1)	(5)	(6)
Profit before financing costs	14.7%	2 757	2 506	2 031	1 809	1 566
Net financing (expense)/income		(175)	(176)	2	(37)	(53)
Financial income		61	63	26	11	6
Financial expense		(236)	(239)	(24)	(48)	(59)
Profit before earnings from associate	14.2%	2 582	2 330	2 033	1 772	1 513
Share of profit of an associate		2	3	3	3	2
Profit before tax	14.2%	2 584	2 333	2 036	1 775	1 515
Income tax expense	13.4%	(704)	(652)	(568)	(497)	(421)
Profit for the year	14.5%	1 880	1 681	1 468	1 278	1 094
Attributable to:						
Equity holders of the parent		1 880	1 681	1 468	1 278	1 094
Adjustment for impairment and loss on disposal of capital items		6	–	1	4	5
Gain on consolidation of the New Clicks Foundation Trust		–	–	–	(13)	–
Loss on disposal of investment in subsidiary company		1	–	–	–	–
Goodwill impairment		–	1	–	–	–
Headline earnings	14.5%	1 887	1 682	1 469	1 269	1 099
Headline earnings per share (cents)						
– basic	13.6%	754.3	675.2	609.5	536.3	462.4
– diluted	14.5%	754.3	663.6	575.3	502.1	438.5
Earnings per share (cents)						
– basic	13.6%	751.4	674.8	609.1	540.2	460.5
– diluted	14.5%	751.4	663.2	575.0	505.7	436.7
Number of shares in issue (million)	0.2%	249	262	254	246	246
Weighted average number of shares (net of treasury shares) (million)	0.8%	250	249	241	237	238
Weighted average diluted number of shares (net of treasury shares) (million)	0.0%	250	254	255	253	251

¹ Prior-period amounts restated for the adoption of IFRS 16. Refer to note 34 in the annual financial statements.

² 2016 – 2018 not restated due to IFRS only requiring the disclosure of one year's comparative on the statement of comprehensive income.

FIVE-YEAR CONSOLIDATED SUMMARY OF PROFITS

FOR THE YEAR ENDED 31 AUGUST

US Dollars million	5-year compound annual growth %	2020	2019 ¹	2018 ²	2017 ²	2016 ²
Turnover	2.7%	2 137	2 186	2 254	1 992	1 640
Cost of merchandise sold	2.6%	(1 689)	(1 720)	(1 779)	(1 574)	(1 300)
Gross profit	3.1%	448	466	475	418	340
Other income	5.6%	135	137	133	113	92
Total income	3.7%	583	603	608	531	432
Expenses	2.2%	(410)	(428)	(451)	(396)	(325)
Depreciation and amortisation		(70)	(70)	(25)	(21)	(17)
Occupancy costs		(12)	(13)	(72)	(59)	(46)
Employment costs	2.6%	(217)	(233)	(238)	(211)	(173)
Other costs	1.3%	(111)	(112)	(116)	(105)	(89)
Impairment allowance/(recovery)		-	-	-	-	-
Operating profit	7.8%	173	175	157	135	107
Adjustment for capital items		(1)	-	-	-	-
Profit before financing costs	7.8%	172	175	157	135	107
Net financing (expense)/income		(11)	(13)	-	(3)	(4)
Financial income		4	4	2	1	-
Financial expense		(15)	(17)	(2)	(4)	(4)
Profit before earnings from associate	7.3%	161	162	157	132	103
Share of profit of an associate		-	-	-	-	-
Profit before tax	7.3%	161	162	157	132	103
Income tax expense	6.6%	(44)	(45)	(44)	(37)	(29)
Profit for the year	7.6%	117	117	113	95	74
Attributable to:						
Equity holders of the parent		117	117	113	95	74
Adjustment for impairment and loss/(profit) on disposal of capital items		-	-	-	-	1
Gain on consolidation of the New Clicks Foundation Trust		-	-	-	(1)	-
Goodwill impairment		-	-	-	-	-
Headline earnings	7.4%	117	117	113	94	75
Exchange rate: average rate		16.08	14.34	12.97	13.46	14.74

The ZAR five-year consolidated summary of profits was translated to USD using the average annual rate.

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FIVE-YEAR CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 AUGUST

R'million	5-year compound annual growth %	2020	2019 ¹	2018 ¹	2017 ²	2016 ²
ASSETS						
Non-current assets		5 532	5 045	5 069	2 857	2 507
Property, plant and equipment	11.7%	2 121	2 067	1 843	1 534	1 345
Right-of-use assets		2 371	2 046	1 796	–	–
Intangible assets		569	497	477	458	434
Goodwill		103	103	104	104	104
Deferred tax assets		111	95	518	574	347
Investment in an associate		20	20	20	20	20
Loans receivable		10	10	15	5	10
Financial assets at fair value through profit or loss		114	75	82	27	16
Derivative financial assets		113	132	214	135	231
Current assets		9 742	10 025	8 281	6 889	5 870
Inventories	8.7%	4 921	4 710	4 251	3 777	3 479
Trade and other receivables	6.5%	2 567	2 568	2 257	2 212	2 013
Income tax receivable		–	30	–	–	–
Loans receivable		1	1	10	9	8
Cash and cash equivalents		2 152	2 614	1 524	700	370
Derivative financial assets		101	102	239	191	–
Total assets	15.1%	15 274	15 070	13 350	9 746	8 377
EQUITY AND LIABILITIES						
Equity	20.9%	5 194	4 788	4 322	3 296	2 453
Share capital		2	3	3	3	3
Share premium		1 065	1 065	514	3	3
Treasury shares		–	(913)	(703)	(703)	(704)
Share option reserve		–	–	578	748	483
Cash flow hedge reserve		12	23	74	15	29
Cost of hedging reserve		(6)	(6)	(4)	(11)	–
Foreign currency translation reserve		9	5	7	(1)	6
Distributable reserve		4 112	4 611	3 853	3 242	2 633
Non-current liabilities		1 940	1 688	1 501	402	405
Lease liabilities		1 795	1 489	1 256	–	–
Employee benefits		145	199	245	209	215
Operating lease liability		–	–	–	193	190
Current liabilities		8 140	8 594	7 527	6 048	5 519
Trade and other payables	6.6%	6 747	7 303	6 227	5 504	5 149
Lease liabilities		891	853	814	–	–
Employee benefits		374	367	419	395	242
Provisions		–	–	–	7	7
Income tax payable		126	71	67	133	92
Derivative financial liabilities		2	–	–	9	27
Financial liability at fair value through profit or loss		–	–	–	–	2
Total equity and liabilities	15.1%	15 274	15 070	13 350	9 746	8 377

¹ Prior-period amounts restated for the adoption of IFRS 16. Refer to note 34 in the annual financial statements.

² 2016 – 2017 not restated due to IFRS only requiring the disclosure of two years' comparative on the statement of financial position.

FIVE-YEAR CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 AUGUST

US Dollars million	5-year compound annual growth %	2020	2019 ¹	2018 ¹	2017 ²	2016 ²
ASSETS						
Non-current assets		334	330	305	219	173
Property, plant and equipment	6.8%	128	135	111	118	93
Right-of-use assets		143	134	108	–	–
Intangible assets		34	32	29	35	30
Goodwill		6	7	6	8	7
Deferred tax assets		7	6	31	44	24
Investment in an associate		1	1	1	2	1
Loans receivable		1	1	1	–	1
Financial assets at fair value through profit or loss		7	5	5	2	1
Derivative financial assets		7	9	13	10	16
Current assets		588	653	499	528	405
Inventories	4.0%	297	307	256	288	239
Trade and other receivables	1.9%	155	168	136	170	139
Loans receivable		–	–	1	1	1
Cash and cash equivalents		130	171	92	54	26
Derivative financial assets		6	7	14	15	–
Total assets	10.2%	922	983	804	747	578
EQUITY AND LIABILITIES						
Equity	15.8%	314	313	260	252	169
Share capital		–	–	–	–	–
Share premium		64	70	31	–	–
Treasury shares		–	(60)	(42)	(54)	(49)
Share option reserve		–	–	35	57	33
Cash flow hedge reserve		1	2	4	1	2
Foreign currency translation reserve		1	–	–	–	–
Distributable reserve		248	301	232	248	183
Non-current liabilities		117	110	91	31	28
Lease liability		108	97	15	–	–
Employee benefits		9	13	76	16	15
Operating lease liability		–	–	–	15	13
Current liabilities		491	560	453	464	381
Trade and other payables	2.0%	406	475	375	422	356
Lease liability		54	56	49	–	–
Employee benefits		23	24	25	30	17
Provisions		–	–	–	1	–
Income tax payable		8	5	4	10	6
Derivative financial liabilities		–	–	–	1	2
Total equity and liabilities	10.2%	922	983	804	747	578
Exchange rate: closing rate		16.58	15.32	14.71	13.02	14.49

The ZAR five-year consolidated statement of financial position was translated to USD using the closing rate.

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FIVE-YEAR CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST

R'million	5-year aggregate effect	2020	2019 ¹	2018 ²	2017 ²	2016 ²
Cash effects from operating activities						
Operating profit before working capital changes	13 609	3 885	3 563	2 274	2 040	1 847
Working capital changes	(461)	(821)	203	182	(6)	(19)
Cash generated by operations	13 148	3 064	3 766	2 456	2 034	1 828
Interest received	166	60	63	26	11	6
Interest paid	(539)	(222)	(220)	(10)	(42)	(45)
Taxation paid	(2 079)	(634)	(262)	(267)	(472)	(444)
Acquisition of derivative financial asset	(283)	(50)	(66)	(83)	(39)	(45)
Settlement of derivative financial asset	539	120	200	191	28	–
Cash inflow from operating activities before dividends paid	10 952	2 338	3 481	2 313	1 520	1 300
Dividends paid to shareholders	(3 878)	(822)	(981)	(812)	(677)	(586)
Net cash effects from operating activities	7 074	1 516	2 500	1 501	843	714
Cash effects from investing activities						
Investment in property, plant and equipment and intangible assets	(2 859)	(591)	(646)	(671)	(518)	(433)
Proceeds from disposal of property, plant and equipment	9	1	2	2	3	1
Disposal of investments	17	–	–	17	–	–
Acquisition of investments	(105)	(42)	–	(63)	–	–
Acquisition of unlisted investment in associate	(18)	–	–	–	–	(18)
Acquisition of non-controlling interest	(2)	–	–	–	(2)	–
(Increase)/decrease in loan receivables	(3)	–	9	(12)	5	(5)
Proceeds from disposal of investment in subsidiary company	10	10	–	–	–	–
Net cash effects from investing activities	(2 951)	(622)	(635)	(727)	(512)	(455)
Cash effects from financing activities						
Purchase of treasury shares	(1 153)	(653)	(210)	–	–	(290)
Proceeds from disposal of treasury shares	101	–	51	50	–	–
Transaction cost on the issue of shares	(2)	–	(1)	(1)	–	–
Repayment of lease liability	(1 317)	(702)	(615)	–	–	–
Net cash effects from financing activities	(2 371)	(1 355)	(775)	49	–	(290)
Net increase/(decrease) in cash and cash equivalents	1 752	(461)	1 090	823	331	(31)

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FIVE-YEAR CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST

US Dollars million	5-year aggregate effect	2020	2019 ¹	2018 ²	2017 ²	2016 ²
Cash effects from operating activities						
Operating profit before working capital changes	941	242	248	175	151	125
Working capital changes	(24)	(51)	14	14	–	(1)
Cash generated by operations	917	191	262	189	151	124
Interest received	11	4	4	2	1	–
Interest paid	(36)	(14)	(15)	(1)	(3)	(3)
Taxation paid	(143)	(39)	(18)	(21)	(35)	(30)
Acquisition of derivative financial asset	(20)	(3)	(5)	(6)	(3)	(3)
Settlement of derivative financial asset	38	7	14	15	2	–
Cash inflow from operating activities before dividends paid	767	146	242	178	113	88
Dividends paid to shareholders	(272)	(51)	(68)	(63)	(50)	(40)
Net cash effects from operating activities	495	95	174	115	63	48
Cash effects from investing activities						
Investment in property, plant and equipment and intangible assets	(201)	(37)	(45)	(52)	(38)	(29)
Proceeds from disposal of property, plant and equipment	3	1	1	1	–	–
Disposal of investments	1	–	–	1	–	–
Acquisition of investments	(8)	(3)	–	(5)	–	–
Acquisition of unlisted investment in associate	(1)	–	–	–	–	(1)
Decrease/(increase) in loan receivables	–	–	1	(1)	–	–
Net cash effects from investing activities	(206)	(39)	(43)	(56)	(38)	(30)
Cash effects from financing activities						
Purchase of treasury shares	(76)	(41)	(15)	–	–	(20)
Proceeds from disposal of treasury shares	8	–	4	4	–	–
Transaction cost on the issue of shares	(2)	–	(1)	(1)	–	–
Repayment of lease liabilities	(87)	(44)	(43)	–	–	–
Net cash effects from financing activities	(157)	(85)	(55)	3	–	(20)
Net increase/(decrease) in cash and cash equivalents	132	(29)	76	62	25	(2)
Exchange rate: average rate		16.08	14.34	12.97	13.46	14.74

The ZAR five-year consolidated statement of cash flows was translated to USD using the average rate.

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