



CLICKS GROUP
LIMITED

Integrated report 2025

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Reporting suite 2025



The integrated report is the group's primary reporting medium and is supplemented by additional reports and information.

The following reports are available online at www.clicksgroup.co.za

Financial reporting

- Annual financial statements 2025
- Five-year financial review
- Annual results 2025
- Annual results 2025 presentation

Environmental, social and governance reporting

- Sustainability report 2025
- Corporate governance and King IV report 2025
- Social and ethics committee report 2025
- Notice of annual general meeting

Remuneration reporting

- Remuneration report 2025



As a leader in the healthcare market Clicks Group is committed to increasing access to affordable healthcare for all South Africans. Clicks is the country's leading health, beauty and wellness retailer and foremost pharmacy chain, with an expanding network of over 990 stores and 780 pharmacies supported by a growing digital presence. UPD is the country's leading full-range pharmaceutical wholesaler, providing the distribution capability for the group's healthcare strategy.

Report navigation

The impact of the six capitals on the group's operations and performance and their contribution to value creation, preservation and erosion is covered throughout the integrated report. The following icons have been included to aid navigation of the report and indicate where the specific capitals have been referenced in the report.

- Financial
- Manufactured
- Intellectual
- Human
- Social and relationship
- Natural
- Page reference
- Online reference





2025

in review

Financial performance

Creating sustainable long-term
shareholder value through a retail-led
health, beauty and wellness offering.

Group turnover
+5.3%
to R47.8 billion

Trading margin
+9.8%
up from 9.2%

Total dividend
+14.2%
to 886 cents per share

Cash generated
by operations
R6.6bn

Retail turnover
+6.0%
to R37.6 billion

Diluted HEPS
+14.1%
to 1 361.7 cents

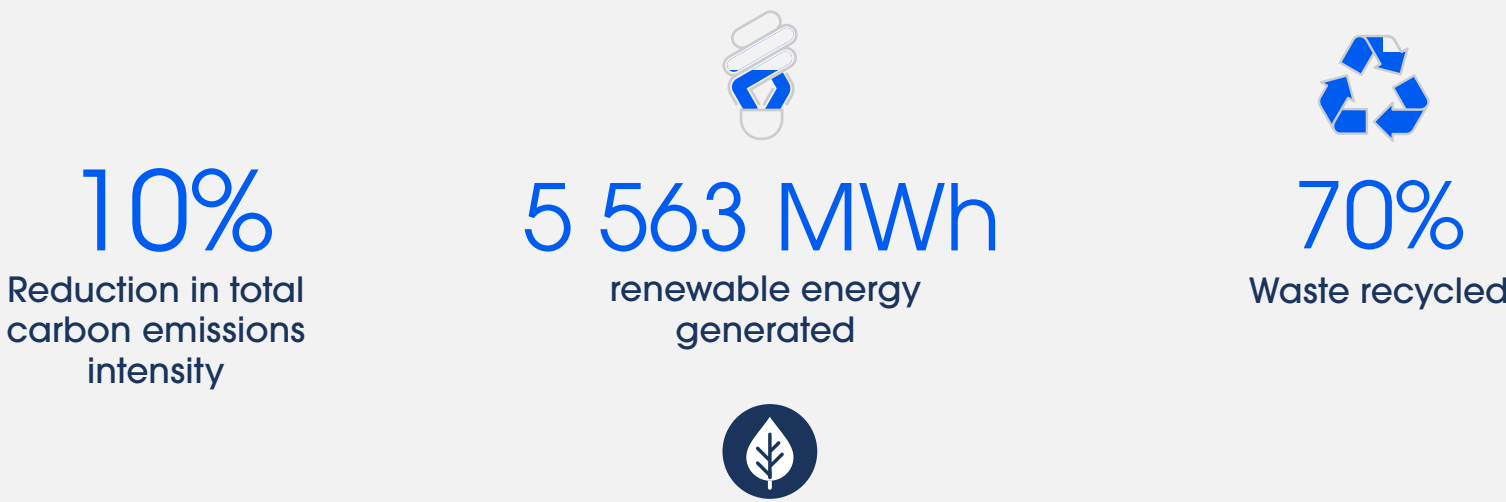
Return on equity
+49.2%
up from 46.4%

Returned to
shareholders
R2.7bn

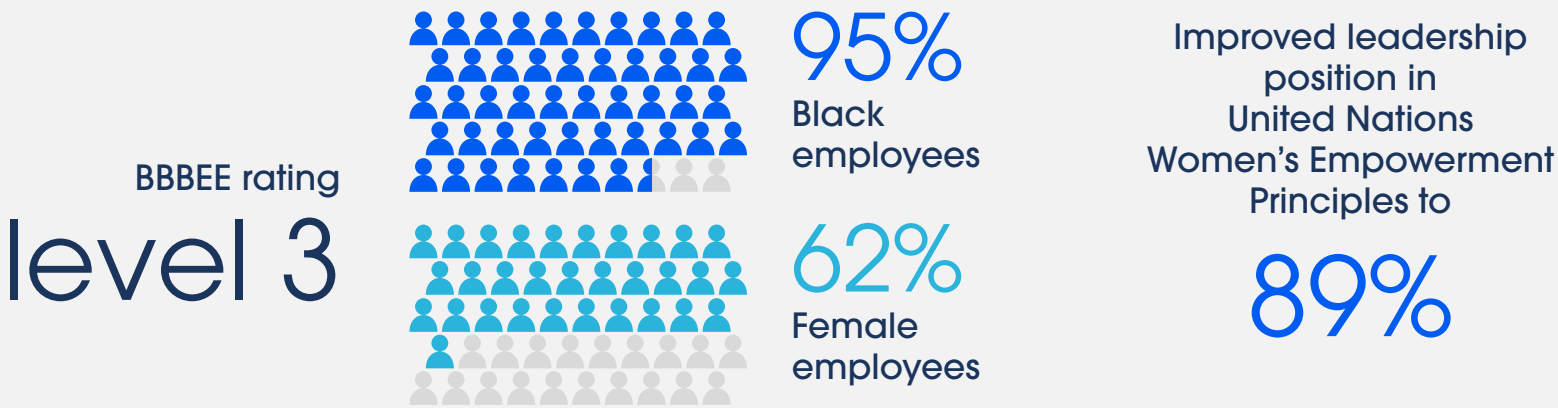


Environmental

Commitment to carbon neutrality



Social



Governance

Board composition



FTSE4Good Index for the
9th consecutive year



Introducing the 2025 integrated report

Clicks Group is pleased to present its integrated report for the 2025 financial year, a period in which the group once again demonstrated the resilience of its business model and leveraged its competitive advantage in the health and beauty sectors. Despite headwinds in the trading environment, the group continued to create value for shareholders while meeting its responsibilities to all stakeholders.



The report is again targeted at our shareholders, being our primary providers of capital, and the broader investment community, while we also acknowledge the role of our customers, staff, suppliers, industry regulators and funding institutions in the creation, preservation and the protection of value erosion.

Reporting scope and boundary

The report covers material information relating to the business model, strategy, material issues and related risks and opportunities, and performance for the financial year 1 September 2024 to 31 August 2025.

Forward-looking information focuses on the strategic objectives, operating plans and prospects for the 2026 financial year as well as the group's medium-term financial targets.

The financial reporting boundary covers the performance of the group's main operating businesses Clicks and UPD and focuses on the operations in South Africa where the majority of revenue is generated. The group has 62 stores in four neighbouring countries.

The integrated reporting boundary covers risks, opportunities and outcomes relating to the group's operating environment, its businesses and the extent to which the strategic objectives and targets have been achieved. The boundary also incorporates the engagement with key stakeholders that could influence the group's ability to create and sustain value.

Reporting and governance compliance

The IFRS Foundation's Integrated Reporting Framework (January 2021) and the JSE Sustainability Disclosure Guidance (June 2022) have been applied in preparing the integrated report. The application of these reporting frameworks was proposed by management and approved by the board.

The framework recommends reporting to shareholders on the capital resources that are applied in the creation, preservation or erosion of value. The impact of the six capitals on the group's business activities and performance is covered in the relevant sections of the report.

All financial reporting complies with IFRS® Accounting Standards, the South African Companies Act and the JSE Listings Requirements.

The directors confirm that the group has in all material respects applied the principles of the King IV Report on Corporate Governance (King IV) throughout the 2025 financial year. The application of the code is detailed in the King IV report 2025 which is available on our website.

We support the introduction of the International Sustainability Standards Board's IFRS S1 and S2 sustainability reporting standards. These uniform global sustainability and climate-related standards will align international reporting and improve comparability of environmental, social and governance (ESG) disclosures across markets.

While the adoption of these standards is not yet mandatory in South Africa and no implementation date has been set, the group is preparing for phased adoption with the support of external consultants and will implement the standards once required.

Materiality

The JSE Sustainability Disclosure Guidance formalised the concept of double materiality, covering financial and impact materiality.

Financial materiality is applied in reports and disclosures that are targeted primarily at shareholders and other providers of capital used in determining enterprise value. The financial materiality assessment applied by the board in measuring enterprise value is based on internal

and external factors, both positive and negative, that substantively affect the group's ability to deliver its strategy and which could have a material impact of 5% or more on the group's profit before taxation.

Impact materiality relates to the social, environmental and economic impacts of our operations and we plan to enhance impact reporting each year.

The integrated report applies double materiality as it covers content and disclosures that are material to investors and other providers of capital (financial materiality) as well as the impacts on people, the planet and profits (impact materiality).

Independent assurance

The integrated report has been reviewed by the board but has not been independently assured. The annual financial statements have been assured by the group's independent auditor, KPMG Inc.

The sustainability information in the report has been approved by the board's social and ethics committee. Accredited service providers have measured selected non-financial performance metrics and management has verified the processes for measuring all other non-financial information.

Integrated reporting process

The preparation of the integrated report is the responsibility of a working group led by the chief executive officer (CEO) and chief financial officer (CFO), comprising senior members of the finance, marketing and corporate affairs teams, company secretary and the external investor relations consultants.

The integrated report working group aims to enhance the reporting and disclosure each year. The content is prepared based on interviews and submissions from executive

directors, business unit heads, the company secretary and divisional executives. Draft reports are initially reviewed by the CFO and the CEO, with specific reports being reviewed and approved by the board chairman and the respective board committee chairs.

The draft of the integrated report is reviewed by all board members. The chairman of the audit committee is responsible for the final approval of the report on behalf of the board, whereafter the integrated report is released to shareholders.

Director responsibility

The board is responsible for ensuring the integrity of the integrated report. The directors have collectively assessed the content and confirm the report addresses all material issues, the integrated performance and the group's strategy, as well as the short, medium and long-term prospects.

The audit and risk committee has oversight responsibility for integrated reporting and recommended the report for approval by the directors. The 2025 integrated report was unanimously approved by the board on 6 November 2025.

Mfundiso Njeke
Independent non-executive chairman

Bertina Engelbrecht
Chief executive officer

Gordon Traill
Chief financial officer



01 About Clicks Group

The group is a leader in the South African healthcare market, with Clicks being the foremost health and beauty retailer and UPD the leading full-range pharmaceutical wholesaler.

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CLICKS
baby
Club

join
our world
of baby

Group profile

Clicks Group is a retail-led healthcare group which is listed in the Personal Care, Drug and Grocery Stores sector on the JSE.

Founded in 1968, Clicks is the country’s leading health, beauty and wellness retailer and the largest retail pharmacy chain, with an expanding network of over 990 stores and 780 pharmacies supported by a growing digital presence. UPD is the country’s leading full-range pharmaceutical wholesaler, providing the distribution capability for the group’s healthcare strategy.

Listed on the JSE since 1996, Clicks Group’s sustained financial performance and **growth in shareholder value** has seen the group included in the FTSE/JSE Top 40 Index for the past eight years.

The group recognises the importance of environmental, social and governance (ESG) practices in **creating a sustainable business** and has been included in the FTSE4GoodIndex for the past nine years as well as the FTSE/JSE Responsible Investment Top 30 Index.

As a leader in the healthcare market Clicks Group is committed to **increasing access to affordable primary healthcare** for all South Africans through its retail pharmacy and pharmaceutical wholesale businesses.

The group has a **level 3** broad-based black economic empowerment (BBBEE) rating.



Clicks

Our anchor brand
Clicks is South Africa’s leading health and beauty retailer, offering value for money in convenient and appealing locations.



Clicks Baby

Established in 2021
Offers a wide range of mother and baby products including baby hardware, accessories, health foods, diapers, wipes and baby toiletries.



The Body Shop

Launched in SA in 2001
The Body Shop sells natural, ethically produced beauty products and has been operating under a franchise agreement with The Body Shop International since 2001.



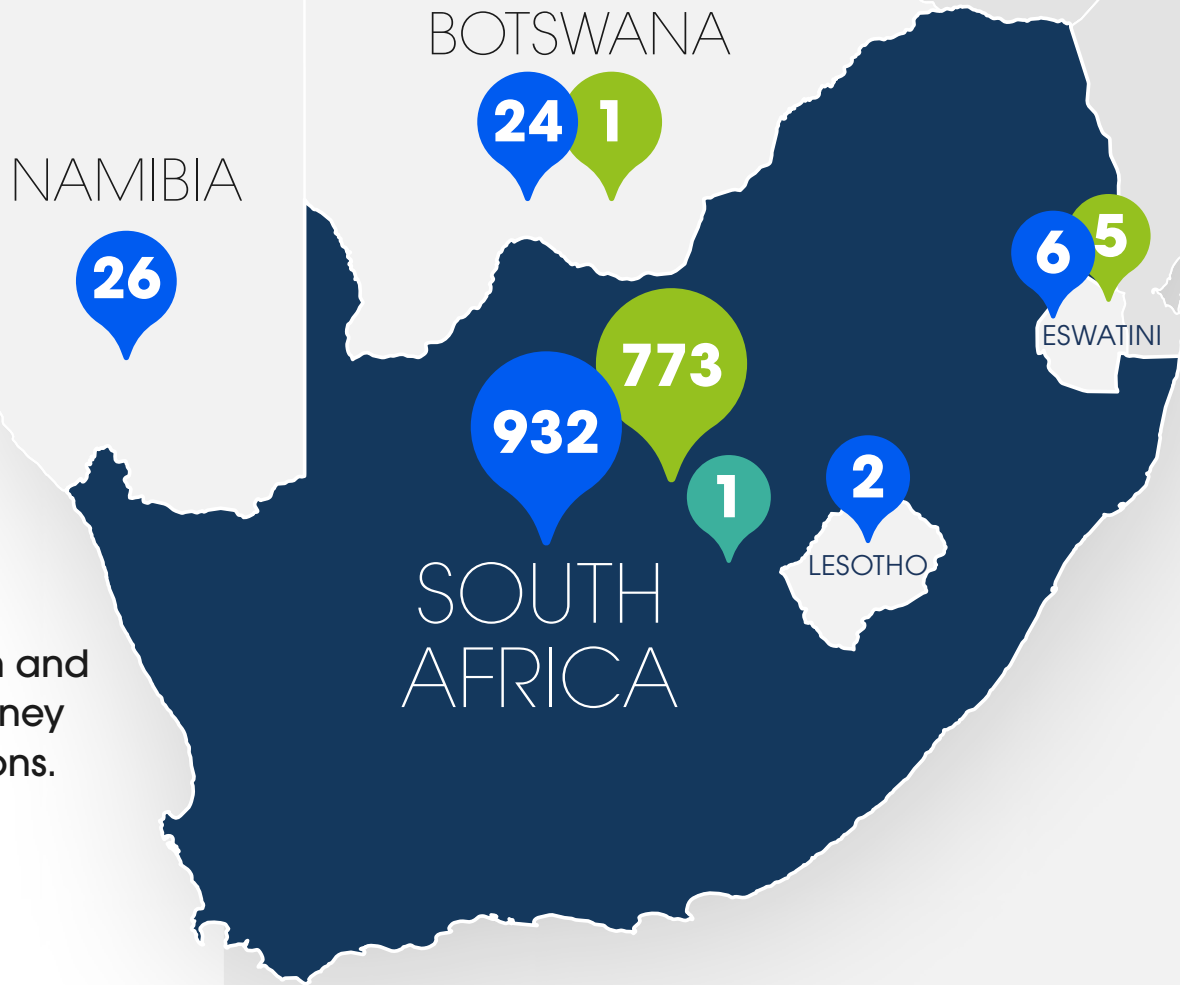
Sorbet

Acquired in 2023
Sorbet is the country’s largest professional beauty salon franchise chain, operating under the Sorbet (all-round beauty therapy), Sorbet Man (male grooming) and Candi & Co (ethnic haircare) brands.



UPD

Our distribution channel
UPD is South Africa’s leading full-range pharmaceutical wholesaler and was the first to have a national presence.



Total
990 Clicks stores
1 UniCare store
779 pharmacies

225 clinics
204 Sorbet beauty salons
55 The Body Shop stores
5 UPD distribution hubs
3 Retail distribution centres

International

Country	Stores
Namibia	26 stores
Botswana	24 stores
Eswatini	1 pharmacy
Lesotho	6 stores
South Africa	5 pharmacies
South Africa	2 stores

Group profile *continued*

Clicks

The anchor brand, Clicks, is South Africa’s leading health and beauty retailer, offering value for money in convenient locations and appealing stores, as well as an online platform offering in-store collection or home delivery.

 Refer to the Clicks business review on page 45.

In 2001 an exclusive franchise agreement with **The Body Shop**, which sells natural, ethically produced beauty products, provided further differentiation to the retail offering, with a combination of standalone stores and presence in **257 Clicks stores**.

The first standalone **Clicks Baby** store was opened in 2021, showcasing a wide range of mother and baby products.

In 2021 the group invested in an equity stake in **ARC stores**, a premium beauty brand retailer with an online presence and 10 stores in destination malls.

M-Kem, a 24-hour specialised pharmacy in Cape Town, was acquired in 2023, and the group plans to open similar large format specialised pharmacies in other metropolises under the **UniCare** brand.

In 2023 Clicks acquired the **Sorbet** beauty salon franchise chain, operating under the Sorbet (all-round beauty therapy), Sorbet Man (male grooming) and Candi & Co (ethnic haircare) brands.

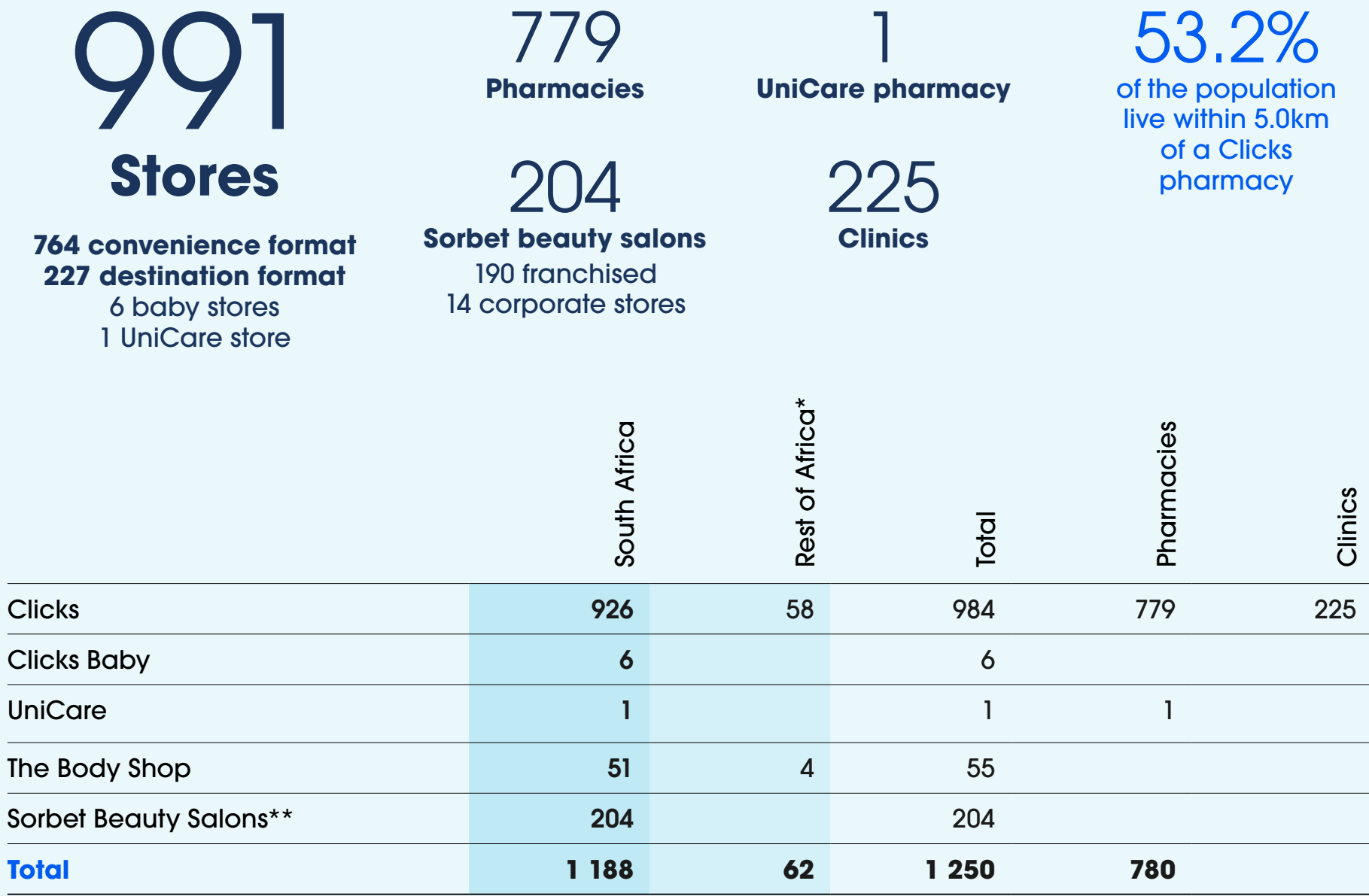
Clicks target consumers



Market share



Store footprint



* Includes 26 stores in Namibia, 24 stores and 1 pharmacy in Botswana, 6 stores and 5 pharmacies in Eswatini and 2 stores in Lesotho.
** Includes 14 Sorbet corporate stores.

Clicks ClubCard

12.6m
Active members

82.6%
Sales contribution

One of the largest
loyalty programmes
in South Africa



Private label

25.9%
of sales

Product offering
differentiated through
wide ranges of private
label and exclusive brands



Group profile *continued*

UPD

UPD is South Africa’s leading full-range pharmaceutical wholesaler and was acquired in 2003 to provide the distribution capability for the group’s healthcare strategy.

 Refer to the UPD business review on page 48.

UPD fulfils the pharmaceutical supply needs of Clicks, major private hospital groups and 1 020 independent pharmacies.

Clicks is UPD’s single largest customer and accounted for 58.4% of wholesale turnover in the past year, with private hospital groups comprising 36.2% of turnover and independent pharmacies and other channels accounting for the remaining 5.4%. UPD also provides bulk distribution services to pharmaceutical manufacturers.

UPD owns distribution centres located in Gauteng (Roodepoort), Cape Town, Durban, Bloemfontein and Gqeberha, with all these facilities being certified to the global ISO9001:2015 standards.

As part of the group’s commitment to carbon neutrality, UPD operates 42 electric vehicles for deliveries in Gauteng and the Western Cape, while solar panels and batteries have been fitted on existing delivery vehicles to power refrigeration, further reducing the carbon footprint.



5
Distribution hubs

Turnover

R30.5bn
Total managed turnover

Clicks accounts for
58.4%
of UPD’s wholesale turnover

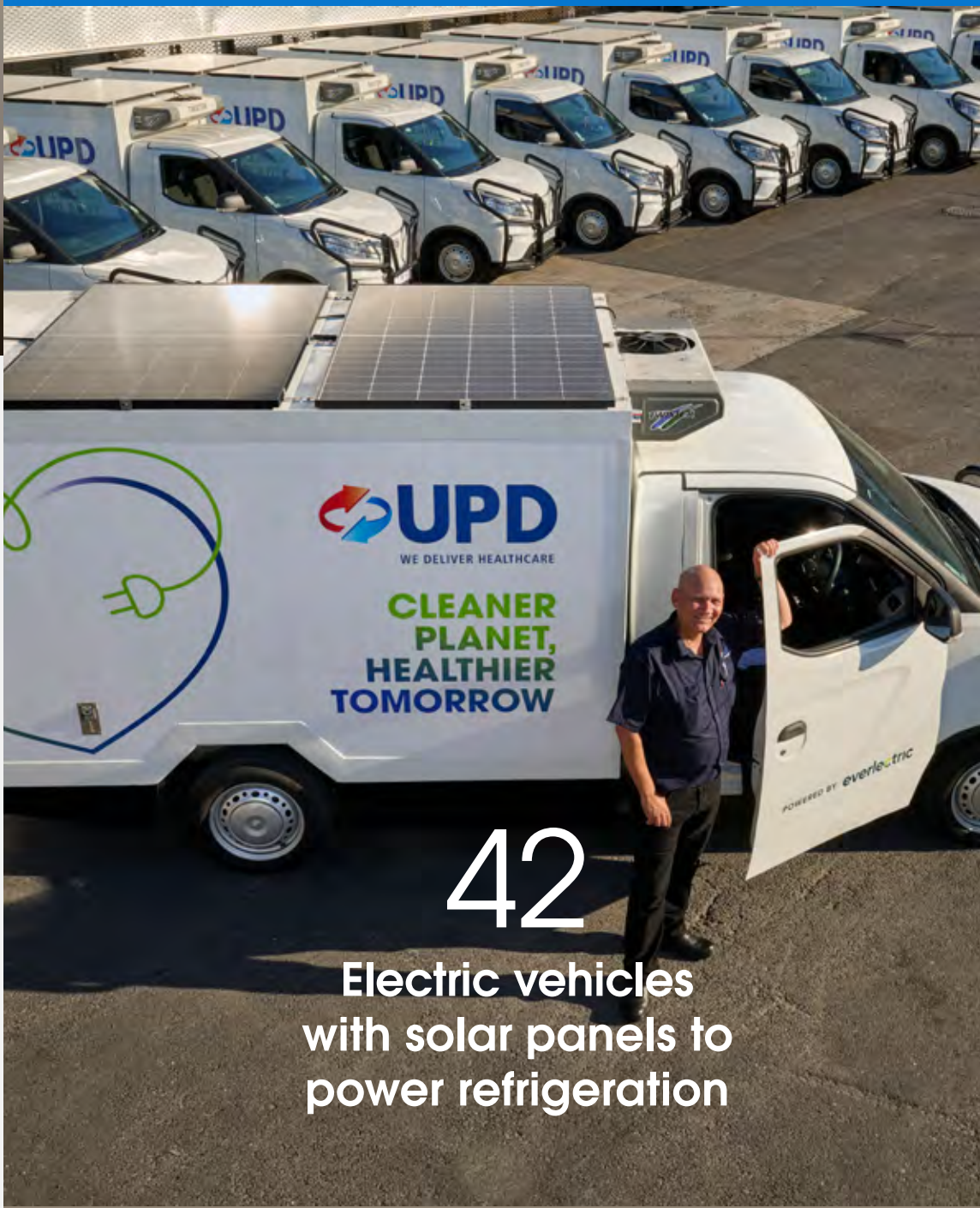
20
Bulk distribution
clients

Market share

26.2%
Private
pharmaceutical
fine wholesale
market



278m
Units of medicine
distributed



42
Electric vehicles
with solar panels to
power refrigeration

Commitment to ESG practices

The group’s core business creates meaningful social impact through the provision of health products and improving access to reliable and affordable healthcare. This supports South Africa’s national development goals by promoting healthy lives and well-being for all ages.

 Refer to the sustainability report on page 51.

Sustainability performance

75%
Black and
50%
female representation on the board

95%
Black and
62%
female employees

Level 3
BBBEE rating

225
Primary care clinics and
247
stores located in low-income areas (23.7% of retail turnover), improving accessibility to healthcare

Solar energy
on the head office and all owned distribution centres, battery storage installed in two distribution centres and the head office, and 42 electric delivery vehicles in UPD, in support of the group’s commitment to alternative energy supply and usage

Clicks Group is a founding member of the
**SA
Plastics Pact**

Sustainability strategy focus areas



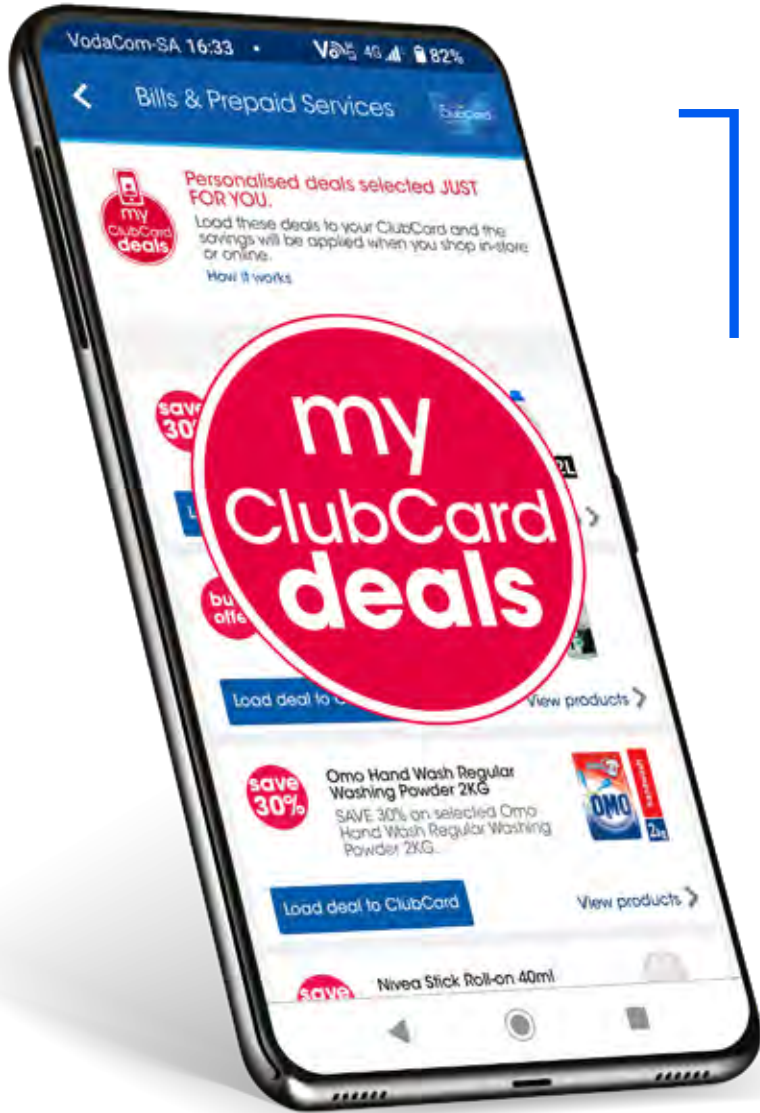
We align our ESG practices with the United Nations Sustainable Development Goals (SDGs) to ensure that our activities support the global drive to achieve the specified targets by 2030. The SDGs where we believe we can have the biggest impact are as follows:

 1 NO POVERTY No poverty	 3 GOOD HEALTH AND WELL-BEING Good health and well-being	 4 QUALITY EDUCATION Quality education
 5 GENDER EQUALITY Gender equality	 7 AFFORDABLE AND CLEAN ENERGY Affordable and clean energy	 8 DECENT WORK AND ECONOMIC GROWTH Decent work and economic growth
 10 REDUCED INEQUALITIES Reduced inequalities	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION Responsible consumption and production	 13 CLIMATE ACTION Climate action

Group profile *continued*

30 years of Clicks ClubCard

As South Africa’s first and most used retail loyalty programme, Clicks ClubCard has been providing benefits and discounts to customers since 1995. Now, three decades after its launch, 12.6 million active ClubCard members enjoy rewards offering day-to-day value.



12.6m
active ClubCard holders
more than doubled since 2016

The most used loyalty programme in South Africa

(Truth & BrandMapp 2025), with

80%

of economically active consumers using ClubCard

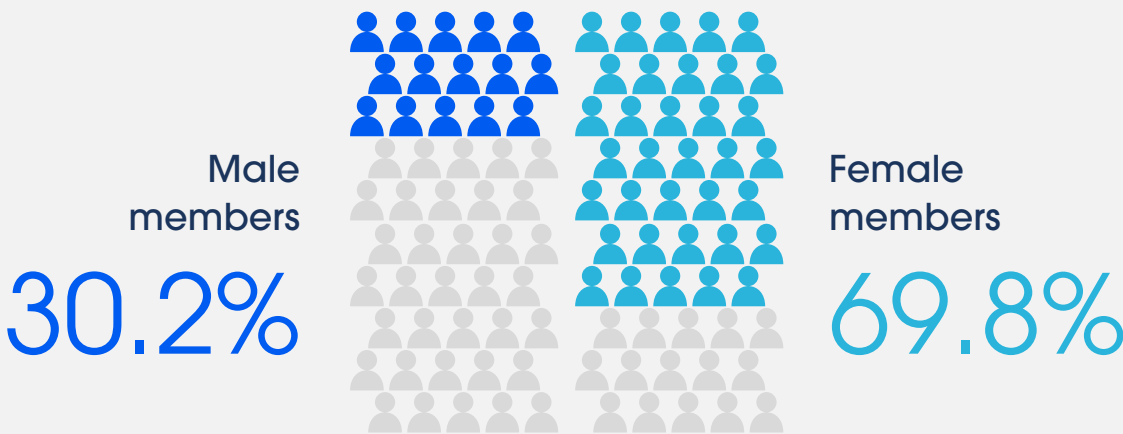
82.6%
of retail sales are from ClubCard members, basket size is double that of a non-card shopper

745 500
Baby ClubCard members

R7.5bn
paid in cashback to ClubCard members over 30 years

1.6m
Seniors Club members

14
affinity partners

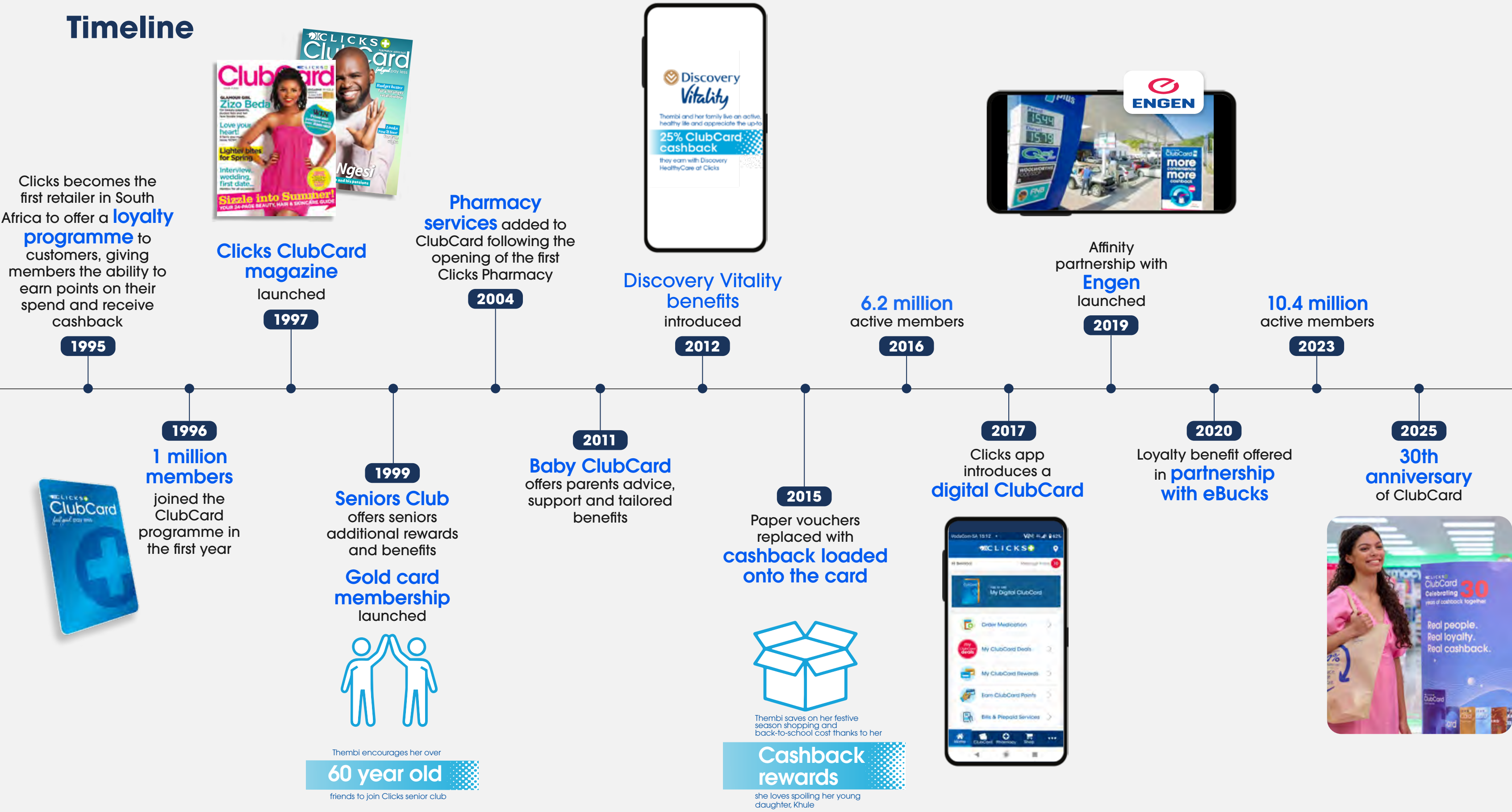


Consistently voted the most used rewards programme in South Africa

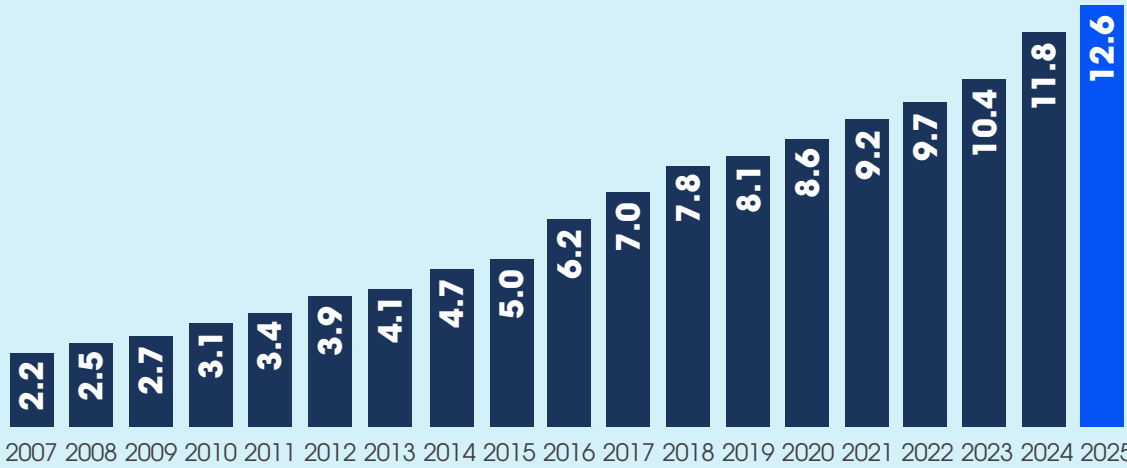
"For three decades, ClubCard has been part of your everyday moments. From the last-minute dashes to the monthly shops,

Group profile *continued*

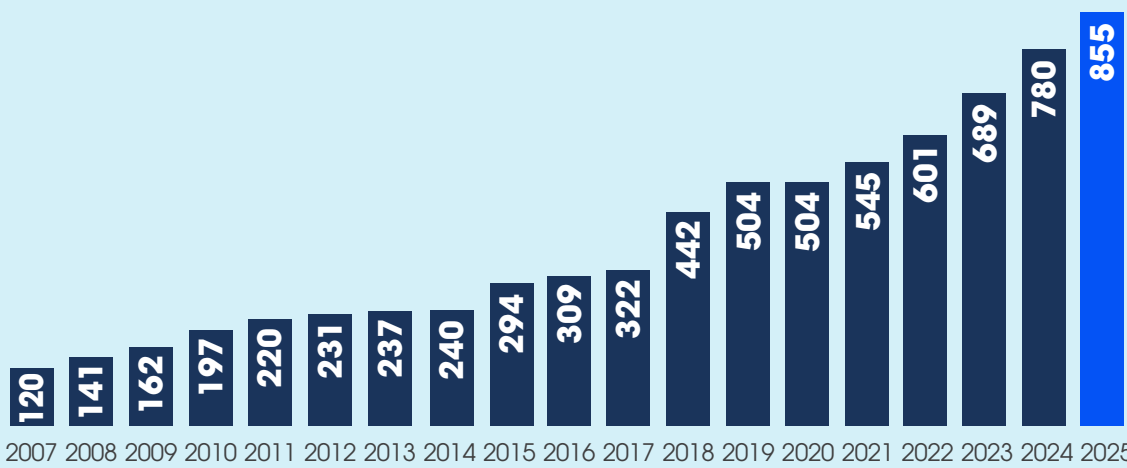
Timeline



Active ClubCard membership ('m)



ClubCard cashback paid out (R'm)



Affinity partners



Business model

Clicks Group’s strategy is realised through a value-adding retail-led business model which appeals to the group’s predominantly female customer base. The execution of this business model will create value for the group’s stakeholders, including shareholders and lending institutions, customers, employees, suppliers and regulators.

Inputs

Capital resources and relationships applied in the group’s business activities to create value for stakeholders.



Financial capital

The financial resources received from providers of capital and deployed by the group

- Equity of R6.9 billion
- Cash resources R3.3 billion
- Borrowing facilities R2.6 billion
- Working capital inflow of R73 million

SHAREHOLDERS
REGULATORS



Manufactured capital

The infrastructure used in the selling and distribution of merchandise, including stores, pharmacies, distribution centres, the group’s head office and online store

- 1 250 stores* trading in five countries
- E-commerce capability
- 780 pharmacies**
- 225 clinics
- 8 distribution centres located in five major provinces

CUSTOMERS
SUPPLIERS
EMPLOYEES

* Includes 190 Sorbet franchised beauty salons.
** Includes 1 UniCare store.



Intellectual capital

The collective knowledge and expertise across the business as well as the intellectual property of the group which provide a competitive advantage

- Brand equity in well-established and market-leading brands Clicks, The Body Shop, Sorbet and UPD
- Extensive range of private label products
- Clicks ClubCard is one of South Africa’s largest loyalty programmes

EMPLOYEES



Human capital

The competency, capability and experience of the board, management and employees

- 20 102 permanent employees
- 95.0% black and 62.4% female employees
- Extensive investment in training and development
- Company-funded healthcare cover available to all employees

EMPLOYEES
REGULATORS



Social and relationship capital

Relationships with stakeholders influencing the business, primarily customers, employees, suppliers, shareholders, government, organised labour and communities

- 12.6 million Clicks ClubCard loyalty members
- New Clicks Foundation funds of R191 million
- Community support through social investment programme and Clicks Helping Hands Trust
- Listing portal for small and medium-sized suppliers
- Small enterprise owner driver scheme contracted to UPD

SHAREHOLDERS
CUSTOMERS
SUPPLIERS
EMPLOYEES
REGULATORS



Natural capital

Environmental resources applied and utilised in the business. The group’s operations have a low environmental impact and therefore use limited natural capital

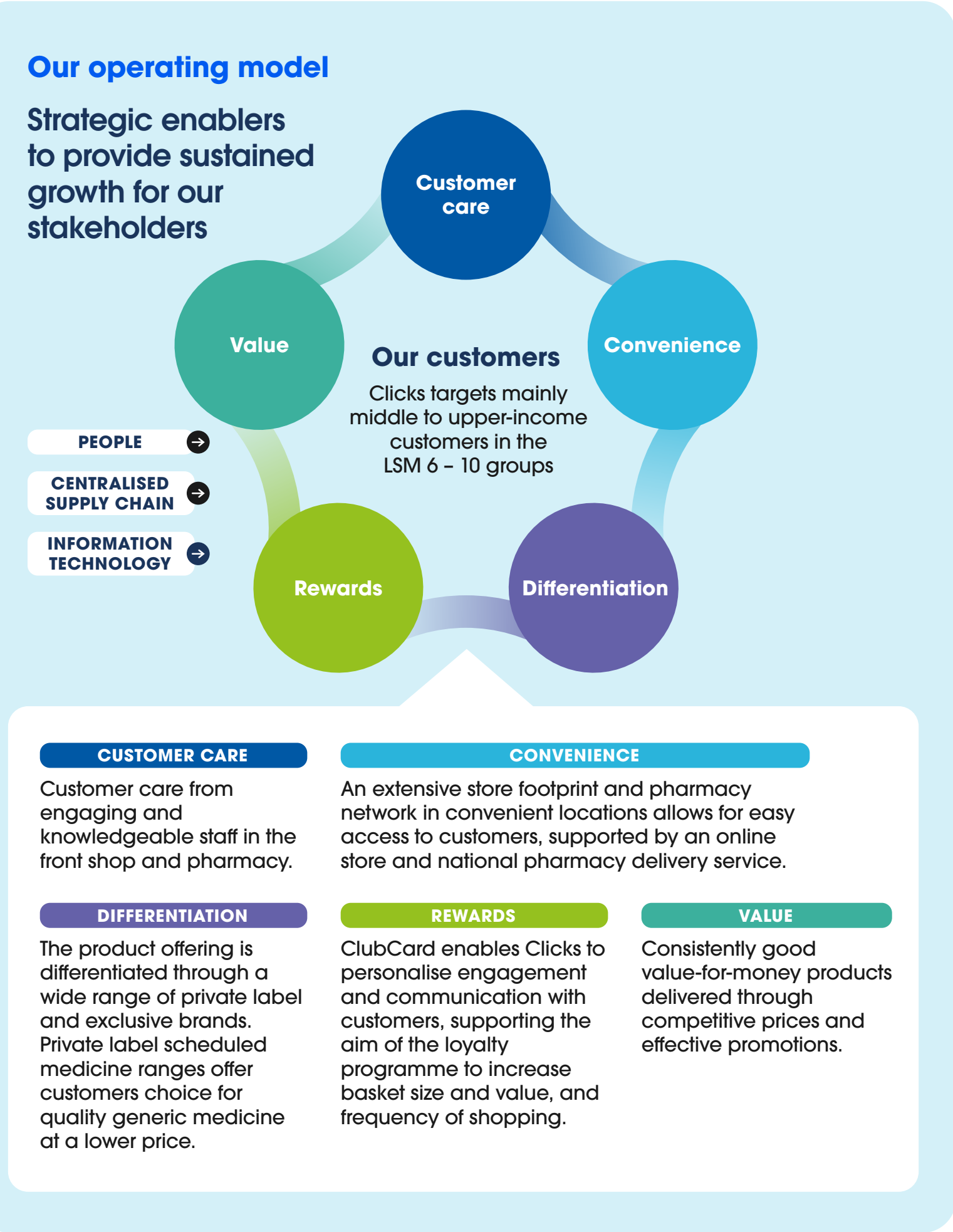
- Sustainable materials used in products and packaging
- Group-wide recycling programme
- R7.4 million invested in alternative energy

CUSTOMERS
EMPLOYEES
REGULATORS

Operating environment

- Constrained consumer spending in low economic growth environment
- Ongoing concerns over the stability and long-term viability of the Government of National Unity
- Heightened global uncertainty linked to geopolitical tensions and tariff disputes
- Persistently high unemployment and lack of job creation
- Weak consumer confidence weighing on retail demand
- Sustained lower inflation
- Interest rate relief for consumers
- Growing consumer awareness and demand for sustainable consumption and packaging

Business model *continued*



The group’s performance over the past year resulted in a net increase in the value of all capitals except for natural capital where value was eroded owing to the consumption of resources in the production, packaging, distribution and sale of merchandise.



Financial capital

- Group diluted HEPS up 14.1%
- Dividend of 886 cents per share
- Return on equity 49.2%
- Cash generated by operations R6.6 billion
- R2.7 billion returned to shareholders in dividends and share buybacks
- Reinvested R985 million in capital expenditure



Manufactured capital

- Opened net 55 Clicks stores
- Opened net 60 pharmacies
- 53.2% of South Africans live within 5.0 km of a Clicks pharmacy



Intellectual capital

- Retail pharmacy market share 24.0%
- Private pharmaceutical wholesale market share 26.2%
- Constituent of FTSE/JSE Top 40 Index
- Clicks private label sales account for 25.9% of total sales



Human capital

- R5.3 billion paid to employees
- R230 million invested in employee training and development



Social and relationship capital

- R855 million in cashback paid to ClubCard members
- R1 167 million paid in taxes in all countries of operation
- R42 billion paid to suppliers of goods and services, including landlords
- R133 million invested in enterprise and supplier development programmes
- R30 million paid to 11 small enterprise owner drivers contracted to UPD
- R33 million invested in socio-economic development programmes
- 145* bursaries awarded
- 2.6 million social media followers
- Level 3 BBBEE rating



Natural capital

- Total carbon emissions 136 379 tonnes CO₂e
- Electricity consumption non-renewable energy 110 408 507 KWh
- Produced 5 563 MWh renewable energy
- Total water consumed 69 762 kl
- Waste recovered for recycling 4 434 168 kg
- Introduced fleet of pharma-compliant electric delivery vehicles

* Reflect the total bursaries awarded aligned to the group’s financial year rather than the academic calendar year.

Business model *continued*

Outputs

Group turnover
R47.8bn

Cost of merchandise sold
R36.4bn

Trading profit
R4.7bn

Carbon emissions
(tonnes CO₂e)
136 379



Material trade-offs of capitals

In delivering on the group's strategic objectives, management aims to balance and optimise the trade-offs between capitals to ensure long-term growth and sustainability.

While the commitment to investing in **manufactured, intellectual, human, and social and relationship capital** erode **financial capital** in the short term, the long-term benefits are reflected in the group's industry-leading financial and operating metrics and sustained shareholder value creation.

Limiting the environmental impact of the operations to reduce the rate at which **natural capital** is depleted has a significant impact on **financial capital** in the short to medium term but should deliver the desired long-term benefits as the group ultimately moves towards carbon neutrality.

Constraints on capitals



Financial capital:

The group has no financial capital constraints owing to the strong cash flows generated by the operations and access to borrowings. Should additional resources be required, the group's strong balance sheet will enable management to secure further loan funding or raise capital through the issue of shares.



Manufactured capital:

The availability of retail trading space in the desired locations can limit the pace of new store openings in Clicks. The constraints noted in the 2024 integrated report have since been mitigated. The restriction on Clicks applying for new retail pharmacy licences by the Department of Health was resolved following the disposal of Unicorn Pharmaceuticals while the suspension of load shedding in the country meant that electricity supply is no longer a constraint to trading.



Intellectual capital:

The group continues to prioritise investment in training, technology, innovation and data protection while also protecting its intellectual property, so there are currently no immediate constraints on intellectual capital.



Human capital:

Scarcity of skills is a constraint, especially in key areas where niche skills such as IT, healthcare and retail are in demand locally and internationally.



Social and relationship capital:

The weak economic environment and high energy, food and borrowing costs constrained consumer disposable income which negatively affected discretionary retail spending.



Natural capital:

Electricity and water supply is severely constrained due to failing infrastructure.

Material issues



Material issues are identified each year which could significantly impact positively or negatively on the group’s ability to create and sustain value for stakeholders.

Each year the board and management review these issues by taking into account the group’s business plans, budgets and strategy, risks, sector and competitor dynamics, the trading environment, macroeconomic factors, the capitals of value creation, and the legislative and regulatory environment.

The needs, expectations and concerns of stakeholder groups that are most likely to influence the group’s ability to create sustainable value, notably customers, suppliers, regulators, staff, shareholders and providers of financial capital are central to determining these material issues.

RISKS AND IMPACTS are outlined for each material issue to highlight the downside factors that need to be managed.

OPPORTUNITIES are identified to show how each material issue can be addressed to not only manage and mitigate the risk but also to capitalise on opportunities to create value.

 [Read more about the needs, expectations and concerns of our stakeholder groups on pages 19 to 21.](#)

Material issues for the year ahead

- | | | |
|--|--|--|
| 1
Challenging consumer trading environment | 2
Information technology and cybersecurity | 3
Increasing competition |
| 4
Regulatory and compliance landscape | 5
Supply chain resilience | 6
Climate and environmental sustainability |

Material issues *continued*

1
Challenging consumer trading environment



Why material?

South African consumers remain under financial pressure due to elevated food, utility, transport and lending costs, together with high unemployment, which continues to constrain spending power and directly impact retailers' revenue and margins.

Risks and impacts

- Ongoing economic pressure may reduce consumer purchasing power, resulting in lower discretionary spend and increased price sensitivity.
- The depreciation in the value of the Rand can increase the cost of imports which may not always be passed on to customers, impacting profitability and financial performance.
- Global inflation has a significant impact on South African consumers, contributing to higher fuel prices and broader cost-of-living pressures.
- Criminal activity, including syndicated crime, escalates during times of economic hardship. In particular, crime syndicates targeting high-value, in-demand or scarce lines can lead to stock loss, inability to service clients, loss of revenue, damage to assets and business interruption.

Opportunities

- Clicks will continue to pursue a strategy of price competitiveness, drive sales volume growth and entrench the brand as a value retailer.
- Leverage key market differentiators, including an extensive and convenient store and pharmacy network, private label and exclusive ranges, personalised engagement through the Clicks ClubCard and consistently high standards of customer care.
- UPD will continue to enhance operational efficiencies to off-set pressures from higher sales of generic medicines and increased fuel prices, while evaluating complementary product offerings to support business growth.
- Rand hedging of high-value imports to mitigate currency volatility and advancing a supplier development programme to secure alternative local sources of supply.
- Strengthen crime detection and prevention measures, including criminal background checks on new employees, tip-off lines, undercover agents and visible consequences for fraud and theft.

2
Information technology and cybersecurity



Why material?

A modern, responsive, stable and efficient IT infrastructure is critical to support the group's growth objectives and meeting evolving customer and market demands, while ensuring the security and confidentiality of data.

Risks and impacts

- Failure to enhance and maintain IT infrastructure and capabilities may result in operational inefficiencies, supply chain disruptions, loss of competitiveness, compromised business continuity, and an inability to meet evolving customer and market demands.
- Outdated systems increase exposure to cyberthreats and information security breaches, raising the risk that confidential customer data or sensitive internal information may be accessed and compromised.
- Limited capacity to adopt new technologies or implement system enhancements could constrain the group's ability to support new business initiatives and respond effectively to changing customer expectations.
- Delays or technical challenges in delivering critical IT projects required for business transformation and strategic growth may adversely impact operations and hinder the achievement of long-term objectives.

Opportunities

- Expand investment in cyber resilience through advanced threat detection and data loss prevention tools, regular penetration testing and continuous employee cyber awareness training.
- Strengthen Retail IT by focusing on enterprise architecture to support expansion and digital innovation, enhancing data management and analytics to deliver personalised customer experiences and real-time decision-making, and improving system integration across channels.
- Pursue additional opportunities including increasing redundancy to mitigate network failures, outsourcing selected IT solutions, and further investing in skills and capacity development.

Material issues *continued*

3
Increasing competition



Why material?

Clicks faces competition on several fronts, including national food retailers and general merchandise chains, online retailers and other pharmacy businesses.

Continued growth and shareholder return requires successful competition for existing market share and expansion into new segments and markets.

Risks and impacts

- Aggressive competition could result in loss of market share, the inability to maintain market position and ultimately threaten the growth and profitability of the business. In particular, the group faces competition risk from the expansion of retail chains into healthcare and medicines, and from online retailers with their fast home delivery models.
- Ongoing or new aggressive competition in the third-party distribution sector could result in the loss of and inability to recover market share and the inability to maintain market position, threatening sustainable growth and profitability.
- Increasing price competitiveness and promotional activity of retailers, including competing loyalty schemes, could negatively affect sales and margins in Clicks.

Opportunities

- Clicks continues to capitalise on its key competitive differentiators: an extensive physical footprint with aggressive expansion plans, extending the pharmacy network and opening dispensaries where possible in South African stores, expanding the baby store-in-store offering and enhancing the online sales infrastructure.
- Build brand loyalty through ongoing recruitment of new members to the Clicks ClubCard and the Clicks mobile app.
- Implement measures to increase pharmacy customer convenience through the rollout of alternative delivery models, including smart lockers.
- Optimise service and cost in UPD to remain competitive while focusing on profitable client segments.

4
Regulatory and compliance landscape



Why material?

Clicks Group requires consistent compliance with numerous regulations and legislation. Healthcare markets are highly regulated across the world and approximately 50% of the group's turnover is in regulated pharmaceutical products.

Risks and impacts

- Non-compliance with current and emerging legislation could result in regulatory sanctions, including fines, loss of licences or store closures, reputational damage as well as increased compliance requirements and costs.
- The ability to achieve growth targets, expand markets and capitalise on revenue opportunities could be constrained by challenges in securing suitable retail space and the necessary pharmacy licences. The ability to introduce private label and exclusive scheduled and complementary medicines could also be hampered.
- Changes in healthcare legislation and regulation could impact on Clicks' and UPD's turnover and margins. In particular, the introduction of National Health Insurance (NHI) and its potential impact on both private and public healthcare markets remains uncertain and could significantly influence the business and operating model.

Opportunities

- The group's robust governance framework ensures compliance with regulations through ongoing monitoring, self-audits and an in-house information officer.
- Management continues to engage proactively with regulatory authorities on legislation and regulation to accelerate the granting of pharmacy licences and approval of generic medicines to broaden access to affordable healthcare.
- Clicks and UPD are well positioned to capitalise on market consolidation resulting from changes in legislation and regulation.
- The group continues to partner with government to be a preferred service provider where opportunities arise.

Material issues *continued*

5
Supply chain
resilience



Why material?

A consistent, stable and predictable supply chain is required for serving customers and generating revenue.

Risks and impacts

- Disruptions arising from geopolitical trade tensions, global or vendor supply chain constraints or internal operational inefficiencies may result in stock unavailability, negatively impacting customer order fulfilment and overall supply chain performance.
- Disruptions at warehouses or distribution centres could impede the flow of stock to stores, hospitals and customers, leading to lost revenue.
- Inability to service customers effectively may result in lost business, as customers source their medicine needs elsewhere.
- Poor stock availability or service in stores and online could lead to lost sales opportunities and reputational damage.
- Inaccurate forecasting of peak inventory requirements may lead to lost sales and customer dissatisfaction.

Opportunities

- Measures to enhance security and operational efficiency of distribution centres are continuously being implemented.
- Alternative suppliers are being identified for key products and more products are being sourced locally where possible.
- Private label sourcing is being accelerated, and local sourcing is prioritised to manage costs and mitigate against supply chain disruptions.
- Stock levels are actively managed to balance operational costs with customer demand.
- Active measures are in place to monitor and manage risk, and anticipate potential global and local supply chain disruptions.
- The group's business continuity plan includes strategies to mitigate the impact of supply chain disruptions.

6
Climate and environmental
sustainability



Why material?

The group is impacted by events in the environment and needs to actively minimise negative impacts on the environment to ensure long-term sustainability.

Risks and impacts

- Extreme weather events and changing climate patterns may disrupt operations, trading and supply chains, damage physical assets and lead to increased costs.
- Adverse weather conditions could interrupt trading in affected locations, while shifts in weather patterns may affect the timing and mix of seasonal product sales, resulting in revenue loss.
- Sustained periods of extreme high temperatures could affect the delivery and storage of key medicines.
- Inability to meet customer demand for environmentally friendly product alternatives could result in lost revenue.
- Failure to measure and meet environmental impact targets may increase pressure from investors and stakeholders to comply with environmental guidelines.

Opportunities

- Business continuity and response plans are regularly updated to address potential disruptions, including extreme weather events.
- Supplier arrangements are in place to ensure adequate buffer stock levels and faster turnaround times.
- Measures to reduce the group's carbon footprint are in place, with longer-term plans being developed to achieve carbon neutrality.
- Packaging and waste reduction efforts are being advanced, particularly in private label products and through the use of durable, recyclable bags in stores instead of plastic.
- Electric vehicles and charging stations are being deployed to reduce carbon emissions while driving efficiencies in UPD.
- Solar energy solutions have been installed at all owned distribution centres and the head office, with battery storage implemented at two distribution centres and the head office.
- The group aligns with both local (JSE Sustainable Disclosure Guidance) and international reporting frameworks on climate change.

Managing stakeholder engagement



Clicks Group’s stakeholder engagement strategy focuses mainly on the five primary stakeholders that management believes are most likely to impact on the delivery of the group’s strategic objectives and influence the ability to create value in the short, medium and long term. Proactive and transparent relationships enable the group to identify and address the needs, expectations and concerns of these stakeholder groups.

1 Shareholders and lending institutions

Shareholders

Local and international institutional and private investors, as well as fund managers and analysts from the broader investment community.

Lending institutions

South African financial institutions which provide funding and trade finance facilities to the group.

2 Customers

Clicks primarily targets consumers in the growing middle to upper-income markets (LSM 6 – 10).

UPD customers include Clicks, major private hospital groups, pharmaceutical manufacturers and independent pharmacies.

3 Employees

Employees

All permanent and part-time employees across the group.

4 Suppliers

Suppliers

Local and international suppliers of products and services, including producers of exclusive brands and private label products.

5 Government and industry regulators

Government and industry regulators

The Department of Health, South African Revenue Service and other government departments, industry regulatory bodies and local authorities. As a listed company, the JSE Limited is the primary regulator.

Managing stakeholder engagement *continued*

Shareholders and lending institutions

Key engagement issues in 2025	Addressing engagement needs, expectations and concerns
Macroeconomic environment Concerns regarding the macroeconomic outlook for South Africa. Key issues include persistently low economic growth, high unemployment and fiscal constraints, which all contribute to an uncertain investment environment and may impact long-term value creation.	The South African economy continues to experience below-potential growth, with job creation remaining insufficient to address structural unemployment challenges. However, the South African Reserve Bank’s inflation-targeting policy, aimed at maintaining inflation near the lower end of its target range, has provided some relief to consumers. This, coupled with a gradual reduction in interest rates, has supported household spending and contributed to a more stable consumer environment.
Impact of trade tariffs on supply chain The potential impact of increased tariffs on exports to the USA on global supply chain and consumer spend.	The increased tariffs imposed on South African exports to the USA present a risk to employment, particularly in sectors exposed to international trade, and consumer spending. Despite this, the evolving global trade landscape has created opportunities to diversify sourcing strategies. The uncertainty surrounding future tariff increases has prompted engagement with suppliers in non-traditional regions, potentially improving procurement terms and enhancing supply chain resilience.
Clicks: Long-term space growth Concerns raised regarding the longer-term availability of retail space to support continued expansion and whether returns on new stores are deteriorating.	There are still many suitable existing shopping centres that Clicks is targeting for locations as well as opportunities in new malls being built in lower-income areas. Currently, approximately 53.2% of the population lives within five kilometres of a Clicks pharmacy, highlighting the substantial potential for further expansion. The performance metrics for recently opened stores are consistent with historical data.
Clicks: Retail systems rollout Given the challenges experienced during the UPD systems implementation, shareholders have sought assurance that the retail systems rollout will be executed more effectively.	The retail systems upgrades in Clicks differ fundamentally from the systems implementation undertaken at UPD. The new warehouse management system (WMS) has undergone extensive testing and rollout in the dark store which is used for the omni-channel business.
UPD: Wholesale market share Reasons for the ongoing decline in UPD’s wholesale market share.	UPD’s wholesale market share in value terms has been impacted by a sustained shift among private hospital customers to lower-priced generic medicines. While sales to hospitals grew by 1.4%, volumes increased by 8.8%. In the past year the market share was further impacted by Clicks not being able to apply for new pharmacy licences for a period of 18 months in 2023 through 2024 which constrained the expansion of the pharmacy network and limited wholesale distribution volumes.

Customers

Key engagement issues in 2025	Addressing engagement needs, expectations and concerns
Customer financial pressure Supporting customers facing sustained financial strain in a constrained economic environment.	The group remained focused on delivering affordability and value through competitive pricing, targeted promotions and the loyalty benefits of the Clicks ClubCard, which accounted for 82.6% of sales in Clicks. These initiatives helped alleviate pressure on household budgets while sustaining customer loyalty and spend.
Service and promotional execution Meeting customer expectations for consistent service quality and reliable promotional delivery across stores.	The group sharpened its focus on operational execution across the retail network, improving service consistency and ensuring reliable delivery of promotions. These efforts enhanced the customer experience, supported retention and underpinned Clicks’ reputation as a trusted, value-driven retailer.
Targeted engagement in customer segments Expanding relevance and engagement across underrepresented customer groups.	The group advanced its structured approach to customer segmentation, with particular focus on enhancing engagement with underrepresented segments such as male consumers. Insights from customer behaviour, loyalty data and market research informed tailored product ranges, marketing initiatives and engagement strategies designed to strengthen brand relevance, broaden appeal and capture growth opportunities across diverse customer demographics.

Managing stakeholder engagement *continued*

Employees

Key engagement issues in 2025	Addressing engagement needs, expectations and concerns
Employee well-being Enhancing the group's holistic wellness offering with a particular focus on alleviating financial pressures.	The group advanced its holistic wellness framework with an increased emphasis on financial well-being, recognising its link to mental and physical health. Strategic partnerships with three major banks and fitness providers enabled employees to access preferential borrowing and savings rates, delivering tangible financial benefits to employees. These initiatives complemented existing physical and mental wellness programmes, supporting employee resilience and overall quality of life.
Employee engagement Fostering an engaged workforce and ensuring follow-through on employee feedback.	The 2025 engagement survey achieved an industry-leading participation rate of 86%, with results showing 40% of employees actively engaged and only 2% actively disengaged. Action planning is under way at group, business unit and team levels, using a co-creation approach to ensure employees directly shape initiatives aimed at strengthening workplace culture and performance.
Labour relations and communication Maintaining constructive relations and transparent dialogue with organised labour.	Constructive labour relations remained a priority. Regular town hall meetings provided consistent opportunities for open dialogue between leadership and employees. Ongoing engagements with recognised trade unions, the South African Commercial Catering and Allied Workers Union (SACCAWU) and the National Union of Public Service and Allied Workers (NUPSAW), supported alignment on workplace matters, promoted workplace stability, and ensured compliance with evolving legislation and the development of the group's new five-year employment equity plan.

Suppliers

Key engagement issues in 2025	Addressing engagement needs, expectations and concerns
Supplier performance and inventory management Ensuring consistent product availability and optimising supply chain efficiency.	Minimum Display Quantity (MDQ) performance remained above 95%, supported by improved forecasting, enhanced supplier infill and streamlined process management. These measures contributed to sustained product availability and operational reliability across the store network. The MDQ measure has improved significantly as a result of the implementation of new supply chain systems several years ago.
Enterprise and supplier development Promoting inclusive economic participation and strengthening supplier capabilities.	The group relaunched the UPD owner driver scheme in February 2025, enabling small business participation in the logistics value chain. This initiative supports enterprise and supplier development objectives, enhances service delivery and contributes to inclusive growth. In addition, the group has taken the opportunity with the implementation to roll out an electric vehicle fleet further supporting the group's environmental targets. The programme received positive media coverage, reinforcing its strategic impact.

Government and industry regulators

Key engagement issues in 2025	Addressing engagement needs, expectations and concerns
Alignment of the Department of Trade Industry and Equity Equivalent (EE) Programme with national transformation and empowerment objectives.	Management engaged with the Minister of Trade, Industry and Competition in November 2024 during a board meeting of the Consumer Goods Council of South Africa to present its case for the introduction of an equity equivalent programme applicable to South African companies with majority foreign shareholding. This engagement reinforced the group's commitment to aligning with national transformation priorities and addressing stakeholder expectations for inclusive economic participation through transparent and collaborative dialogue.
Responding to changes in the legal and regulatory framework.	The group remains committed to staying abreast of changes in the legal and regulatory landscape, and responds timeously to ensure operational readiness and contributing meaningfully to policy development. Reflecting its proactive approach to regulatory engagement and stakeholder responsiveness, in March 2025 the group submitted comments to the Competition Commission on the Draft Interim Block Exemption for Healthcare Tariffs.
Managing complaints and meeting expectations for product quality, ethical advertising and third-party service reliability.	The group adopts a proactive approach to complaint resolution, addressing six cases during the reporting period: five were submitted to the Consumer Goods and Services Ombud and one through the Advertising Regulatory Board. The cases related to product quality, service delivery and advertising standards, confirming the group's commitment to consumer protection and responsible business conduct.

Group strategy

Creating sustainable long-term shareholder value through a retail-led health, beauty and wellness offering.



Group strategic objectives

- 1** Increase customer appeal and access through the expansion of the store, pharmacy and online presence.
 
- 2** Accelerate market share gains in pharmacy and core front shop categories.
 
- 3** Strengthen UPD's national pharmaceutical wholesale and distribution services to grow profitable market share.
  
- 4** Achieve operational excellence with an efficient, centralised supply chain.
  
- 5** Build an inclusive, transformed company with a strong talent pipeline to support sustainable growth.
  
- 6** Promote sustainability through efficient cash and capital management and entrench robust environmental, social and governance practices.
   

Group strategy *continued*

Strategic drivers of longer-term organic growth

These strategic drivers of longer-term organic growth should ensure continued competitive advantage in the health and beauty markets in which the group operates.



Favourable market dynamics

- South Africa’s healthcare sector remains defensive and offers long-term growth opportunities.
- Rising living standards, increasing urbanisation and longer life expectancy are driving demand for health and beauty products.
- Greater use of generic medicines is improving access to affordable healthcare.



Convenience

- Clicks aims to expand its store base to over 1 200 outlets in the medium term, with a pharmacy operating in every store in South Africa.
- Accelerate the new store and pharmacy opening programme and develop new pharmacy and retail formats to drive growth, including the rollout of a specialised 24-hour pharmacy model.
- The long-term goal is to achieve a 30% market share in retail pharmacy.
- Expansion of the Clicks Baby store-in-store presence to capitalise on the growth in this strategic category.
- Extend store base outside South Africa and evaluate potential opportunities in other southern African markets.
- Customer convenience is supported through an online store and a national pharmacy delivery service.



Differentiation

- As a value retailer, Clicks is committed to maintaining price competitiveness with the national retail chains.
- Private label and exclusive brands offer differentiated product ranges at higher margins.
- The Clicks brand is trusted by consumers and has a proven ability to transcend product categories and markets.



Personalisation

- Clicks ClubCard is one of the largest retail loyalty programmes in South Africa, with 12.6 million active members.
- ClubCard provides customers with generous and convenient cashback rewards and an increasing range of reward partner benefits.
- Migrating ClubCard members to the Clicks mobile app supports the personalisation strategy.
- The ClubCard, website, online store and mobile app create opportunities to leverage personalised digital engagement.



Growth opportunities for UPD

- UPD operates an efficient healthcare supply chain which supports the growth of the Clicks business.
- UPD provides national wholesale services to private hospitals and independent pharmacies, including Link pharmacies.
- The business also offers bulk distribution services to local and international pharmaceutical manufacturers, competing on price, quality control and speed to market.
- The long-term goal is to achieve 35% market share in both wholesale pharmaceutical and bulk distribution markets.

Investment case

Clicks Group presents a compelling opportunity for equity investors seeking sustainable, long-term growth with non-cyclical exposure to South Africa’s retail and healthcare sectors.

 This investment case should be considered together with the group strategy report on pages 22 and 23 which outlines the group's strategic objectives and drivers of longer-term growth.



Convenient and growing retail footprint

991*

Clicks stores

- Targeting to open 40 – 50 new Clicks stores annually
- 77% of stores located in convenience and neighbourhood shopping centres
- Expanding into areas serving lower to middle-income customers, with stores in these communities now accounting for 23.7% of retail sales
- Retail offering complemented by Sorbet beauty salon franchise chain and equity investment in premium beauty brand retailer, ARC stores

* Includes 1 UniCare store.



Targeting to open
40 – 50
new Clicks stores annually



Private label sales
25.9%
of Clicks' sales

Market leadership

Businesses occupy leading positions in health and beauty markets

- Clicks is the largest retail pharmacy chain in South Africa, supported by a sizeable network of primary care clinics
- UPD is the country’s leading national full-range pharmaceutical wholesaler

Healthcare markets defensive and growing

Over 80% of group turnover is in defensive merchandise categories

- Improving living standards, increasing urbanisation and longer life expectancy is contributing to a growing market for health and beauty products
- Well positioned to offer an affordable and accessible self-funding alternative to public healthcare

Value offering

Clicks is price competitive with all national retailers

- Promotional sales account for 47.0% of turnover
- Over R855 million returned to ClubCard members in cashback rewards

Accessible and expanding pharmacy network

780* 225

pharmacies and clinics in Clicks stores

- Currently 53.2% of the population live within five kilometres of a Clicks pharmacy
- Targeting to open 40 – 50 pharmacies each year
- Retail pharmacy market share goal of 30% in the long term (2025: 24.0%)

* Includes 1 UniCare store.

Differentiated product offer

Private label and exclusive brands offer differentiated ranges with higher margins

- Target to grow private label to 31% of front shop retail sales; currently 25.9% of total sales and 30.6% of front shop sales
- Clicks offers differentiated products through exclusive health and beauty brands such as The Body Shop and Sorbet

Investment case *continued*



Growing loyalty and personalisation

ClubCard is one of the largest retail loyalty programmes in South Africa

- 12.6 million active ClubCard members account for 82.6% of total Retail sales
- Strong relationships with rewards partners, including ARC stores, City Lodge, eBucks, Engen, Europcar, Momentum Multiply, Spec-Savers and Vitality

Robust supply chain

Centralised supply from company-owned distribution centres to all retail stores

- UPD provides an efficient healthcare supply chain channel for Clicks
- UPD also offers wholesale and distribution services to pharmaceutical manufacturers



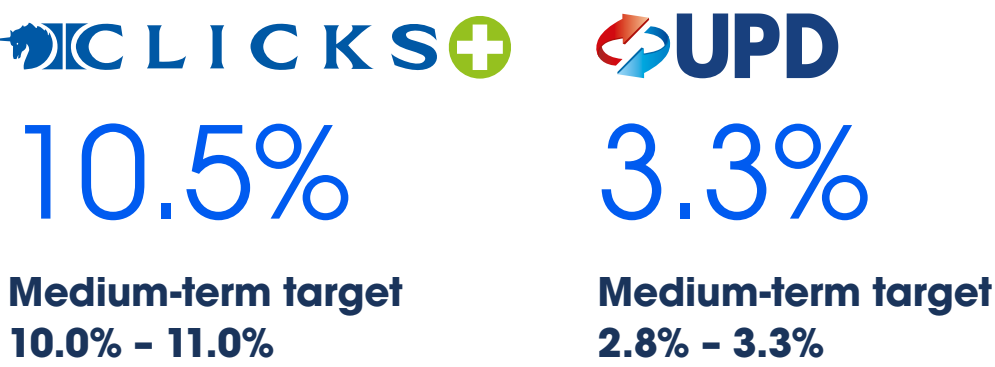
Sustainable business practices

Commitment to sound environmental, social and governance (ESG) practices

- ESG practices aligned with nine selected United Nations Sustainable Development Goals
- Multi-year inclusion in the FTSE4Good Index recognises the quality of the group's ESG practices
- R7.4 million invested in alternative energy and solar storage
- R903 million for 2025 invested in training and development over past five years
- Experienced, diverse, transformed and balanced board and executive leadership team

Globally competitive trading margins

Clicks and UPD trading margins rank in the upper quartile of global drugstores and pharmaceutical wholesalers



Efficient cash and capital management

Highly cash-generative business with industry-leading returns

- R21.8 billion cash generated from operating activities before dividends paid over past five years
- R11.4 billion returned to shareholders in dividends and share buybacks in past five years
- R4.3 billion capital expenditure in past five years
- Return on equity (ROE) of 49.2% far exceeds the average ROE of the other listed food and drug retailers in South Africa



Compelling organic growth prospects

- Aim to operate a pharmacy in every Clicks store in South Africa
- Accelerate the pace of new store and pharmacy openings
- Develop and roll out the new UniCare specialised pharmacy format
- Expand the baby store-in-store presence in Clicks
- Extend the group's presence in southern Africa and evaluate opportunities in new markets

Goal to expand the Clicks store base to at least

1200 locations



02

Governance

Good governance contributes to value creation and Clicks Group’s governance philosophy is founded on the principles of accountability, transparency, ethical management and fairness.

Chairman’s report 27

Board of directors 29

Corporate governance report 31

Chairman's report

I am pleased and honoured to report to shareholders for the first time following my appointment as independent non-executive chairman in January this year. The Clicks Group is an organisation of great stature which continues to deliver impressive performances.



My predecessor, David Nurek, led the board with distinction for 27 years. During his tenure, he oversaw the growth of the group from soon after the JSE listing in 1996, when it had a market capitalisation of less than R1 billion, into one of the country's foremost retail groups and a proud constituent of the FTSE/JSE Top 40 Index, with a market capitalisation of close to R90 billion at the time of his retirement.

I had the privilege of serving on the board under David's chairmanship since 2020, and I thank him and my fellow non-executive directors for their support during the board leadership transition.

On behalf of the board, we wish David continued good health and happiness in the next chapter of his life.

Improving economic growth prospects

The group's 2025 financial year began on an optimistic note, with consumer confidence reaching a five-year high following the formation of the coalition Government of National Unity (GNU), declining inflation and the start of the long-awaited interest rate reduction cycle. These developments contributed to positive sentiment and optimism around South Africa's economic growth prospects.

However, optimism began to fade in the early months of calendar 2025 as uncertainty increased due to rising global and domestic uncertainty. Internationally, new trade tariffs unsettled global markets, while locally divisions within the GNU

raised concerns over the government's stability and longevity. This negatively impacted South Africa's macroeconomic outlook and temporarily stalled the country's economic recovery.

As the year progressed early improvements in South Africa's macroeconomic indicators began to emerge, supporting the prospect of a medium-term recovery in retail spending. However, lower inflation and reduced debt servicing costs have not yet translated into increased consumer spending, with sentiment and discretionary spending remaining subdued.

Clicks is well positioned to respond to this muted spending with the resilience of its business model and defensiveness of its core product offering, which was reflected in the financial results for the year.

Industry-leading shareholder returns

Clicks Group offers a compelling investment case underpinned by strong long-term organic growth prospects and a track record of superior returns to shareholders, which supports the premium rating of the Clicks Group share.

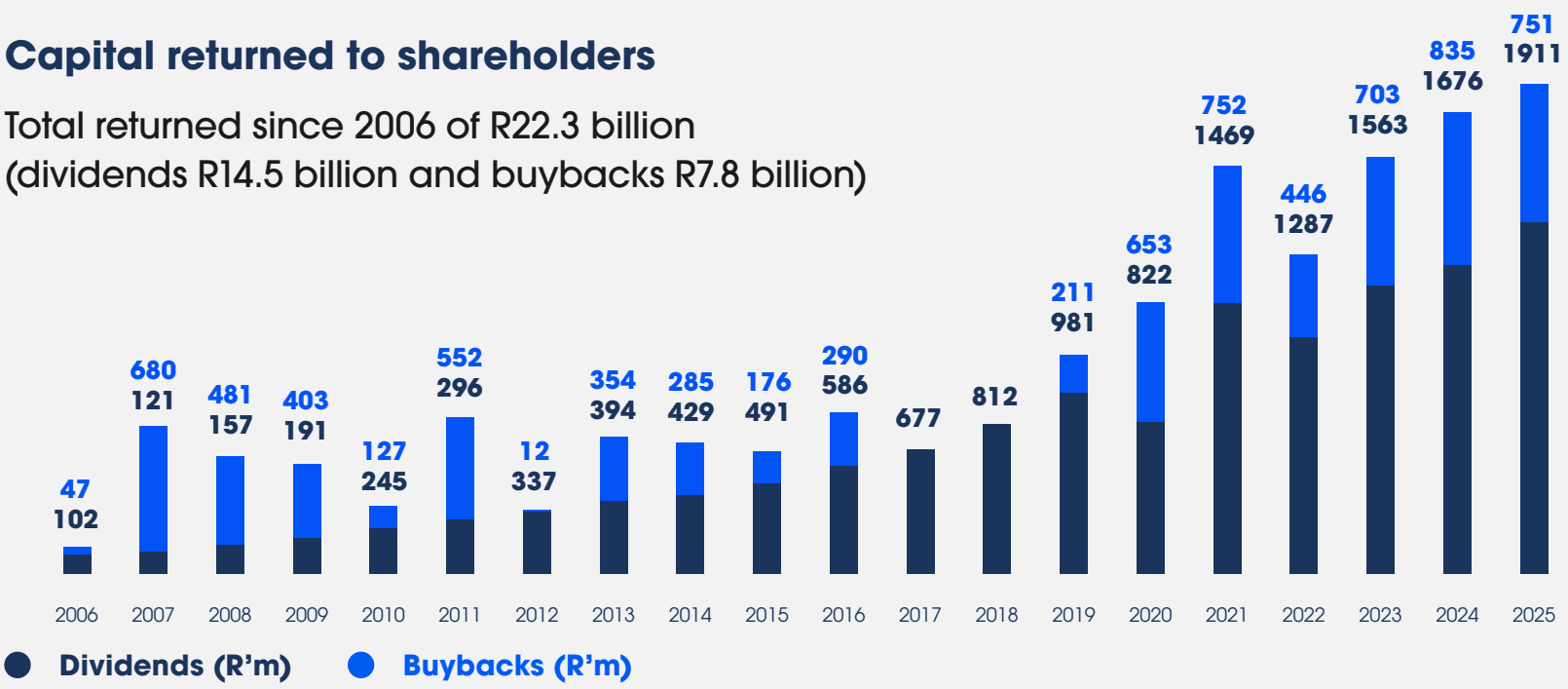
In the past year group turnover increased by 5.3% to R47.8 billion, diluted headline earnings per share increased by 14.1% and the total dividend was increased by 14.2%, based on a 65% dividend payout ratio.

The performance also maintains the group's consistent growth momentum and trajectory. Over the past 10 years diluted HEPS has grown at a compound rate of 13.5% per annum and dividends per share by 14.2% per annum.

Chairman’s report *continued*

Capital returned to shareholders

Total returned since 2006 of R22.3 billion (dividends R14.5 billion and buybacks R7.8 billion)



The group has remained highly cash generative, with cash inflows from operations increasing by R605 million to R6.6 billion. R2.7 billion was returned to shareholders in dividend payments and share buybacks while almost R1 billion was reinvested in capital projects. The group achieved an industry-leading return on equity of 49.2%.

Our shareholders continue to be well rewarded. Since 2015 the Clicks Group share price has grown at a 10-year compound annual growth rate (CAGR) of 15.1% relative to the growth of 4.6% in the Food and Drug Retailers Index and the 7.8% increase in the Top 40 Index.

The total shareholder return, based on share price appreciation and the reinvestment of dividends, has generated a 10-year CAGR of 17.3% per annum.

Since 2006, when the share buyback programme was initiated, the group has returned R22.3 billion to shareholders in dividends of R14.5 billion and share buybacks of R7.8 billion. At year-end the value of the shares repurchased totalled R61.2 billion.

Board and governance developments

Following my appointment as chairman, the board elected Sango Ntsaluba as the lead independent director. He is an experienced company director, chairman of the board’s remuneration committee as well as a member of the audit and risk committee. I congratulate Sango and I know he is well qualified to play this role.

Christine Ramon was appointed as chair of the audit and risk committee. A highly experienced financial executive, she has extensive board and committee expertise, having served as chair and member of audit committees across large listed and unlisted companies.

After the end of the reporting period we announced the appointment of Bertie van Sittert as an independent non-executive director with effect from 1 February 2026. Bertie has extensive and current retail and consumer experience gained over more than two decades at Clicks Group and Pepkor. We are confident he will add significant value to the board’s deliberations, particularly in his specialist areas of finance, retail operations and strategy.

Our board is balanced, diverse, independent and engaged, with all non-executive directors appointed within the past five years. Board diversity is essential to ensure that the interests of all stakeholder groups are considered and addressed. Our broader diversity policy includes voluntary targets for 50% black and 33% female representation at board level. At year-end 75% of the directors were black and 50% female and following the new director appointment from February 2026, the board will comprise 67% black and 44% female representation, far exceeding our diversity targets.

Acknowledgements

I thank my fellow non-executive directors for their support, wise counsel and commitment to the highest standards of governance and oversight.

I extend my appreciation to our CEO, Bertina Engelbrecht, CFO, Gordon Traill, and the group executive team, whose energetic and astute leadership ensures that Clicks Group remains the market leader in health and beauty retail. Our staff of more than 20 100 across head office, stores, pharmacies and distribution centres are commended for their passion, teamwork and unwavering focus on our customers.

Thank you to our external stakeholders, including our customers, shareholders, suppliers and regulators, for their continued support and engagement.

Mfundiso Njeke
Independent non-executive chairman

6 November 2025



Board of directors

Independent non-executive directors



Mfundiso “JJ” Njeke (66)

Non-executive chairman

BCOM, MCOMPT, CA (SA), H DIP TAX

Appointed to the board in 2020
and as chairman in January 2025

Directorships:

Datatec (until 31 December 2025)
and Motus Holdings (chairman).

Expertise and experience:

Accounting, finance, commercial and strategic planning. JJ is a chartered accountant by profession. After serving as an audit partner at PricewaterhouseCoopers for six years he co-founded Kagiso Trust Investments where he was group managing director from 1994 to 2010. He is a past chairman of the SA Institute of Chartered Accountants, and previously served as chairman of Momentum Metropolitan Holdings, Resilient REIT and ArcelorMittal South Africa, and non-executive director of Adcorp, Delta Property Fund, MTN Group and Sasol.



Sango Ntsaluba (65)

Lead non-executive director

BCOM, BCOMPT (HONS), MCOM (DEVELOPMENT FINANCE),
H DIP TAX LAW, CA (SA)



Appointed 2021

Directorships:

Thungela Resources (chairman) and
Kumba Iron Ore.

Expertise and experience:

Accounting, finance, commercial and strategic planning. Sango was a founding partner of SizweNtsalubaGobodo (now SNG Grant Thornton), one of the largest auditing firms in South Africa. In 1997 he joined Transnet as general manager of group finance before being appointed as an executive director responsible for restructuring, a position he held until 2002. He served as executive chairman of NMT Capital from 2002 until 2020. He is the founding CEO of an investment holding company, Aurelian Capital.



Richard Inskip (63)

Non-executive director

BCOM



Appointed 2023

Directorships:

Hyprop Investments (lead independent
director) and Mr Price Group.

Expertise and experience:

Retail, strategy, supply chain, technology and operations. Richard is an experienced senior executive and entrepreneur whose 35-year career in the retail sector included serving as chief operating officer for both Woolworths and Massmart. In his 17 years at Woolworths he held various senior roles, including operations and financial services director, and served as an executive director of Woolworths Holdings for seven years. He spent several years as an independent consultant and entrepreneur, including three years as a non-executive director of AVI. After consulting to Massmart, he joined the company as a full-time executive in 2017 and retired as chief operating officer in 2022.



Nomgando Matyumza (62)

Non-executive director

BCOM, BCOMPT (HONS), CA (SA), LLB



Appointed 2022

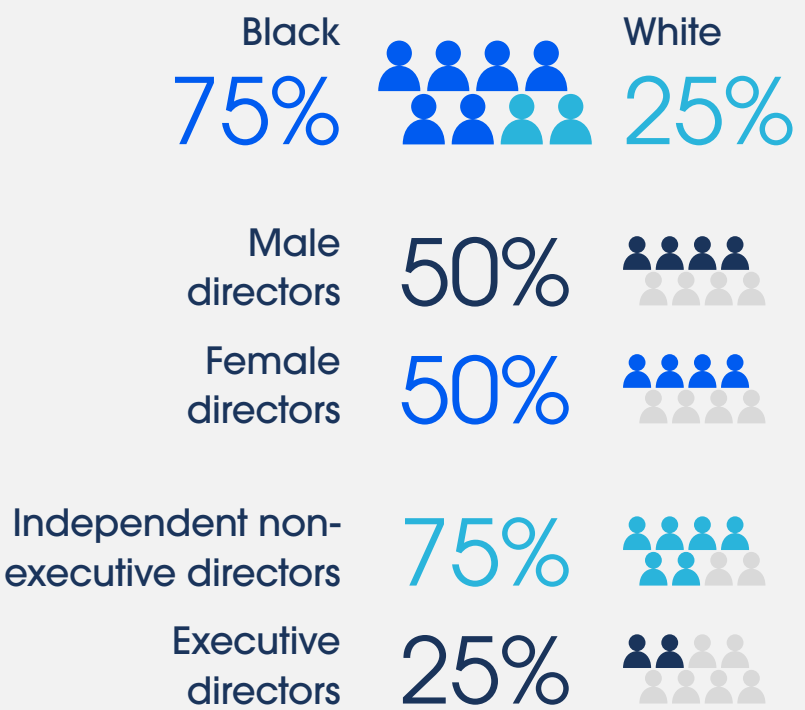
Directorships:

Standard Bank Group and Standard Bank
South Africa.

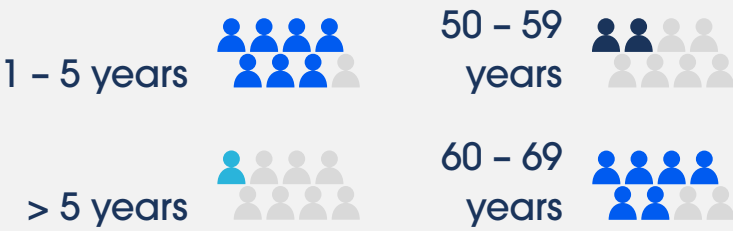
Expertise and experience:

Accounting, finance and corporate governance. Nomgando is a chartered accountant who has held senior financial management and executive positions in the private and public sectors. Her past directorships include the Council for Medical Schemes (deputy chairperson), Hulamini, Sasol, Transnet, WBHO, Ithala Development Finance Corporation and Volkswagen (South Africa). She is an ordained minister of the African Methodist Episcopal Church and a member of its Presiding Elders Council.

Board composition and diversity



Board tenure and age



- Chairman
- Audit and risk committee
- Remuneration committee
- Social and ethics committee

Board of directors *continued*

Independent non-executive directors



Dr Penny Osiris
(née Moumakwa) (61)

Non-executive director
MBCHB, MAP (WITS), GMP (HARVARD)



Appointed 2021

Directorship:
RCL Foods.

Expertise and experience:

Healthcare and sustainability. Penny is a medical doctor with extensive senior executive experience in the private and public healthcare sectors. She was previously an executive director of Discovery Health and an executive committee member of Discovery Holdings, including serving on the sustainability committee of Discovery. She is the founding CEO of Mohau Equity Partners and a director of Growthpoint Healthcare Property Holdings, the Wits University Donald Gordon Medical Centre and the Witkoppen Health and Welfare Centre.



Christine Ramon (58)

Non-executive director
BCOMPT, BCOMPT (HONS), CA (SA), SENIOR EXECUTIVE PROGRAMME (HARVARD)



Appointed 2023

Directorships:
Vodafone plc and Discovery Limited.

Expertise and experience:

Accounting, finance, governance and strategy. Christine is an experienced corporate financial executive with extensive board expertise. She served as chief financial officer and as an executive director of AngloGold Ashanti for eight years until June 2022, including a year as interim chief executive officer. Prior to that Christine was chief financial officer of Sasol and chief executive officer of Johnnic Holdings. Christine previously served as a member of the Presidential State-Owned Enterprises Council, and her past directorships include MTN Group, Lafarge SA, Johnnic Communications, Transnet, The World Gold Council, Rand Refinery, the International Council on Mining and Metals, and the International Federation of Accountants.

Executive directors



Bertina Engelbrecht (62)

Chief executive officer
BPROC, LL.M, ADMITTED ATTORNEY



Appointed as a director in 2008

Expertise and experience:

Strategy, corporate affairs, stakeholder engagement and human resources. Bertina was appointed as chief executive officer in January 2022. She joined the group as human resources director in 2006 and her responsibilities were expanded in 2020 to include strategic stakeholder engagement. She was previously general manager for Shell SA Energy and regional human resources manager for Shell Oil Products Africa. Prior to this she was director of organisational effectiveness at Sea Harvest, managed her own consultancy practice and spent eight years with Transnet.



Gordon Traill (54)

Chief financial officer
BACC (HONS) WITH FRENCH, CA

Appointed as a director in 2023

Expertise and experience:

Accounting, finance and support services, supply chain and technology. Gordon was head of support services at Clicks from 2019, with responsibility for supply chain, retail distribution centres, property and information technology, prior to being appointed as chief financial officer (CFO) in January 2023. He joined the group in 2006 as head of internal audit. He was appointed head of group finance the following year and head of finance for the retail business in 2014, and served as a member of the Clicks executive committee until his appointment as CFO. Prior to joining the group he held various financial positions with Alliance Boots in the UK.

Corporate governance report

Accountability, transparency, ethical management and fairness are the principles that underpin the Clicks Group’s governance and compliance frameworks.

The board and executive management are accountable for the group’s governance which is critical to executing its strategic objectives, ensuring sustainability and meeting stakeholder expectations. A consistent focus on corporate governance has supported the group’s sustained strong performance which is reflected in the long-term equity outperformance.

The group’s corporate governance standards are independently rated as aligning with global best practice.



- In the past year, notable governance matters in the group included the following:
- appointing Mfundiso Njeke as the chairman of the board to succeed David Nurek who retired at the annual general meeting (AGM) in January 2025 after serving as chairman for 27 years;
 - appointing Sango Ntsaluba as the lead independent director and Christine Ramon as chair of the audit and risk committee;
 - reviewing the structure of the board and its committees to ensure that the structure serves the needs of the group and can efficiently attend to the work required of the governing body. This led to the board deciding to reconstitute a nomination committee that will be responsible for ensuring that the board has the right skills, experience and diversity to govern effectively and will also attend to the board and key management succession matters. The reconstitution of the committee will be formalised at the January 2026 AGM; and
 - appointing Bertie van Sittert as a non-executive director with effect 1 February 2026. Bertie has extensive and current retail and consumer experience gained over more than two decades. His appointment ensures that the group and its stakeholders continue to benefit from a diverse, multiskilled, independent and balanced board.

The group has applied the King IV Code throughout the 2025 financial year and the directors confirm that the group has in all material respects voluntarily applied the principles of the code. King IV places focus on transparency, sustainability and promoting systems thinking in the governance of entities and the conduct of business.

 The application of King IV can be accessed at www.clicksgroup.co.za.

The board is not aware of any material non-compliance by the company with the Companies Act, 2008, the JSE Listings Requirements or the Clicks Group memorandum of incorporation. The group follows the JSE’s June 2022 guidance on sustainability and climate change disclosures in its annual reporting.

Role of the board

Elected by the shareholders, the directors are responsible for the sustainability of the business within the triple context of the economy, society and the environment.

The board fulfils a range of legal duties and is the primary source of effective, ethical leadership for the group. In executing its mandate, the board is responsible for the following:

- approving strategic plans;
- monitoring operational performance;
- ensuring that risk management and internal controls are effective;
- monitoring regulatory compliance;
- promoting good governance;
- approving significant accounting policies and the annual financial statements;
- monitoring transformation and empowerment;
- managing the process of selection and appointment of directors; and
- ensuring that the group’s remuneration policies and practices are effective and fair.

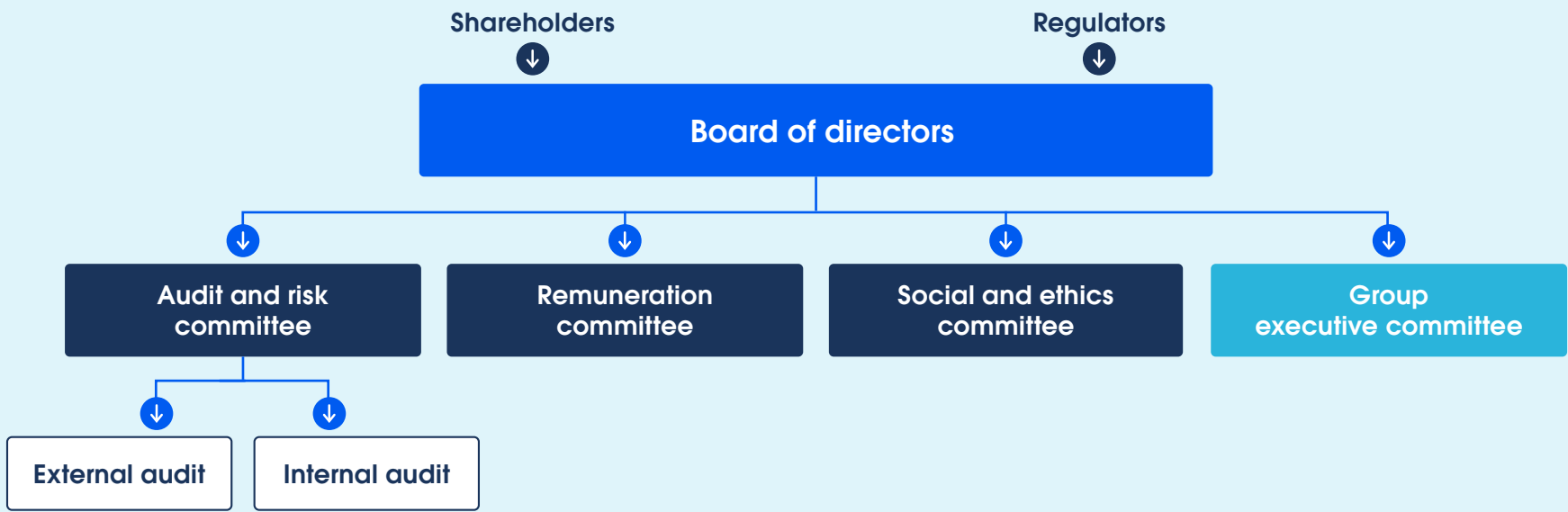
Certain of these functions are delegated to board committees. The board and its committees’ composition, authority, responsibilities and functioning are detailed in the memorandum of incorporation, the board charter and the committees’ terms of reference.

Key issues addressed in 2025

In addition to the matters set out above, the board addressed the following key issues during the year:

- approved the group’s three-year strategic plans and budgets, including capital investment in IT systems and physical infrastructure;
- monitored the execution of projects and initiatives approved in preceding years, including specific focus on the rollout of the new dispensing system in Clicks pharmacies, the warehouse management system and enterprise resource planning system replacement at UPD, and revising the group’s organisational design to better equip it for sustained growth into the future which included the appointment of the chief people officer and managing executive for Clicks;
- considered the outcome of the independent assessment performed on the group’s maturity and effectiveness of the risk management function;

Governance structure



Corporate governance report *continued*

- entrenched ESG practices in the group’s ways of working, including reviewing the group’s environmental and climate change policy;
- considered the application of the amendments to the Companies Act, No. 71 of 2008;
- reviewed the group’s broader board diversity policy;
- considered and satisfied itself as to the competence, qualifications and experience of both the chief financial officer and company secretary;
- identified a suitable additional non-executive director to ensure that the group and its stakeholders continue to benefit from a diverse, multiskilled, independent and balanced board;
- reviewed the group’s remuneration policy, with specific focus on long-term incentives for senior executives and monitored progress in the attainment of the minimum shareholding requirement for executives. The board also reviewed the remuneration of non-executive directors; and
- reviewed talent and succession plans for the business.

 The group’s remuneration report is available on the website at www.clicksgroup.co.za

Board composition

With effect 1 February 2026, the board will consist of nine directors, with two salaried executive directors and seven independent non-executive directors.

 The age, tenure, experience and expertise of each director is briefly set out in the board of directors’ report on pages 29 and 30.

Mfundiso Njeke, Nomgando Matyumza and Gordon Traill will retire in terms of the rotation of directors provisions in the memorandum of incorporation and are all recommended for re-election to the board. Richard Inskip, Christine Ramon, Sango Ntsaluba and Nomgando Matyumza will be recommended for election to the audit and risk committee. Nomgando Matyumza, Dr Penny Osiris and Bertina Engelbrecht will be recommended for election to the social and ethics committee.

Independence of directors

All the directors understand their legal duty to act independently in the best interests of the company.

The board conducted an evaluation of the independence of the chairman and non-executive directors during the year. The factors contained in King IV and the JSE Listings Requirements which could impact on their independence and performance were considered. Both long tenure and length of concurrent tenure between non-executive directors and executive directors are metrics that are considered when assessing independence, which the board monitors and the group discloses to stakeholders. In the opinion of the board there are no factors which prevent the directors from exercising objective, unfettered judgement or acting in an independent manner. All of the non-executive directors are therefore appropriately classified as being independent.

The company has no controlling shareholder or group of shareholders and there is no shareholder representation on the board.

Board diversity

The directors are diverse in terms of gender, race and professional backgrounds, contributing to strong decision-making and ensuring that a range of perspectives are brought to bear on matters under consideration by the board. The directors have extensive experience and specialist skills across a range of sectors, including retail, commercial, governance, human resources, remuneration, accounting and finance, legal, healthcare and IT. The board’s broader diversity policy contains voluntary targets for race and gender of 50% black and 33% female representation at board level. Currently 75% of the directors are black and 50% are female. Following the appointment of Bertie van Sittert with effect 1 February 2026, the board will comprise seven independent non-executive directors and two executive directors, with 67% black and 44% female representation on the board.

Director election

A third of non-executive directors are required to resign at each AGM and executive directors are required to resign on the third anniversary of their appointment or most recent re-election to the board. This provides shareholders with the ability to hold directors to account and to appoint directors to the board who shareholders believe will add value to the business. At the 2026 AGM two non-executive directors and one executive director retire and all three are recommended for re-election to the board.

Annual performance evaluation

An internal assessment of the board’s effectiveness was conducted, which concluded that the board, its committees, its chairman and directors, and the company secretary are highly effective. The last external assessment of board effectiveness was conducted by Deloitte in 2021 and the board has concluded to have the 2026 board evaluation conducted by an external independent party.

Board and executive relationship

The roles of the chairman and the chief executive officer are formalised, separate and clearly defined. This division of responsibilities at the helm of the company ensures a balance of authority and power, with no individual having unrestricted decision-making powers. The chairman leads the board and the chief executive officer is responsible for the executive management of the group. While the board and executive management collectively determine the strategic objectives of the group, the board is responsible for approving the group’s strategy, while the executive is responsible for executing this strategy and for the ongoing management of the business. Regular reporting by the executive on progress made in executing its mandate allows the board to monitor implementation of strategy and to assess the effectiveness thereof. Non-executive directors have direct access to management and may meet with management independently of the executive directors.



Corporate governance report *continued*

Board and committee meeting attendance

	Board	Audit and risk	Remuneration	Social and ethics	AGM
Number of meetings	4	5 [#]	3 ^{&}	2	1
David Nurek ¹	1/1	(1/1)	(1/1)		1/1
Bertina Engelbrecht	4/4	(5/5)	(3/3)	2/2	1/1
Richard Inskip	4/4	5/5	2/2 ²		1/1
Nomgando Matyumza	4/4	4/5		2/2 ^{^^}	1/1
Mfundiso Njeke	4/4 ⁺	1/1 (3/4)	1/1 (2/2)		1/1
Sango Ntsaluba ³	4/4	5/5	3/3 ⁺⁺		1/1
Penelope Osiris (née Moumakwa)	4/4		(2/2)	2/2	1/1
Christine Ramon	4/4	5/5 [^]	3/3		1/1
Gordon Traill	4/4	(5/5)	(3/3)		1/1
Meeting attendance 2025 (excluding attendance by invitees) (%)	100	95	100	100	100
Meeting attendance 2024 (excluding attendance by invitees) (%)	97	96	100	88	90

[#] An additional meeting of the audit and risk committee is held each year with a dedicated focus on risk, placing greater emphasis on identifying risks and monitoring risk mitigation measures.

[&] Nominations matters are directed to the full board while renaming and reframing the mandate of the remuneration committee (previously the remuneration and nomination committee).

¹ Retired 30 January 2025.

² Appointed member 30 January 2025.

³ Appointed lead independent director 30 January 2025.

() Indicates meetings attended as an invitee.

⁺ Chair.

⁺⁺ Chair of remuneration committee.

[^] Chair of audit and risk committee effective 30 January 2025.

^{^^} Chair of social and ethics committee.

Board oversight

The board discharges its oversight function both directly and through its four committees. The board and its committees are each chaired by independent non-executive directors. The composition of the committees conformed to regulatory requirements and King IV for the reporting period.

Risk governance

While the board recognises that certain risks are necessary to ensure sustainable growth and competitive returns, the directors acknowledge that the group and its stakeholders should be protected from avoidable risks. Risk management and governance processes are therefore aimed at creating an appropriate balance between risk and reward.

The audit and risk committee is responsible for overseeing risk management for the board, with particular focus on combined assurance arrangements, ensuring that the group has implemented an effective policy and mitigation plan for risk, and that disclosure of these risks and mitigation plans is comprehensive, timely and relevant. The committee is tasked with ensuring that the combined assurance model provides a co-ordinated approach to assurance activities and that the combined assurance model addresses all significant risks facing the group. The group and business unit risk registers are regularly reviewed and updated, containing current and emerging risks as well as risks associated with future strategic initiatives and identifying mitigating measures to address specific risks. Risk registers are updated as the nature of the risk changes over time or

as mitigation measures take effect. An independent review of the group's risk identification, management and reporting process was undertaken during the 2025 financial year.

 Major group risks are detailed in the material issues report on pages 15 to 18.

Group internal audit monitors the progress of the group and business units in managing risks and reports its findings to the audit and risk committee. Any significant weaknesses in the design, implementation or execution of the group's internal financial controls which could result in material financial loss, fraud, corruption or error, are reported to the audit and risk committee and disclosed in the audit and risk committee report. No material issues were brought to the attention of the committee during the reporting period.

Ethics and values

The group subscribes to high ethical standards of business practice. A set of values and a behavioural code of conduct require staff to display integrity, mutual respect and openness. Members of staff have an obligation to challenge others who are not adhering to these values. The social and ethics committee is responsible for monitoring ethical practices. The group has various documented policies which require all employees to adhere to ethical business practices in their relationships with one another, suppliers, intermediaries, shareholders and investors. These policies also set stringent standards relating to the acceptance of gifts from third parties and declarations of potential conflicts of interests. A fraud prevention policy ensures that a firm stance is taken against fraud and offenders are prosecuted with the aim of recovering any losses.

Anti-competitive conduct

Oversight, governance and risk management processes are in place to promote compliance with statutory prescripts relating to competition and the effectiveness of these processes is borne out by the fact that the group has not been sanctioned for anti-competitive conduct.

The group has market-leading positions in South Africa in healthcare, retailing and supply. This emphasises the need for the group to remain vigilant in guarding against engaging in anti-competitive practices.

Governance focus areas in 2026

Under the leadership of the newly appointed chairman, the board will continue to monitor the execution of significant projects. The expansion of the group's leadership structure and the appointment of executives into new roles is an ongoing exercise as the group continuously searches for talent in order to strengthen the management bandwidth.

Ensuring that the importance of strong governance is well understood at all levels of the group will help to ensure the smooth transition to the new structure. Post the review of the independent assurance report regarding the effectiveness of risk management, the board will focus on aligning the board charter, the audit and risk committee terms of reference and the risk management oversight responsibilities with the mandate of the risk management function of the group.

This will ensure that the second line risk function has a clear set of roles and responsibilities. As the group seeks to expand into other territories the board will monitor risks associated with the additional complexity from a regulatory and governance perspective. The appointment of Bertie van Sittert as a non-executive director with effect 1 February 2026 will require a comprehensive induction programme which will continue throughout the year.



03

Performance

Clicks Group continues to drive organic growth to deliver sustained financial performance which generates competitive returns and creates long-term value for shareholders.

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Chief executive officer's report

2025 proved to be a challenging year as the early promise of an improved trading environment did not materialise.

Despite this, the group once again demonstrated the resilience of its core product offering and delivered a strong operational and financial performance in a constrained trading environment. The performance was driven by our defensive business model, results orientation, brand strength and the loyalty of more than 12 million ClubCard customers.



As a value retailer, Clicks is well positioned to leverage its market-leading shares in defensive retail categories. Customers responded favourably to our product and pricing offers, resulting in market share gains across core health and beauty categories.

Delivering on our retail strategy

Our retail growth strategy, which is built on the pillars of value, convenience, differentiation and personalisation, continued to be consistently applied in the past year. We believe this strategy, supported by favourable market dynamics, positions the group to capitalise on organic growth opportunities and maintain a competitive advantage in the health and beauty markets in which we operate.

The group continued to make pleasing progress in expanding its store footprint towards the medium-term target of 1 200 stores, exceeding both our store and pharmacy opening targets for the year. Clicks increased its store base to over 990 following the opening of a net 55 new stores, with convenience format stores now comprising 77% of the portfolio. Clicks has accelerated its store presence in lower-income areas, with 25% of stores now located in these areas and contributing 23.7% of turnover.

Outside South Africa, five new stores were opened in the neighbouring countries to bring our store base to 58 across Namibia (26), Botswana (24), Eswatini (6) and Lesotho (2).

The rate of pharmacy openings accelerated in the second half of the year as Clicks opened a net 60 new pharmacies, including 29 in the last quarter of the financial year. This contributed to our retail pharmacy market share increasing to 24.0% (2024: 23.8%).

Clicks continues to be voted as the customers' first choice retail pharmacy and we are committed to delivering quality, affordable and accessible healthcare through our convenient network of 780 pharmacies. Currently 53.2% of the country's population live within a five-kilometre radius of a Clicks pharmacy, highlighting the convenience of the pharmacy network. The number of primary care clinics within pharmacies has been increased to 225.

We have developed a specialised 24-hour large pharmacy format under the UniCare brand. M-Kem, the 24-hour pharmacy in the Western Cape acquired in 2023, has been rebranded as the first UniCare pharmacy. In the new financial year we plan to expand the UniCare network with two greenfields locations and two acquisitions. Over the medium term we expect to open 10 to 15 UniCare pharmacies around the country.

Clicks entrenched its leading position in the baby category, growing market share to 23.1% (2024: 22.3%). The Clicks baby strategy integrates private label and online offerings, specialist baby stores and store-in-store concepts, competitive pricing and Baby ClubCard benefits. In the past year Clicks Baby standalone stores increased sales by 23%, store-in-store sales grew by 12% and online sales increased by 27%.

2025 marked the 30th anniversary of the launch of the Clicks ClubCard, the first retail loyalty programme in Africa. ClubCard has consistently been voted as South Africa's most used rewards programme. This year, loyal shoppers were rewarded with R855 million in cashback, supported by our 14 ClubCard affinity partners. Over the past three decades, R7.5 billion has been paid to customers in ClubCard rewards. The generous rewards and benefits have increased the membership of the programme to 12.6 million. ClubCard contributed 82.6% of sales in Clicks, accounting for 80.7% of front shop sales and 87.4% of pharmacy sales.

Chief executive officer's report *continued*

Our private label strategy aims to increase customer choice by offering an extensive range of trusted, high-quality, great value products that are a compelling alternative to branded products.



Today, one in every three products sold in the front shop is a Clicks-branded product or exclusive brand. Private label sales grew by 10.7%, ahead of the overall sales growth in Clicks, and contributed 25.9% of total sales. The quality and innovation supporting these products was recognised in the SA Product of the Year Awards 2025 where six of our private label products won their respective categories.

Sorbet enhances the group's positioning as a beauty destination for higher LSM customers. As the largest and most recognisable professional beauty salon brand in the country, Sorbet operates 190 franchised and 14 company-owned salons. In addition, our equity investment and affinity partnership with ARC stores, a premium beauty retail format, provides access to the premium beauty customer segment.

The group's financial performance is covered in the chief financial officer's report starting on page 39 and the trading performance of Clicks on page 45.

UPD positioned for growth

UPD provides the distribution capability for the group's healthcare strategy and is the country's leading full-range pharmaceutical wholesaler. UPD also has a significant bulk distribution agency business. Following the completion of a large-scale systems implementation project, UPD's performance continued to stabilise during the year, supported by improved financial, operational and customer service metrics which contributed to increased turnover and trading profit.

Total managed turnover, combining wholesale and bulk distribution, increased by 2.0% to R30.5 billion. Clicks and the private hospital groups are the core distribution channels and account for over 94% of UPD's wholesale turnover, supporting the long-term sustainability of this business. UPD's trading performance is covered on page 48.

In line with its commitment to carbon neutrality, UPD introduced South Africa's first fleet of zero-emission, pharma-compliant electric delivery vehicles. A fleet of 42 vehicles, equipped with solar-powered refrigeration, currently serve customers across Gauteng and the Western Cape. A further 40 electric vehicles will be added to the fleet in the new year.

Advancing our healthcare agenda

We remain committed to advancing our public healthcare agenda of extending access to affordable healthcare to all. The convenience and scale of our pharmacy and clinic network, together with our virtual doctor service and partnerships with healthcare funders, demonstrates the progress we are making.

Our collaborative engagement with the Department of Health to advance our healthcare agenda is delivering positive outcomes, and we extend our appreciation to the Department for their support in accelerating the issuing of pharmacy licences which is enabling our pharmacy expansion programme.



Net
60
pharmacies opened

Chief executive officer's report *continued*

Embracing diversity and
empowerment

As a group, we proudly embrace inclusive transformation with a strong emphasis on gender diversity and local empowerment. This is reflected in our BBBEE level 3 rating and our Top Achiever status in the United Nation's Women's Empowerment Principles where we improved our leadership position to 89%.

The group's inclusion in the globally recognised FTSE4Good Index for the past nine years is an independent endorsement of the progress we have made in advancing sustainability, as is our industry-leading FTSE/Russell ESG score of 4.2.

Sustainability management and environmental, social and governance (ESG) practices are integrated into our strategic planning and operational processes, with ESG metrics being applied as downward modifiers in our incentive schemes. Refer to the sustainability report on page 51.

Strategy and outlook

While the improvement in South Africa's macroeconomic indicators is encouraging for retail spending over the medium term, consumer sentiment and discretionary spending are expected to remain under pressure in the short term. The group is well positioned in this environment due to its competitive advantage in the defensive health and beauty markets.

Refer to the sustainability report on page 51 for detail on the group's ESG focus areas and progress over the past year.

In the year ahead we aim to leverage the recent investments in Sorbet, ARC stores, UniCare and the LEAP pharmacy system while continuing to invest in enhancing our omni-channel capability.

Clicks plans to open 40 – 50 stores and 40 – 50 pharmacies in the new year as we move closer to our medium-term target of 1 200 stores.

Private label remains the primary driver of the group's differentiation strategy. We aim to sustain the strong growth momentum in private label and exclusive brands, targeting a 35% contribution to front shop sales in the medium term.

In UPD, the improved purchasing compliance from both Clicks and the private hospital groups as well as the stabilisation in performance metrics has created positive momentum for the 2026 financial year.

Our extensive store network and integrated supply chain provide competitive advantages which we aim to maintain through capital investment of approximately R1.3 billion in each of the next three years.

Our group executive team has been expanded to eight members to support the growth and increasing scale of the business while also planning for senior leadership succession. The performance track record, sector experience and complementary diversity profile of the expanded group executive team has significantly strengthened our leadership capability. Refer to executive management on page 38.

We believe that the group's market-leading positions in the health and beauty sectors, long-term organic growth opportunities in Clicks and the increasing scale of the business, supported by strong cash generation and a robust balance sheet, should ensure that the group continues to deliver on its medium-term financial targets.

Appreciation

The resilience of our business model, and of our people, has been thoroughly tested over the past year, making our performance all the more commendable. It reflects the unrelenting focus on excellence by our teams.

On behalf of the board, I extend my gratitude to our group executive team for their leadership, and to management and staff across the business for ensuring that we strengthened our position as South Africa's leading health and beauty retail group.

The year ahead will undoubtedly bring challenges but will also present abundant opportunities. I look forward to your continuing support and commitment as we strive to exceed the expectations of all our stakeholders.

Bertina Engelbrecht

Bertina Engelbrecht
Chief executive officer

6 November 2025

24.0%
Retail pharmacy market share



Executive management



Bertina Engelbrecht (62)
Chief executive officer

BPROC, LL.M., ADMITTED ATTORNEY

Joined the group as group human resources director in 2006

Appointed as chief executive officer in 2022

Expertise and experience:

- Previously general manager for Shell SA Energy and regional human resources manager for Shell Oil Products Africa.
- Prior to this she was director of organisational effectiveness at Sea Harvest, managed her own consultancy practice and spent eight years with Transnet.



Bridget Makhura (40)
Chief people officer

MSC (CHEMISTRY), MBA, MDP

Joined the group in June 2025

Expertise and experience:

- Previously held leadership roles at AB InBev Africa for over 10 years, including vice president of people, as well as regional commercial director and country managing director for Eswatini.
- Earlier in her career, she worked as a consultant at McKinsey & Company and held supply chain roles at Nando's South Africa and South African Breweries.



Bongiwe Ntuli (48)
Managing executive: Clicks South Africa

BCOM (HONS ACC), CA (SA), AMP (HARVARD)

Joined the group in March 2025

Expertise and experience:

- Previously chief financial officer and executive director of The Foschini Group from 2019 to 2023.
- Before that she held senior executive positions in the shipping, freight and logistics, mining and financial services sectors, both locally and internationally, including serving as chief executive officer and executive director of Grindrod's largest division, freight services, for over 10 years.
- She has also served on the boards of other listed and non-listed companies including Adapt IT, Old Mutual Investment Group and SBV Services.



Gwarega Mangozhe (49)
Managing executive: Africa

BBUSSC (FINANCE HONS), CA (SA), MBA

Joined the group in 2022

Expertise and experience:

- Previously head of corporate affairs for Clicks Group.
- Prior to that was CEO of The Consumer Goods Council of South Africa for 10 years.
- Held senior management positions in the speciality chemicals and food ingredients distribution and automotive leasing sectors.
- Managed own consulting practice.



Gordon Traill (54)
Chief financial officer

BACC (HONS) WITH FRENCH, CA

Joined the group in 2006

Appointed as chief financial officer in 2023

Expertise and experience:

- Served as head of support services at Clicks from 2019 to 2022, responsible for supply chain, retail distribution centres, property and information technology.
- Joined the group as head of internal audit, appointed head of group finance the following year and head of finance for the retail business in 2014.
- Prior to joining the group, he held various financial positions with Alliance Boots in the UK.



Vikash Singh* (51)
Managing executive: Health and beauty

BCOM (ACC), MBA

Joined the group in 2006

Appointed as managing executive of Clicks in 2021

Expertise and experience:

- Previously managing executive of UPD from 2015 to 2021.
- Career has spanned financial, operational, supply chain and logistics responsibilities, with extensive experience in logistics management in both Clicks and UPD.



Dhevan Pillay (49)
Managing executive: Retail business development

BPHARM (SA), MBA (UK)

Joined the group in 2011

Expertise and experience:

- Previously head of store and pharmacy operations for Clicks, having joined the group as good pharmacy practice (GPP) manager.
- Prior to joining Clicks, was pharmacy manager at MedicX Pharmacy and district manager at Lloyds Pharmacy in the United Kingdom.



Trevor McCoy (56)
Managing executive: UPD

BSC, PGDMM, MBA

Joined the group in 2021

Expertise and experience:

- Previously head of public affairs for Sanofi South Africa.
- 25 years' experience in the pharmaceutical sector.
- Previous roles include serving as business unit head at Sanofi, Pfizer and Alcon.

* Resigned with effect from 31 December 2025.

Chief financial officer's report

Clicks Group delivered a strong trading and operational performance in a constrained trading environment in the 2025 financial year, driven by expanding margins, disciplined cost management and robust cash inflows.

Diluted headline earnings per share increased by 14.1% to 1 362 cents as the group continued to generate superior returns to shareholders.



The total dividend was increased by 14.2% to 886 cents per share (interim dividend 238 cents per share and final dividend 648 cents per share), based on a 65% dividend payout ratio. The final cash dividend totalling R1.5 billion will be paid to shareholders in January 2026.

The group remained highly cash generative, with cash inflows from operations increasing by R605 million to R6.6 billion. R2.7 billion was returned to shareholders in dividend payments and share buybacks while R985 million was reinvested in capital projects. At the financial year-end, the group held cash of R3.3 billion on the balance sheet.

The return on equity (ROE) increased to 49.2% from 46.4% in the prior year, far exceeding the average ROE of the other listed food and drug retailers in South Africa.

Financial performance

The analysis of the group's financial performance for the year ended 31 August 2025 covers the key line items of the statements of comprehensive income and financial position which management considers material to shareholders' understanding of the group's performance.

The following review should be read together with the annual financial statements as well as the summary statements of comprehensive income and financial position, and the five-year analysis of financial performance on pages 42 and 43.

Statement of comprehensive income

Turnover

Group turnover increased by 5.3% to R47.8 billion. Retail turnover, which includes Clicks, UniCare, The Body Shop and Sorbet corporate stores, increased by 6.0%. Turnover growth was slightly slower in the second half due to a higher number of store and pharmacy openings later in the year, declining inflation and a slower cold and flu season.

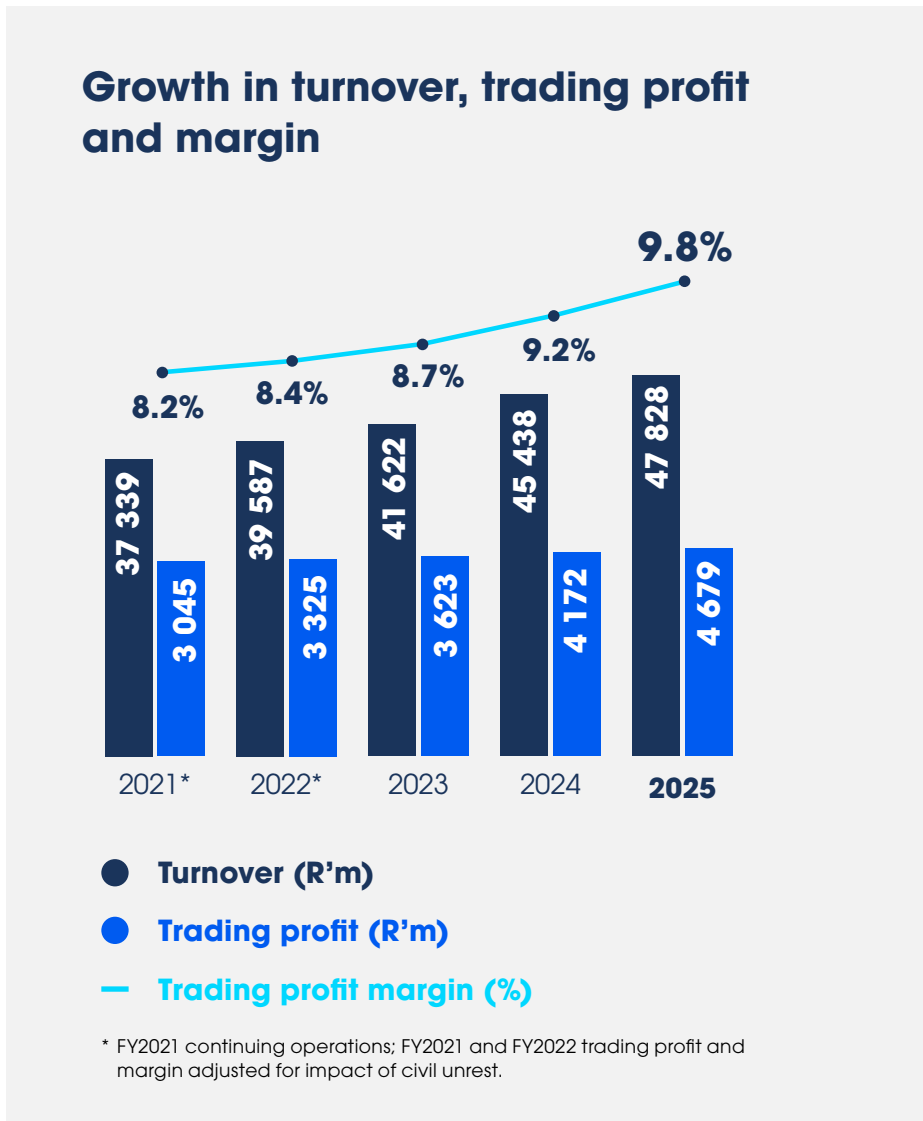
Comparable store turnover grew by 4.7% (excluding the additional trading day in the prior period) with inflation of 2.6% and volume growth of 2.1%.

Growth in store and pharmacy trading space accounted for 2.3% of the retail turnover growth, with the net opening of 55 new Clicks stores and 60 pharmacies.

Retail turnover increased by 7.0%, excluding Unicorn Pharmaceuticals (Unicorn), which was disposed of in the previous financial year.

Distribution turnover grew by 5.1% through increased purchasing compliance across UPD's core wholesale channels of Clicks and the private hospital groups.

The trading performances of Clicks and UPD are covered in the business review on pages 45 to 49.



Chief financial officer's report *continued*

Total income

Total income grew by 8.4% to R14.9 billion. The retail margin expanded by 70 basis points due to strong growth in higher-margin private label products and reduced shrinkage, while the recent investment in systems enabled the group to generate further supply chain efficiencies. The distribution margin declined by 10 basis points, impacted by the lower adjustment in the single exit price of medicines relative to the prior year.

The group's total income margin expanded by 90 basis points to 31.1% as a result of the stronger growth in Retail relative to Distribution.

Trading expenditure

Retail costs grew by 7.9% mainly due to higher wage increases and increased pharmacy openings as well as higher utility and card acquiring costs. Comparable retail costs increased by 5.0% as cost growth slowed in the second half.

Distribution costs were very well managed, with expense growth contained to 1.9%. The investment in solar energy has delivered strong returns, with electricity, water and generator costs declining by 35% despite higher electricity costs. The investment in electric delivery vehicles has achieved further efficiencies, contributing to transport costs reducing by 0.2% year on year.

Trading profit

Group trading profit increased by 12.1% to R4.7 billion and the group's trading margin increased by 60 basis points to 9.8%. Retail grew trading profit by 8.4% with the margin

improving from 10.2% to 10.5% due to solid sales growth and a strong increase in other income, together with efficient cost management. If the intragroup profit from Unicorn is included, the retail trading margin expanded to 10.8%.

UPD increased trading profit by 9.0% and the margin by 10 basis points to 3.3%, due to the consistent sales growth and tight cost control.

Statement of financial position

The ratio of shareholders' interest to total assets increased slightly to 30.4% (2024: 30.2%). The ratio of current assets to current liabilities at year-end was consistent with the prior year at 1.1 times, confirming that working capital remains adequately funded.

The group continues to hedge direct exposures to foreign exchange rate fluctuations which impact approximately 8.2% of the cost of sales in the retail business. Further detail on the respective hedges and risk management is contained in note 29 in the annual financial statements on the group's website.

Working capital

The group's net working capital days improved from 35 to 34 days.

Inventory levels increased by 10.7% and group inventory days were four days higher at 78 days. Retail inventory was impacted by a focus on product availability to drive sales growth and the opening of new stores later in the year.

UPD inventory was higher due to demand-driven buy-ins of GLP-1 product and increased Unicorn stock levels at year-end.

Capital expenditure (R'm)

2021	218	472
2022	338	500
2023	357	573
2024	337	554
2025	312	673

Maintenance capex

Expansion capex

Cash and capital management

Cash generated by operations totalled R6.6 billion (2024: R6.0 billion).

The group's capital management strategy remains focused on investing in the organic growth of the business and returning surplus funds to shareholders through dividends and share buybacks:

- Capital expenditure of R985 million (2024: R891 million) was reinvested across the group. This included R599 million for new stores, pharmacies and store refurbishments. A further R234 million was invested in information technology (IT) and other retail infrastructure and R152 million on distribution centres (DCs), including the expansion of the Centurion facility.
- The group returned R2.7 billion to shareholders through dividend payments of R1.9 billion and share buybacks of R751 million.

At the financial year-end the group held cash resources of R3.3 billion.



Chief financial officer’s report *continued*

Information technology

IT management aims to ensure systems and infrastructure are well maintained, secure and remain relevant to the future needs of the business. During the year the group invested R158 million (2024: R132 million) in computer hardware and R135 million (2024: R111 million) in computer software.

The group continues to focus a major portion of IT investment on replacement software solutions for core systems within Clicks and UPD. The implementation of these best-in-class IT systems continued during 2025 on a risk-mitigated basis.

- UPD’s enterprise resource planning (ERP) system was rolled out to seven bulk distribution clients during the year and the remaining clients will be onboarded by March 2026. The SAP warehouse management system was successfully upgraded.

- The new pharmacy management system is designed to enhance operating efficiencies and drive revenue growth. The implementation has progressed well, with the system installed in 715 pharmacies by year-end. The project remains on track to be completed by the end of calendar year 2025. Following the completion of the project, enhancements will be introduced, including a pharmacy call centre, centralised stock management and courier medication services.
- The warehouse management system for the retail DCs was successfully implemented at the Cape Town DC, with rollout to the Durban and Centurion DCs planned for completion in the new financial year.
- Further investments in the omni-channel e-commerce platform are planned to enhance customer reach through ongoing upgrades and enhancements.

Medium-term targets

	2025 performance	Medium-term target
Return on equity (%)	49.2	40 – 50
Return on invested capital (excluding IFRS 16) (%)	47.0	40 – 50
Return on invested capital (%)	30.7	20 – 30
Return on assets (%)	14.9	11 – 15
Net working capital days	34	30 – 35
Group trading margin (%)	9.8	9.0 – 10.0
Retail	10.5	10.0 – 11.0
Distribution	3.3	2.8 – 3.3
Dividend payout ratio (%)	65	60 – 65

Medium-term financial targets

Financial targets are disclosed to guide shareholders on the group’s medium-term performance expectations. These targets are reviewed annually to take account of the group’s current performance and the medium-term outlook for trading.

While all the targets were achieved or exceeded, management will not be revising any of the targets for the year ahead.

Financial plans for 2026

Capital expenditure of R1 256 million is planned for the 2026 financial year, to be utilised as follows:

- R662 million will be invested in the store portfolio, mainly on 40 to 50 new Clicks stores and 40 to 50 new pharmacies. As part of the ongoing store refurbishment programme, 70 to 80 stores will be modernised to remain appealing and relevant to customers.

- R594 million is intended for supply chain, IT and infrastructure. This includes R506 million on retail systems and infrastructure, including the completion of the new pharmacy management system, implementation of the warehouse management system at two DCs and further investment in solar energy. R88 million will be spent on UPD IT systems and warehouse equipment.

Retail trading space is expected to increase by approximately 5.0% in 2026.

Appreciation

Thank you to the investment community for your engagement with management over the past year, and to our local and international shareholders for your continued belief in the group’s investment case. I would like to express my appreciation to our group and divisional finance teams for their dedication and commitment to maintaining high standards of financial reporting.

Gordon Traill
Chief financial officer

6 November 2025



Chief financial officer’s report *continued*

Summary statement of comprehensive income (R'million)	2025	% of turnover	2024	% of turnover	% change
Turnover	47 828		45 438		5.3
Retail	37 554	78.5	35 438	78.0	6.0
Distribution	18 658	21.5	17 750	22.0	5.1
Intragroup	(8 384)		(7 750)		
Total income	14 861	31.1	13 715	30.2	8.4
Trading expenses	(10 182)	21.3	(9 543)	21.0	6.7
Retail	(9 321)		(8 636)		7.9
Distribution	(1 218)		(1 195)		1.9
Intragroup	357		288		24.0
Trading profit	4 679	9.8	4 172	9.2	12.1
Retail	3 932	10.5	3 628	10.2	8.4
Distribution	625	3.3	574	3.2	9.0
Intragroup	122		(30)		
Profit/(Loss) on disposal of property, plant and equipment	2		(5)		
Net financing expense	(243)		(265)		(8.4)
Share of loss of associate	(5)		(8)		
Income tax	(1 197)		(1 057)		13.3
Profit for the year	3 236		2 837		14.1

Summary statement of financial position (R'million)	2025	2024	% change
Non-current assets	8 351	7 930	5.3
Property, plant and equipment	3 088	2 845	8.5
Right-of-use assets	3 685	3 505	5.1
Other non-current assets	1 578	1 580	(0.1)
Current assets	14 241	12 887	10.5
Inventories	7 819	7 063	10.7
Trade and other receivables	3 140	3 057	2.7
Other current assets	3 282	2 767	18.7
Total assets	22 592	20 817	8.5
Equity	6 857	6 286	9.1
Non-current liabilities	2 923	2 702	8.2
Current liabilities	12 812	11 829	8.3
Trade and other payables	10 913	10 031	8.8
Other current liabilities	1 899	1 798	5.6
Total equity and liabilities	22 592	20 817	8.5

Five-year
performance
review

for the year ended
31 August

5-year compound growth			2025	2024	2023	2022	2021
Statements of comprehensive income							
Turnover	Rm	7.1%	47 828	45 438	41 622	39 587	37 339
Operating expenses	Rm	9.7%	(10 183)	(9 543)	(8 537)	(7 649)	(6 984)
Trading profit	Rm	10.7%	4 678	4 172	3 623	3 650	2 897
Profit before tax	Rm	10.9%	4 433	3 894	3 471	3 639	2 642
Headline earnings from continuing operations	Rm	10.9%	3 234	2 845	2 543	2 523	1 961
Statements of financial position							
Right-of-use assets	Rm	9.2%	3 685	3 505	2 999	2 828	2 602
Other non-current assets	Rm	8.1%	4 666	4 425	4 202	3 663	3 333
Trade and other receivables	Rm	4.1%	3 139	3 057	3 019	3 047	3 473
Inventories	Rm	9.7%	7 819	7 063	6 310	6 164	5 449
Other current assets	Rm	(23.3%)	27	62	50	147	109
Cash and cash equivalents	Rm	8.6%	3 256	2 705	2 455	2 015	2 207
Total assets	Rm	8.1%	22 592	20 817	19 035	17 864	17 173
Total equity	Rm	5.7%	6 857	6 285	5 965	5 699	4 805
Non-current lease liabilities	Rm	8.6%	2 708	2 537	2 152	2 088	1 976
Other non-current liabilities	Rm	8.1%	214	165	118	151	197
Current lease liabilities	Rm	8.4%	1 334	1 250	1 086	1 012	947
Other current liabilities	Rm	9.6%	11 479	10 580	9 714	8 914	9 248
Total equity and liabilities	Rm	8.1%	22 592	20 817	19 035	17 864	17 173
Statements of cash flows							
Cash inflow from operating activities before dividends paid	Rm	17.5%	5 241	4 682	4 873	3 204	3 781
Dividends paid	Rm	18.4%	1 911	1 676	1 563	1 287	1 469
Capital expenditure	Rm	10.8%	985	891	930	838	690
Returns and margin performance			5-year average				
Total income margin	%	29.1	31.1	30.2	29.2	28.5	26.5
Trading margin	%	8.9	9.8	9.2	8.7	9.2	7.8
Return on assets	%	13.8	14.9	14.3	13.8	14.4	11.8
Return on shareholders' interest	%	45.1	49.2	46.4	43.6	48.0	38.2
Return on invested capital	%	28.9	30.7	29.7	28.4	29.6	25.9
Inventory days	days	72	78	74	71	72	66
Asset turnover	times	2.2	2.1	2.2	2.2	2.2	2.2
Return on net assets	%	98.0	104.6	93.6	85.2	94.7	111.7
Shareholders' interest to total assets	%	30.4	30.4	30.2	31.3	31.9	28.0
Share performance			5-year compound growth				
Headline earnings per share from continuing operations – basic	cents per share	12.1%	1 361.7	1 193.5	1 044.5	1 032.7	793.7
Headline earnings per share from continuing operations – diluted	cents per share	12.1%	1 361.7	1 193.5	1 044.5	1 032.7	793.7
Net asset value per share	cents per share	6.8%	2 907.0	2 640.0	2 473.0	2 336.0	1 957.0
Dividends declared	cents per share	14.5%	886.0	776.0	679.0	637.0	490.0
Weighted average diluted number of shares in issue	'000		237 512	238 346	243 460	244 306	247 084
Shares repurchased	Rm		751	835	704	446	752
Shares repurchased	'000		2 131	3 099	2 809	1 587	3 106

A comprehensive five-year review is available on the website at www.clicksgroup.co.za.



04 Business review

Our strategy continues to be supported by favourable market dynamics which should ensure continued competitive advantage in the health and beauty markets in which we trade.

Clicks business review **45**

UPD business review **48**

Clicks business review



Clicks delivered a highly competitive performance which demonstrated the resilience of its business model, brand strength and the value of the loyal ClubCard membership base.

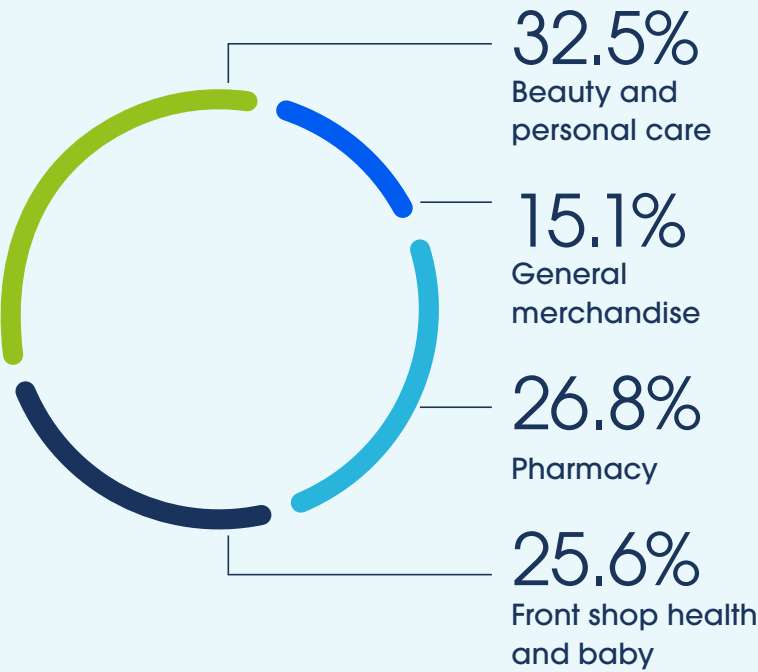
In the current constrained trading environment, Clicks reported strong growth in private label sales, improved margins, accelerated the store and pharmacy expansion programme, and grew market share across core health and beauty categories.

The performance for the year again reflects management’s consistent focus on Clicks’ strategic pillars of value, differentiation, personalisation and convenience.

Retail sales growth	% increase
Pharmacy	6.9
Front shop health and baby	8.0
Beauty and personal care	7.4
General merchandise	4.4
Total turnover	7.0

Percentage changes exclude Unicorn Pharmaceuticals turnover in FY2024.

Sales contribution



Sales performance

Pharmacy sales increased by 6.9% despite a muted cold and flu season and significant price reductions in key molecules to align with medical scheme formulary compliance requirements. After an initial delay in opening new pharmacies early in the financial year, the pace accelerated in the second half and a net 60 pharmacies were opened, with 29 opened in the last quarter. ClubCard customers contributed 82.6% of pharmacy sales and Clicks continues to be rated as the first choice pharmacy for South African consumers. These factors contributed to Clicks growing its retail pharmacy market share by 20 basis points to 24.0%.

Front shop health and baby grew by 8.0%. Growth in front shop health was mainly driven by the extension of the healthcare elevation to 138 stores and strong performances in the sports and slimming as well as branded supplements sub-categories.

Clicks entrenched its leading position in the baby category, growing market share by 80 basis points to 23.1%. The Clicks Baby strategy integrates private label and online offerings, specialist baby stores and stores-in-store in Clicks, competitive pricing and Baby ClubCard benefits. The Clicks Baby standalone stores increased sales by 23%, store-in-store sales grew 12% and online sales increased by 27%.

Beauty and personal care grew by 7.4%. Clicks grew sales ahead of the market in the highly competitive beauty environment due mainly to new product launches, the rollout of elevated beauty halls, while high-profile events such as the Beauty Playground confirm Clicks as a destination for beauty.

Personal care grew by 9.8% driven by strong private label sales, promotional sales and innovation in the Oh So Heavenly, Being Kind, Dove and Vaseline product ranges.

Within the beauty category, skincare gained a further 20 basis points in market share to 43.8%, Clicks defended its market-leading 32.8% share in haircare and personal care gained a further 60 basis points to 22.7%.

General merchandise grew by only 4.4% due to the poor performance in small household electrical appliances which contributed to market share declining 40 basis points to 18.7%.

Market shares (%)	2025	2024
Health		
Retail pharmacy*	24.0	23.8
Front shop health**	33.1	33.4
Baby**	23.1	22.3
Beauty		
Skincare**	43.8	43.6
Haircare**	32.8	32.8
Personal care**	22.7	22.1
General merchandise		
Small electrical appliances**	18.7	19.1

* IQVIA (Private Retail Pharmacy S1-6; restated).
** NielsenIQ (restated).



Clicks business review *continued*

Offering value

The Clicks customer promise of “feel good, pay less” resonates with all consumers in the current economic environment. The brand offers competitive everyday pricing and appealing promotions, with Clicks being price competitive with all national retailers.

Health and beauty markets are promotionally driven and in the past year promotional sales increased by 12.4% to 47.0% (2024: 44.9%) of turnover, with strong promotional sales growth across all front shop categories.

Value extends beyond price in Clicks. The generous loyalty rewards of the Clicks ClubCard resulted in R855 million being returned to customers in cashback rewards in the past year, bringing the total for the past five years to R3.5 billion.

The brand is also committed to offering patients value through lower-priced generic medicines in Clicks pharmacies to save customers money and extend medical funding benefits. Generic medicines accounted for 59% of sales and 71% of pharmacy volume.

Extending convenience

Clicks expanded its footprint to 990 stores and one UniCare store with the opening of a net 55 new stores. The brand continues to focus on convenience format stores which comprise 77% of the portfolio, with the balance being destination stores. The Clicks footprint includes 58 stores in neighbouring Namibia (26 stores), Botswana (24 stores), Eswatini (6 stores) and Lesotho (2 stores).

Clicks continues to accelerate its presence in lower-income areas and now has 247 stores (24.9% of the total store base) located in areas serving lower-income customers, accounting for 23.7% of retail turnover.

The national pharmacy presence was extended to 780 following the opening of a net 60 pharmacies. The commitment to delivering affordable and accessible healthcare through a convenient pharmacy network is demonstrated by 53.2% of the country’s population now living within a five-kilometre radius of a Clicks pharmacy.

Clicks has developed a specialised 24-hour large pharmacy model under the UniCare brand. M-Kem, the 24-hour pharmacy in the Western Cape acquired in 2023, has been rebranded to UniCare. This UniCare outlet achieved turnover growth of 8.0% in the reporting period, supported by the implementation of an after-hours doctor service together with demand for the wound care, diabetes primary care and intravenous (IV) clinics.

Primary care clinics have been extended to 225 Clicks stores.

The Clicks online store supports customer convenience and has enabled Clicks to enter product categories that are sold online only, including premium beauty, health mobility and baby hardware. Online purchases increased by 15.9% and including “purchases researched online and bought offline”, accounted for 4.1% of front shop sales.

Engaging customers through personalisation

ClubCard is core to the Clicks customer strategy as it provides the mechanism to attract, engage and retain customers by personalising communications and marketing offers through the effective use of data and digital technology.

The iconic ClubCard celebrated its 30th anniversary in 2025 and increased membership by approximately 800 000 over the past year to 12.6 million. Members accounted for 82.6% of sales in Clicks, highlighting the loyalty levels of ClubCard shoppers. The ClubCard extends into other key customer markets, with the Baby ClubCard membership at 745 500 and the Seniors Club at over 1.5 million members.

ClubCard is the most used loyalty programme in South Africa (source: Truth and BrandMapp Loyalty Whitepaper 2025) and integrates rewards, customer engagement and personalisation to reinforce the emotional affiliation of customers to the brand.

Differentiated product offer

Through its differentiation strategy Clicks aims to respond to changes in consumer demographics, preferences and shopping behaviours in the dynamic trading environment.

Private label and exclusive brands offer differentiated ranges across all merchandise categories at competitive prices while increasing customer choice. These products are trusted due to their proven quality and price positioning. The Body Shop and Sorbet product ranges further differentiate the Clicks offer.

Strong demand for private label products contributed to sales growing by 10.7% and contributing 25.9% of total sales. Private label comprises 30.6% of front shop sales and 12.3% of pharmacy sales.

The quality and innovation supporting these private label products was recognised in the SA Product of the Year Awards 2025 where six of our private label products won their respective categories. The winning products were:

- Clicks Made 4 Baby pants
- Clicks SunProtect face cream
- Clicks MyEarth eco wipes
- Sorbet smoothing serum
- Smudge mascara
- Smudge lip gloss

The elevated beauty halls in selected Clicks stores have driven increased sales of the major beauty brands as well as brands exclusively available in Clicks. This new look and feel has been implemented in 44 stores and, based on the positive customer response, will be extended to more stores in the new financial year.

Plans for 2026

Clicks plans to open 40 to 50 stores and 40 to 50 pharmacies in the new financial year and remains committed to expanding its store footprint to 1 200 in the medium term. At least four UniCare specialist pharmacies will be opened.

An investment of R662 million is planned for new stores and pharmacies, while a further 70 – 80 stores will be refurbished or expanded to ensure the stores remain appealing and enticing to customers.

Capital expenditure of R506 million will be invested in retail systems and infrastructure, including the completion of the new pharmacy management system, implementation of the warehouse management system at the Centurion and Durban distribution centres and further investment in solar energy.

The contribution of private label, exclusive and franchise brands to front shop sales is targeted to increase to 31.0% (2025: 30.6%) in 2026 as Clicks continues to innovate and introduce new products.

The ClubCard active membership is targeted to increase to 13 million as Clicks accelerates its personalisation and digital engagement strategy.



Clicks business review *continued*

Performance against objectives in 2025 and plans for 2026

Deliver a competitive and differentiated front shop product offer

ACHIEVED IN 2025

Front shop private label and exclusive brands 30.6% of total sales
2025 target: 31.0%

TARGETS FOR 2026

→ Increase front shop private label and exclusive brand sales to 31.0%

Create a great customer experience

ACHIEVED IN 2025

314 private label medicines
2025 target: 305 – 315 medicines

TARGETS FOR 2026

→ Expand private label medicines range to 330 products

53% of scripts now on repeat prescription service
2025 target: 53%

→ Repeat prescription service at 54% of repeat scripts

Drive customer loyalty through personalisation and rewards

ACHIEVED IN 2025

12.6 million members
2025 target: 12.5 million

TARGETS FOR 2026

→ Increase membership to 13 million

745 500 Baby Club members
2025 target: 710 000

→ Grow Baby Club to 850 000 members

1.6 million Seniors Club members
2025 target: 1.5 million

→ Grow Seniors Club to 1.7 million members

Maintain a motivated and skilled workforce

ACHIEVED IN 2025

56 pharmacy assistants enrolled
2025 target: 500

TARGETS FOR 2026

→ 600 pharmacy assistants to be enrolled

100 bursary students
2025 target: 80 pharmacy bursary students

→ 100 pharmacy bursary students

83 pharmacy internships
2025 target: 70

→ 130 pharmacy internships

Grow the retail footprint to enhance convenience

ACHIEVED IN 2025

Net 55 stores opened;
990 Clicks stores at year-end
2025 target: 40 – 50 stores

TARGETS FOR 2026

→ Open 40 – 50 new Clicks stores

57 stores expanded or refurbished
2025 target: 70 – 80 stores

→ 70 – 80 stores to be expanded or refurbished

Net 60 pharmacies opened;
780 pharmacies at year-end
2025 target: 40 – 50 pharmacies

→ Open 40 – 50 new Clicks pharmacies

→ Open 4 UniCare pharmacies



UPD business review



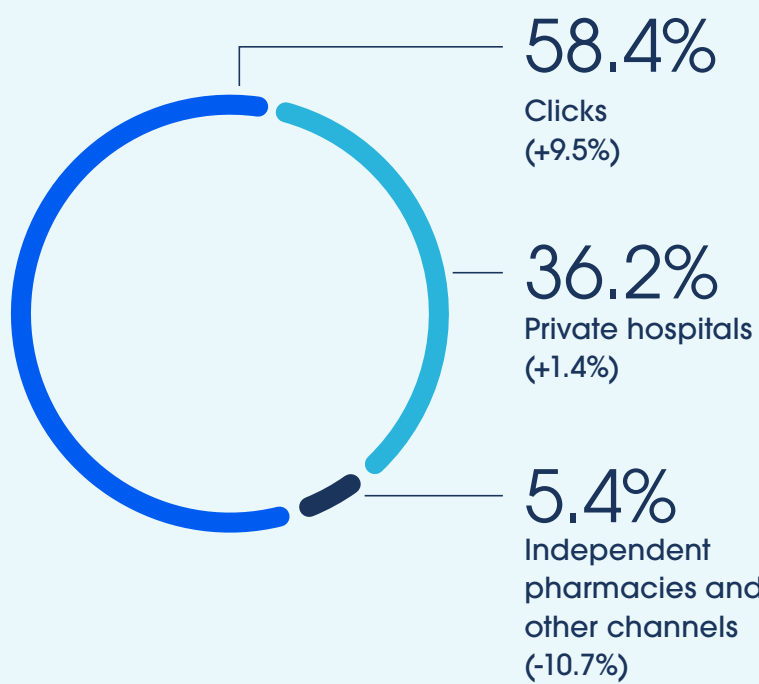
UPD’s performance continued to stabilise during the year, supported by improved financial, operational and customer service metrics which contributed to increased turnover and trading profit.

Distribution turnover increased by 5.1% (2024: 3.3%) as purchasing compliance from UPD’s core wholesale channels, Clicks and the listed private hospital groups, recovered. The growing contribution of generic medicines, which accounted for 75.7% of volume compared to 68.8% in the prior year, together with lower price inflation, adversely impacted turnover growth.

UPD’s costs were very well managed as expense growth was contained to 1.9%, well below turnover growth, as the systems implementation was completed and efficiencies were realised across the business.

Trading profit increased by 9.0% with the trading margin improving by 10 basis points to 3.3%, driven by solid sales growth and disciplined cost control. The margin is now at the top of management’s medium-term target range of 2.8% – 3.3%.

Wholesale turnover by channel



UPD’s wholesale turnover, which excludes bulk distribution and preferred supplier contracts, increased by 5.2% despite a subdued colds and flu season and lower inflation, a pleasing recovery after the 0.5% decline in turnover in the prior year. The improved performance is largely attributable to greatly improved service levels which has always been a core strength of UPD.

Clicks is UPD’s largest single customer and accounted for 58.4% of wholesale turnover. Sales to Clicks pharmacies increased by 9.5% as purchasing compliance improved to 99.0% (2024: 97.5%).

Sales to private hospitals, which comprise 36.2% of sales, grew by only 1.4% despite improved purchasing compliance. However, volumes grew by 8.8% due to increasing genericisation.

The continued consolidation of the independent pharmacy market resulted in sales in this channel declining by 10.7%, contributing to UPD’s wholesale market share reducing from 26.7% to 26.2% (source IQVIA).

Product availability, which is core to offering superior range and service to customers, averaged 96.2% (2024: 97.0%) for the year, while on-time deliveries were at 97.3% (2024: 95.8%). Stock levels were elevated during the year to improve product availability for retail pharmacy and hospital formulary lines as well as to improve access to GLP-1 medicines for customers.

UPD’s total managed turnover, which combines fine wholesale and bulk distribution clients, increased by 2.0% to R30.5 billion. At the financial year-end, UPD had 20 (2024: 25) bulk distribution clients.

The large-scale wholesale systems implementation was completed and the new systems have been installed for seven bulk distribution clients.

As part of its commitment to carbon neutrality, UPD introduced South Africa’s first fleet of zero-emission, pharma-compliant electric delivery vehicles. The 42 vehicles, equipped with solar-powered refrigeration, currently serve customers across Gauteng and the Western Cape. A further 40 electric vehicles (EVs) will be added to the fleet in the new year.

UPD’s early investment in solar, batteries and EVs is reaping rewards. In the past year electricity, water and generator costs declined by 35% despite the double-digit increase in electricity tariffs. The investment in EVs has resulted in transport costs declining 0.2% year on year.

Growth plans for 2026

The improved purchasing compliance from both Clicks and the private hospital groups as well as the stabilisation of UPD’s performance metrics has created positive momentum for the 2026 financial year.

UPD aims to recover market share through the growth of the Clicks pharmacy channel, supported by the opening of 40 to 50 pharmacies, and growing sales to the private hospital groups.

Capital expenditure of R88 million will be invested in warehouse equipment and information technology in the year ahead. This includes the rollout of the new system for the remaining bulk distribution clients.



UPD business review *continued*

Performance against objectives in 2025 and plans for 2026

Growing market share

ACHIEVED IN 2025

Market share decreased to 26.2%
Target 2025: Recover market share

TARGETS FOR 2026

→ Recover market share

Sales to hospital groups increased by 1.4%
Target 2025: Grow private hospital sales by 5.7%

→ Grow private hospital sales by 14.2%

Clicks' buying levels from UPD at 99.0%
Target 2025: 98%

→ Clicks' buying levels from UPD at 99%

Optimising efficiency

ACHIEVED IN 2025

97.3% on-time deliveries
Target 2025: 99% on-time deliveries

TARGETS FOR 2026

→ Target 99% on-time deliveries

Order fulfilment of 99.1% achieved
Target 2025: 99%

→ Order fulfilment 99%

Stock availability declined by 1.5%
Target 2025: Improve stock availability by 2.5%

→ Improve stock availability by 1%

Protecting income

ACHIEVED IN 2025

Focused on profitable distribution contracts; 20 distribution clients managed at year-end
Target 2025: Focus on and ensure renewal of profitable distribution and bulk contracts

TARGETS FOR 2026

→ Focus on and ensure renewal of profitable distribution and bulk contracts

Renewed and maintained regulatory licences and ISO certifications
Target 2025: Renew and maintain regulatory licences and ISO certifications (ISO 9001:2015 and 13485) and ISAE3402

→ Renew and maintain regulatory licences and ISO certifications (ISO 9001:2015 and 13485) and ISAE3402

Building capacity

ACHIEVED IN 2025

System implemented for seven bulk distribution clients
Target 2025: System to be rolled out for bulk distribution clients by August 2025

TARGETS FOR 2026

→ System to be rolled out for remaining bulk distribution clients by March 2026

Employee turnover 9.6%
Target 2025: Below 15%

→ Employee turnover below 13%

Maintained Transported Asset Protection Association (TAPA) level 1 accreditation
Target 2025: Maintain accreditation

→ Maintain TAPA level 1 accreditation

67 learners enrolled
Target 2025: Enrol 90 new learners

→ Enrol 90 new learners



THE BODY SHOP®



05

Sustainability

Clicks Group creates meaningful social impact through the provision of health products and improving access to reliable and affordable healthcare.

Sustainability report



Environmental (E)

Commitment to carbon neutrality

10%

Reduction in total carbon emissions intensity

5 563 MWh

renewable energy generated



70%

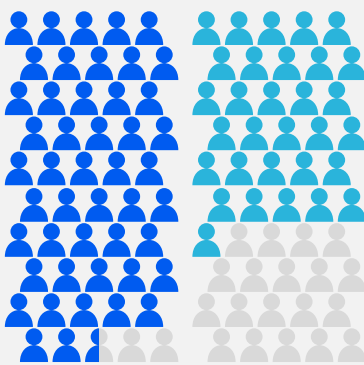
Waste recycled



Social (S)

BBBEE rating achieved level 3

Black employees 95%



Female employees 62%

Improved leadership position in United Nations Women's Empowerment Principles to

89%

Students on the Go

impact increased

145*

Bursaries funded by New Clicks Foundation

Top Employer over the last

15 years

* Reflect the total bursaries awarded aligned to the group's financial year rather than the academic calendar year.



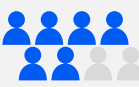
Governance (G)

Our board composition:

Independent directors 75%



Black directors 75%



Female directors 50%



Black executive committee members 87.5%



Industry-leading FTSE/Russell ESG score

4.2

FTSE4Good Index for the 9th consecutive year



Commitment to sustainability

Sustainability is a strategic priority for the group, with environmental, social and governance (ESG) principles guiding decisions and operations to create long-term stakeholder value. Environmental stewardship, social impact and ethical governance are integral to the group's operations.

During the year the group advanced its framework through a double materiality assessment aligned with IFRS S1, S2 and GRI standards, enabling it to anticipate and respond to sustainability-related risks and opportunities. Deloitte's independent review noted progress on S1 and S2 alignment, while the Endangered Wildlife Trust's Biodiversity Readiness Assessment provided clear pathways to integrate biodiversity into operations and supply chains.

The group made noteworthy progress in diversity and inclusion by investing meaningfully in employee development and maintaining disciplined environmental compliance. The sustained inclusion in the FTSE4Good Index for the ninth consecutive year reflects the group's eminence as a responsible, forward-looking business.

Rating	2025	2024	2023	2022
FTSE Russell	4.2	4	4	4
MSCI	AA	AA	AA	AA
CDP	B	B	B	B
ISS ESG	C	C	C	D+

With strong governance, reliable data and active stakeholder engagement, the group is well positioned to refine its ESG strategy, stay ahead of regulatory shifts and lead in meeting the evolving sustainability expectations of its stakeholders.

The group maintained its BBBEE level 3 rating despite a reduction in the equity ownership element, arising from the loss of 50% of the continued recognition for the Employee Share Ownership Programme, which operated from 2011 to 2018. This impact was largely mitigated through the maximisation of enterprise, supplier and socio-economic development contributions, together with improvements in the preferential procurement element.

Southern Africa faces a range of challenges, including limited access to quality and affordable healthcare, fiscally constrained governments, widening inequality, electricity insecurity and tough economic environments. These factors reinforced the imperative for the group to accelerate the delivery of innovative and scalable solutions in these areas.

Ongoing, meaningful engagement with stakeholders remains at the core of the sustainability programme, ensuring that their priorities and expectations continue to shape and guide the group's strategic direction.

This section provides a succinct overview of these efforts, while the group's full sustainability report presents a more detailed account of the initiatives implemented to advance sustainability and create long-term value for stakeholders.

Sustainability report *continued*

Sustainability strategy

The group's sustainability strategy delivers measurable social and environmental impact through four priorities: building a trusted, accessible healthcare network; minimising the environmental footprint; sourcing products that uphold brand integrity; and empowering motivated, passionate people.

A structured, phased implementation plan is embedded within the strategy to progressively enhance alignment with IFRS S1 and S2 standards. This ensures the group systematically strengthens its sustainability disclosures, meets evolving global reporting requirements, and embeds best practice into governance and decision-making processes. By integrating this progression into the core sustainability strategy, the group is positioned to anticipate regulatory developments, maintain transparency for stakeholders and reinforce its leadership in sustainable business practices.

The strategy also aligns with the United Nations Sustainable Development Goals (SDGs) and the voluntary JSE Sustainability Disclosure Guidelines, providing a clear link between the group's priorities and internationally recognised sustainability objectives. This alignment ensures the strategy addresses global imperatives such as climate action, responsible consumption and inclusive economic growth, while meeting South Africa's evolving corporate governance and reporting expectations. It reflects a commitment to creating shared value that benefits the communities in which it operates and the environment.



1

- Access to quality, affordable healthcare
- Training (including pharmacists)
- Building collaborative partnerships with external stakeholders (NPOs and industry bodies)

2

- Transformation, diversity and inclusion
- Employee health and wellness
- Employee value proposition
- Training (including pharmacists)

3

- Promoting products with sustainability attributes
- Supplier ESG practices (including Sedex participation)
- Local suppliers

4

- Carbon emissions (including carbon disclosure)
- Energy use (fuel and electricity)
- Renewable energy transition
- Waste, in particular single-use plastics and e-waste
- Water

Sustainability report *continued*

Renewable energy
constitutes
5%
of total energy
consumption

Building a trusted, accessible healthcare network

The group remains committed in its strategic focus to deliver affordable, high-quality healthcare products and services through an accessible network, supporting customers and communities in leading healthier lives. The group continues to meet its customers' expectations through its customer-centric value offering, delivered through convenience, innovative products and affordable pricing. In the past year the group opened net 55 stores and net 60 pharmacies across the countries in which it operates, bringing the total retail presence to 991 stores (including 1 UniCare store) and 780 pharmacies. The group offers an extensive range of generic medicines, accounting for 59% of sales (2024: 59%) and 71% of pharmacy volume (2024: 69%). Additionally, the value and affordability elements are enhanced through the Clicks ClubCard loyalty programme, which returned R855 million in cashback rewards to customers. In its second year of collaboration with Transnet's Phelophepa Health Trains, Clicks Helping Hand Trust (CHHT) provided sponsorship that enabled the trains to serve over 697 000 patients across South Africa, including some of the most remote areas, during the 2024 calendar year. These mobile healthcare units offer professional services in optometry, dentistry, psychology, primary healthcare and other psychosocial interventions.

In addition, the group's Student on the Go programme – an intervention initiated by the University of the Witwatersrand – now supports over 16 300 vulnerable students (2024 pilot: 1 190) with access to sanitary towels, further bolstering the fight against period poverty. The programme has been expanded to include the University of the Western Cape (UWC), North-West University (NWU), University of KwaZulu-Natal (UKZN) and Nelson Mandela University (NMU).

While the original pilot enabled students to redeem products via the Clicks ClubCard at conveniently located Clicks stores, the model has evolved to distribute products through vending machines situated on university premises, further enhancing accessibility and convenience.

Empowering motivated, passionate people

Transformation, including diversity, equity and inclusion, remains a strategic priority that drives initiatives across the group's workforce, the supplier network and the broader community. In November 2024 the group strengthened its leadership position in the Global UN Women's Empowerment Principles, with its overall score improving from 79% to 89% and placing it amongst leading global exponents. The next assessment is scheduled for December 2025. This performance reflects adherence to the seven gender empowerment principles and aligns with the group's ongoing commitment to gender equality as a key driver of responsible and sustainable business practices. During the 2025 financial year the group has placed particular emphasis on enhancing transparency and disclosing a broader dataset to support this objective. In addition, it participates in the UN Global Gender Equality member-led committee, providing guidance to assist other organisations in advancing gender equality initiatives.

Building on the group's broader transformation and gender empowerment initiatives, equitable representation remains a key focus across all levels of the organisation. The board demonstrates diversity in terms of gender, race, skills, qualifications and experience, reflecting the group's commitment to inclusive and effective governance. The group is led by the first black female CEO of a JSE-listed retailer and 87.5% of the executive leadership team is black. Diversity extends across the

organisation, with 2.28% representivity of people with disabilities, 95% black employees and 62% female employees. The group has also maintained a gender pay ratio of 1:1, testimony to its commitment to equitable representation and inclusive workplace practices.

In 2025 a group-wide employee engagement survey was conducted to evaluate levels of commitment, motivation and overall employee experience. The survey achieved a robust 86% participation rate and an engagement index of 67%, with 72% of employees classified as engaged and only 11% as actively disengaged. These results compare favourably with global and regional benchmarks. Employees rated "knowing what is expected" particularly high at 89% and "doing what they do best" at 78%, while recognition emerged as the primary area for development. The insights from the survey are being used to guide targeted interventions, enhance workplace culture and strengthen communication across the business. The results have highlighted areas of strength and opportunities for further development, supporting the group's ongoing commitment to fostering a high-performance and inclusive work environment.

The group continues to advance the development of young people in communities alongside the growth of its employees. In 2025 the New Clicks Foundation bursary scheme supported 145 students with obligation-free bursaries totalling R7.3 million* (2024: R2.3 million), including 124 pharmacy students and 21 pursuing commercial scarce and critical skills.

During the year R230 million (2024: R185 million) was invested in training and skills development, with 450 learner basic pharmacy assistants registered and 1 612 employees promoted, including 1 039 women.

* The lower 2024 and higher 2025 bursary contribution reflect the timing of payments aligned to the group's financial year rather than the academic calendar year.

Sustainability report *continued*



The employee wellness programme was enhanced to provide holistic support across emotional, physical, financial and legal well-being. Services include individual and group counselling and coaching, with access extended to families and work teams. The financial wellness pillar offers preferential saving and lending options through partnerships with three of South Africa's leading financial institutions (ABSA, First National Bank and Standard Bank), delivering tangible benefits to employees.

The group remains committed to addressing gender-based violence (GBV) and harassment, as it recognises its significant impact on the well-being of employees and the broader community. In partnership with the Thuthuzela Care Centres, operating under the National Prosecuting Authority, the group has implemented policies, training and awareness programmes aimed at prevention and effective response to GBV, fostering a culture of respect, equality and inclusivity. During the year the CHHT provided dignity and personal care items to survivors at Thuthuzela Care Centres nationwide, in support of vulnerable individuals and communities.

Sourcing products that uphold the integrity of our brand

The group is committed to ensuring its value chain operates to the highest sustainability, biodiversity and ethical standards. Responsible sourcing is integral to this commitment, with a focus on reducing environmental impacts, protecting biodiversity, safeguarding brand integrity and fostering ethical practices across the supply chain.

All products undergo rigorous development reviews, quality assurance and regulatory compliance to meet the group's exacting standards. Suppliers are required to comply with the group's supply chain protocols, industry regulations and applicable ISO quality certifications. Ethical and sustainability commitments are reinforced through Sedex and Business Social Compliance Initiative audits, adherence to the Roundtable on Sustainable Palm Oil (RSPO) guidelines and sustainable forestry standards such as FSC certification.

Biodiversity considerations are embedded into sourcing practices for high-impact raw materials, with a commitment to recognised certifications (RSPO, Forest Stewardship

Council/Programme for Endorsement of Forest Certification (FSC/PEFC), Fairtrade/Rainforest Alliance (FRA)) to enhance traceability and responsible production. As a founding member of the SA Plastics Pact and a contributor to PROs, the group advances circular economy goals, reduces packaging impacts and promotes sustainable product design.

The phased Clicks Private Label Supplier Audit Programme strengthens oversight by systematically monitoring manufacturer performance against stringent quality, ethical and sustainability requirements. These measures (aligned with global frameworks such as IFRS S2, Taskforce on Nature-related Financial Disclosures (TNFD) and CDP) position the group as one of the leading organisations in sustainable sourcing, ensuring supply continuity, protecting shareholder value and delivering products that reflect the group's values.

As part of its transformation agenda, the group remains committed to advancing local small, medium and micro enterprises (SMMEs). With 8.2% (2024: 7.5%) of products sourced through direct imports, local procurement continues to be a strategic priority.



For the fourth year in succession, procurement spend in support of local SMMEs exceeded R1 billion, underscoring the group's sustained commitment to this focus area. The supplier development programme remains a key enabler of sustainable growth for participating businesses, offering a comprehensive package of support. This includes marketing initiatives to expand market access, interest-free loans to fund capital investments, accelerated payment terms to improve cash flow, targeted coaching and specialist advisory services such as product development.

The impact of these interventions is reflected in the performance of supplier development beneficiaries, whose collective growth rate reached 28% during the financial year.

Minimising our environmental footprint

In the 2025 financial year the group advanced its environmental stewardship agenda with significant expansion of renewable energy and low-carbon initiatives. Solar power generation capacity at distribution centres (DCs) and head office facilities was increased,

exceeding the annual production target of 4 500 MWh. The expansion of battery storage at the head office, Lea Glen and Montague Gardens DCs enhanced energy resilience and renewable utilisation. Supported by reduced load shedding, these developments materially improved renewable energy generation to 5 563 MWh, representing an 8% increase from the prior year (2024: 5 135 MWh).

Energy-efficiency initiatives advanced through the phased replacement of conventional lighting with LEDs, along with the installation of LEDs in new stores, resulted in reduced energy consumption and improved operational efficiency.

The group also maintained focus on the adoption of electric vehicles (EVs) within UPD's enterprise development programme, with a total of 42 vehicles, enabling employees to transition into business ownership while promoting sustainable mobility. This initiative, now expanded in scale, is projected to save approximately 2.4 million litres of diesel and prevent 6.3 million kg of CO₂ emissions over the vehicles' lifespan.

Sustainability report *continued*

Aligned with the South African Plastics Pact (SA Plastics Pact) and the requirements of the National Environmental Management: Waste Act (NEMWA) Extended Producer Responsibility regulations, the group continued to advance circular economy principles. As a brand owner Clicks Private Label contributes fees to producer responsibility organisations (PROs) that drive programmes to increase the collection of single-use packaging and improve recycling rates nationally. Actions to eliminate problematic or unnecessary packaging included removing plastic stems from lollipops, introducing paper stem cotton buds and expanding the range of plastic-free wipes. Rising national recycling rates (43.9% in 2022 to 54.3% in 2023) have increased the availability of post-consumer recycled (PCR) content, enabling the integration of PCR into polyethylene terephthalate (PET) packaging across private label brands such as Clicks, Revive, MyEarth, Expert, Hydrate, Hair Rescue, Afri True, Hygiene, Sorbet and Made4Baby.

Partnerships with eWASA and Polycy further support the responsible recycling of packaging and electrical waste, and reinforced the group’s commitment to sustainable production and consumption. At the head office, the use of borehole groundwater reduces reliance on municipal supply, ensures continuous availability for ablution facilities and mitigates the impact of potential drought events, with 5 833 000 litres accessed during the reporting period.

Sustainability governance

BOARD OF DIRECTORS

The board and its committees oversee the development and execution of sustainability-related strategies. While each committee contributes to the overall sustainability effort, key roles are performed by the social and ethics committee, which has oversight of sustainability matters.

BOARD
COMMITTEES

SOCIAL AND ETHICS
COMMITTEE

AUDIT AND RISK
COMMITTEE

REMUNERATION
COMMITTEE

GROUP EXECUTIVE COMMITTEE

Our executive leadership team has primary responsibility for management of sustainability matters.

SUSTAINABILITY FORUM

The forum is responsible for co-ordination and implementation of sustainability-related initiatives. It consists of executive management and sustainability-related professionals. The team establishes group sustainability-related standards and guidelines, provides shared services to all departments, monitors performance and collates ESG data for disclosure.

THIRD-PARTY VERIFICATION

Verify selected ESG-related data.

SUSTAINABILITY-RELATED POLICIES

The board approved the group’s environmental and climate change policy in 2022. This guides the group’s carbon emission reduction plan and disclosure as well as environmental best practices.

Management approach

The group integrates sustainability into its business strategy, aligning initiatives with the SDGs, JSE Sustainability and Climate Change Disclosure Guidance, and the IFRS S1 and S2 sustainability disclosure standards. Disclosure is further informed by King IV, GRI, United Nations Global Compact and CDP.

Oversight for sustainability is the responsibility of the board. The social and ethics committee monitors ESG compliance and stakeholder matters; the audit and risk committee oversees climate risk, sustainability issues and related controls; and the remuneration committee considers internal equity, responsible reward frameworks, as well as the alignment of incentives with strategic delivery. The group executive committee is accountable for performance, supported by a cross-functional sustainability forum that sets standards, provides shared services, monitors progress and collates ESG data for disclosure. Selected ESG metrics are verified by independent third parties. Sustainability-related policies, including the environmental and climate change policy, are integrated into the business and used to guide operations.

A phased roadmap strengthens alignment with IFRS S1 and S2, informed by Deloitte’s assessment of reporting readiness. The Carbon Neutrality Management Plan underpins the group’s climate transition pathway, detailing reduction targets and actions to achieve net-zero emissions by 2050. Biodiversity governance has been enhanced through the Endangered Wildlife Trust’s Biodiversity Readiness Assessment and recommendations.

Active stakeholder engagement and regular risk assessments ensure the group remains resilient, responsive and well positioned for sustainable growth.



Sustainability report *continued*



Sustainability performance

Strategic focus area		Key performance indicator	Unit	2025	2024	2023	2022
Building a trusted, accessible healthcare network		Clicks stores offering pharmacy services	Number	780	720	711	673
		Clicks pharmacies offering clinic services	Number	225	206	203	199
		Investment in bursaries	Rm	7.3*	2.3*	6.7	5.4
		Number of pharmacy interns trained	Number	83	42	46	104
		Number of people using free clinic services	Number	131 855	128 955	112 217	87 660
Empowering, motivated, passionate people		BBBEE rating	Level	3	3	4	4
		Black representation on the board	%	75	67	60	60
		Female representation on the board	%	50	44	40	40
		Black employees	%	95	95	95	95
		Female employees	%	62	62	63	63
		Investment in training/skills development	Rm	230	185	136	165
		Utilisation of employee health and wellness programme	%	57.4	43.9	48.5	20.2
Sourcing products that uphold the integrity of the brand		Preferential procurement spend	Rbn	26.3	24.3	23.1	23.9
		Incidents related to product safety, quality and marketing practices	Number	0	0	0	0
Minimising our environmental footprint		Total carbon emissions	CO ₂ e (metric tonnes)	136 379	150 528	152 252	149 520
		Electricity consumption	KWh	110 408 507	107 934 000	104 338 075	104 214 958
		Production and supply of renewable energy	KWh	5 562 610	5 135 350	3 636 240	631 000
		General waste generated	Kg	1 800 767	1 610 808	1 199 779	1 055 133
		Medical waste generated	Kg	130 679	213 696	166 019	119 055
		Waste recovered for recycling	Kg	4 434 168	4 179 050	4 441 102	4 394 892
		Total water consumed	Kl	69 762	95 028	78 435	62 630

BBBEE status

The group engaged Empowerlogic, an independent accredited rating agency, to conduct a review of the group's BBBEE status for the 2025 financial year. The group maintained its BBBEE level 3 rating.

* The lower 2024 and higher 2025 bursary contribution reflect the timing of payments aligned to the group's financial year rather than the academic calendar year.

Sustainability report *continued*

BBBEE scorecard

Element	2025	2024	2023	2022	2021
Equity ownership	20.01	20.44	19.20	19.01	17.48
Management control	16.25	15.33	14.70	14.54	14.06
Skills development	17.27	17.26	13.06	14.61	16.98
Enterprise and supplier development	35.89	34.55	31.52	33.71	30.02
Socio-economic development	5.00	5.00	5.00	4.49	5.00
Total	94.42	92.58	83.48	86.37	83.54
BBBEE level	3	3	4	4	4



By focusing on these key areas, the group aims to drive positive change and create sustainable value for its valued stakeholders.

Analysis of BBBEE scorecard elements

Element	Progress to date	Performance				
Equity ownership	The group's ability to directly improve the ownership performance is impacted by its 55.4% offshore shareholding and no active share ownership vehicles.	The group continued to benefit from the residual recognition of its seven-year Employee Share Ownership Programme, although this recognition has reduced by half, with the remaining 50% set to fall away from March 2026. The Public Investment Corporation remains the group's largest shareholder and the material contributor to the equity ownership element of the scorecard.				
Management control	The group continued to make steady progress on its employment equity plan towards a workforce that aligns to the economically active population of South Africa. The progress is enabled through its comprehensive monitoring and engagement processes.	Employees with disabilities: 437 (2024: 473)	The group's black employee representation is as follows:	Senior management: 64% (2024: 59%)	Middle management: 75% (2024: 73%)	Junior management: 91% (2024: 89%)
Skills development	The group continued to leverage its accreditation as a registered training provider and training site, as well as its relationships with external bodies such as the Sector Education and Training Authorities (SETAs) and other strategic partners, to advance employee development. These initiatives play a critical role in strengthening the talent pipeline and enabling the group's long-term growth strategy.	Learnership and internship opportunities: 2 165 (2024: 2 337)	Pharmacy interns: 83 (2024: 42)	Pharmacy assistant learnerships: 668 (2024: 928)	Generic, wholesale and retail learnerships: 1 642 (2024: 1 278)	Recognised skills development spend on black people: R155m (2024: R132m)
Enterprise and supplier development	The group's enterprise development programme, implemented in partnership with Taking Care of Business (TCB), supports unemployed beneficiaries in establishing and managing their own successful small businesses. In addition, the Sorbet-Preneur initiative provides Sorbet employees with the opportunity to own and operate their own Sorbet salon.	TCB beneficiaries: 360 (2024: 161)	Sorbet-Preneur beneficiaries: 3 (2024: 3)	R133.3 million enterprise development contribution (2024: R118.5m)		
	Supplier development initiatives are designed to enhance the sustainability and competitiveness of participating businesses. Support includes mentoring and coaching, marketing assistance, access to financial services such as interest-free loans, accelerated payment terms, shelf-readiness consulting, favourable trading conditions and initiatives to expand market access.	R81m supplier development contribution (2024: R78m)	40 supplier development beneficiaries (2024: 40)			
Preferential procurement	The group maintained its focus on driving preferential procurement practices, including local sourcing, procurement from designated suppliers and support for black women-owned enterprises.	R26.3bn total empowerment spend (2024: R24.3bn)	R15.9bn total >51% black-owned spend (2024: R13.8bn)	R14.3bn total >30% black women-owned spend (2024: R12.5bn)	R1.4bn total spend on exempted micro enterprises (EMEs) and qualifying small enterprises (QSEs) (2024: R1.3bn)	R1.6m total spend on designated group suppliers (2024: R570.2m)
Socio-economic development	The group's SED initiatives focus on health, well-being and education primarily driven through its NPOs (CHHT and Clicks Foundation Bursary Fund), continued to increase its reach and impact during the past financial year.	R33m invested in SED projects (2024: R28.6m)	R7.3m* invested by the Clicks Foundation Bursary Scheme (2024: R2.3m*)	145* bursaries funded by the scheme (2024: 35)		

* Reflect the total bursaries awarded aligned to the group's financial year rather than the academic calendar year.

Sustainability report *continued*

Aligning remuneration with ESG performance

The short-term and long-term incentive schemes are aligned with ESG goals, incorporating targets to ensure that executive leadership is held accountable for achieving sustainability targets. Incentive payments can be modified downwards by a maximum of 15% if ESG performance metrics are not achieved (refer to pages 10 and 12 of the remuneration report).

Risk assessments and materiality

The group’s materiality review considers both investor value and impact on people and the environment. Material ESG issues are identified annually through stakeholder engagement and risk assessments conducted by executive management and reviewed by the board. These inform report content, strategic decision-making and resource allocation across the group.

ESG risks and opportunities

ESG principles are embedded in the group’s strategy and guide how we create long-term value. In 2025 the group enhanced its risk management approach to explicitly integrate ESG risks and opportunities into strategic planning. Drawing on the World Economic Forum’s 2024 Global Risks Report and through structured workshops with leadership, functional experts and ESG specialists, the group identified and mapped ESG risks and opportunities to its top 10 material issues, ensuring alignment with its strategic pillars.

The group’s ESG risk landscape reflects both global mega trends and region-specific realities. Environmental risks include extreme weather events, increasing emissions and resource constraints, all of which threaten supply chain resilience and operational continuity. Social risks stem from healthcare accessibility challenges, macroeconomic

volatility and employee well-being pressures. Technological risks include cybersecurity threats, the disruption associated with rapid advances in artificial intelligence and competition from global online retailers. Governance and regulatory risks reflect the growing complexity of ESG reporting, heightened expectations for ethical sourcing and potential consequences of non-compliance with emerging standards. Each risk has been mapped to relevant material issues such as governance, trading environment, supply chain and brand reputation.

Alongside risks, the group identified key ESG opportunities that support long-term value creation. Environmental opportunities include emissions reduction, renewable energy integration, packaging innovation and adoption of circular economy practices. Social opportunities arise from the group’s footprint and ability to expand healthcare access, provide wellness solutions and strengthen the employee value proposition. Technological opportunities lie in leveraging artificial intelligence, automation and data analytics to improve customer experience and operational efficiency. Governance opportunities include enhancing transparency in ESG reporting, embedding sustainability standards within the supply chain and strengthening board oversight. These opportunities are cross-referenced to our material issues, reinforcing their relevance to our strategy and growth ambitions.

Double materiality

To align with international best practice and evolving regulatory expectations, the group initiated the adoption of the principle of double materiality in 2025. This approach evaluates ESG issues from two perspectives: financial materiality, which considers how ESG factors may affect enterprise value and business performance; and impact materiality,

which assesses the significance of the group’s actual or potential impacts on people, communities and the environment. For a healthcare retailer such as clicks this dual perspective is critical, as our operations not only respond to financial and market drivers but also directly influence patient well-being, workforce livelihoods and the sustainability of natural resources.

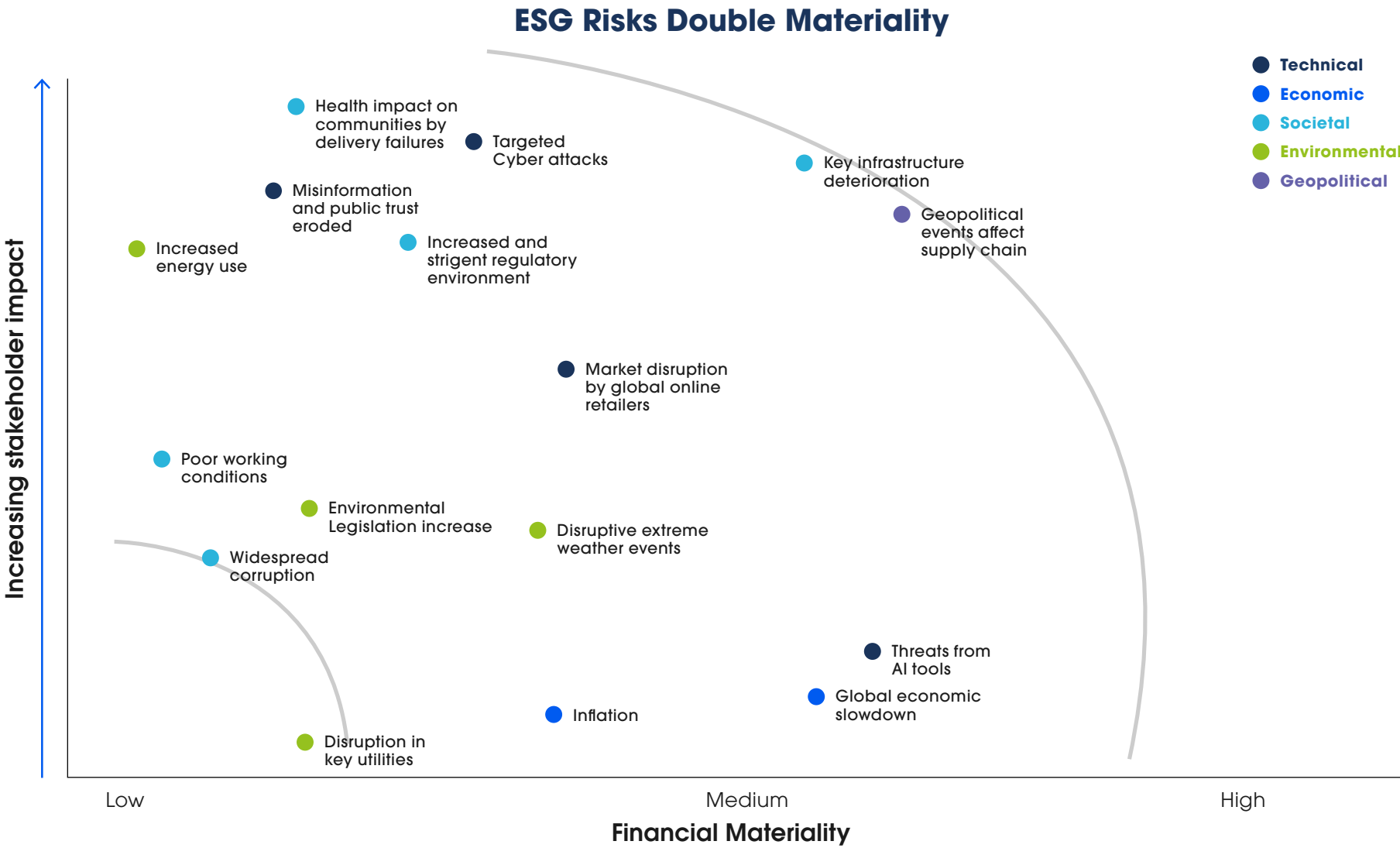
The double materiality assessment is informed by both internal expertise and external engagement. While stakeholder input in 2025 was limited to a subset of groups, the process will be broadened in future to include customers, employees, suppliers, regulators, industry associations and community representatives. Insights from these engagements and structured workshops informed a qualitative assessment of the financial and societal impact of ESG issues, ensuring that the resulting materiality matrix reflects topics most relevant to long-term value creation and our responsibilities as a healthcare retailer.

To operationalise this approach the group developed thresholds for both financial and impact materiality. Financial materiality is measured against profit before tax and categorised from low to high, while impact materiality considers the scale, scope and duration of effects on stakeholders. High-impact issues include long-term or widespread consequences, such as breaches of patient data confidentiality or environmental contamination, while moderate impacts reflect shorter-term or localised challenges, such as delays in medicine delivery. Low impacts are primarily operational by nature, such as inefficient energy use in offices.

Applying these perspectives, the 2025 double materiality assessment mapped all identified ESG risks and opportunities against both financial and stakeholder impacts. This dual-lens approach ensures the group prioritises

issues that are both commercially significant and socially meaningful, reinforcing resilience, safeguarding stakeholder trust and advancing sustainable value creation.

Double materiality matrix





06

Shareholder
information

Clicks Group is one of the top South African companies that attract international investors, and over 50% of the group's shares are managed by offshore fund managers.

Shareholder analysis 60

Corporate information 61

Shareholders' diary 61

Shareholder analysis

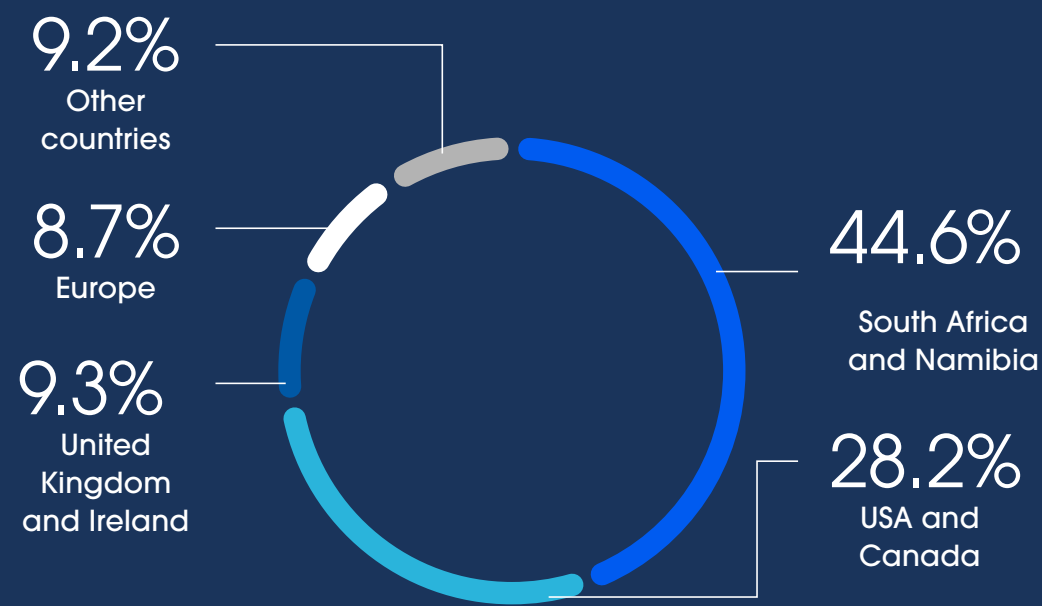
at 31 August 2025

	Number of shares	Percentage of shares
Public and non-public shareholders		
Public shareholders	235 803 849	99.9
Non-public shareholders		
Shares held by directors	127 090	0.1
Total non-public shareholders	127 090	0.1
Total shareholders	235 930 939	100.0

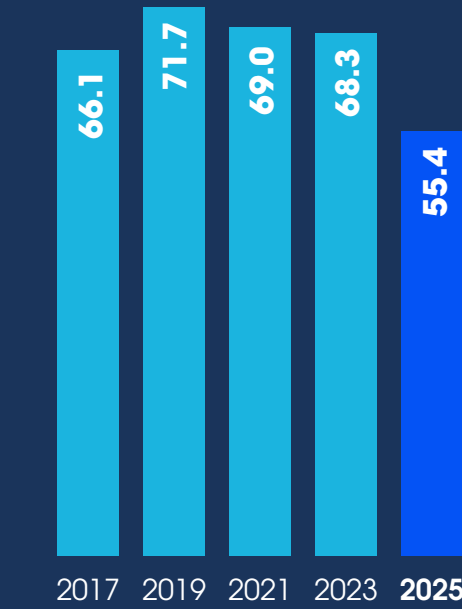
According to the company’s register of shareholders, read in conjunction with the company’s register of disclosure of beneficial interests made by registered shareholders acting in a nominee capacity, the following fund managers managed 3% or more of the issued share capital at 31 August 2025:

	Percentage of shares	
	August 2025	August 2024
Major fund managers managing 3% or more		
Public Investment Corporation (ZA)	19.1	17.9
BlackRock (US and UK)	4.9	4.8
GIC Asset Management (Singapore)	4.5	4.5
The Vanguard Group (US)	4.2	4.0
RBC Global Asset Management (UK and US)	3.8	3.8
JPMorgan Asset Management (US and UK)	3.5	5.4
<i>Funds no longer managing 3% or more:</i>		
Ninety One Asset Management (ZA)	1.8	5.1
Federated Hermes (UK)	0.9	3.4

Geographic distribution of shareholders



Offshore shareholding (%)



Corporate information

Clicks Group Limited

Incorporated in the
Republic of South Africa
Registration number
1996/000645/06
Income tax number
9061/745/71/8

JSE share code: CLS
ISIN: ZAE000134854
ADR ticker symbol: CLCGY
ADR CUSIP code: 18682W205

Registered address

Cnr Searle and Pontac Streets
Cape Town 8001
Telephone: +27 (0)21 460 1911

Postal address

PO Box 5142
Cape Town 8000

Company secretary

Annalize Barnard, CA (SA)
E-mail: companysecretary@
clicksgroup.co.za

Auditors

KPMG Inc.

Principal bankers

FirstRand Bank Limited

JSE sponsor

Investec Bank Limited

Transfer secretaries

Computershare Investor Services
Proprietary Limited
Business address: Rosebank
Towers, 15 Biermann Avenue,
Rosebank 2196
Postal address: Private Bag X9000,
Saxonwold 2132
Telephone: +27 (0)11 370 5000

Investor relations consultants

Tier 1 Investor Relations
E-mail: ir@tier1ir.co.za

Shareholders' diary

Annual general meeting29 January 2026

Results announcements

Interim results to February 2026on or about 23 April 2026
Final results to August 2026on or about 22 October 2026

Publication of 2026 integrated reportNovember 2026

Ordinary share dividend

2025 final dividend
Last day to trade with dividend included20 January 2026
Date of dividend payment26 January 2026

2026 interim dividend
Last day to trade with dividend includedJuly 2026
Date of dividend paymentJuly 2026

2026 final dividend
Last day to trade with dividend includedJanuary 2027
Date of dividend paymentJanuary 2027

Forward-looking statements

The integrated report includes forward-looking statements which relate to the possible future financial position and results of Clicks Group's (the group) operations. These statements by their nature involve risk and uncertainty as they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not statements of fact, but statements by the group's management based on its current estimates, expectations and assumptions regarding future performance.

The group does not undertake to update or revise any of these forward-looking statements publicly, whether to reflect new information or future events, other than to comply with the JSE Listings Requirements. The forward-looking statements have not been reviewed or reported on by the group's independent auditor.

Forward-looking statements made by the group at the time of releasing its 2025 financial results were informed by the group's business plans, financial and economic forecasts at October 2025.

