

Five-year consolidated SUMMARY OF PROFITS

FOR THE YEAR ENDED 31 AUGUST

R'million	5-year compound annual growth %	2021	2020 ¹	2019	2018	2017
Turnover	9.1%	37 339	33 889	31 352	29 239	26 809
Cost of merchandise sold	9.2%	(29 733)	(26 821)	(24 662)	(23 071)	(21 185)
Cost of merchandise written off – civil unrest		(334)	–	–	–	–
Gross profit	7.7%	7 272	7 068	6 690	6 168	5 624
Other income	12.1%	2 392	2 153	1 960	1 717	1 523
Insurance proceeds – civil unrest		217	–	–	–	–
Total income	9.2%	9 881	9 221	8 650	7 885	7 147
Expenses	7.8%	(6 984)	(6 408)	(6 143)	(5 853)	(5 333)
Depreciation and amortisation	36.2%	(1 180)	(1 066)	(1 005)	(320)	(283)
Occupancy costs	(25.1%)	(161)	(167)	(190)	(928)	(795)
Employment costs	7.5%	(3 659)	(3 419)	(3 342)	(3 095)	(2 846)
Other costs	8.1%	(1 938)	(1 753)	(1 605)	(1 514)	(1 409)
Other costs – civil unrest		(32)	–	–	–	–
Impairment (allowance)/recovery		(14)	(3)	(1)	4	–
Operating profit	13.0%	2 897	2 813	2 507	2 032	1 814
Impairment of property, plant and equipment – civil unrest		(61)	–	–	–	–
Adjustment for capital items		(4)	(8)	(1)	(1)	(5)
Profit before financing costs	12.6%	2 832	2 805	2 506	2 031	1 809
Net financing (expense)/income	28.5%	(186)	(168)	(176)	2	(37)
Financial income		34	61	63	26	11
Financial expense		(220)	(229)	(239)	(24)	(48)
Profit before earnings from associate	11.8%	2 646	2 637	2 330	2 033	1 772
Share of (losses)/profits of associates		(4)	2	3	3	3
Profit before taxation	11.8%	2 642	2 639	2 333	2 036	1 775
Income tax expense	11.6%	(728)	(720)	(652)	(568)	(497)
Profit for the year from continuing operations	11.8%	1 914	1 919	1 681	1 468	1 278
Loss from discontinued operations, net of tax		(76)	(39)	–	–	–
Profit for the year		1 838	1 880	1 681	1 468	1 278
Attributable to:						
Equity holders of the parent		1 914	1 919	1 681	1 468	1 278
Adjusted for continuing operations:						
Loss on disposal of property, plant and equipment		4	7	–	1	4
Goodwill impairment		–	–	1	–	–
Gain on the consolidation of the New Clicks Foundation Trust		–	–	–	–	(13)
Impairment of property, plant and equipment – civil unrest		61	–	–	–	–
Loss on disposal of business		–	1	–	–	–
Total tax effects of adjustment		(18)	(2)	–	–	–
Headline earnings from continuing operations	12.3%	1 961	1 925	1 682	1 469	1 269
Loss from discontinued operations, net of tax		(76)	(39)	–	–	–
Adjusted for discontinuing operations						
Loss on disposal of property, plant and equipment		7	2	–	–	–
Impairment of property, plant and equipment and right-of-use assets		30	–	–	–	–
Total tax effects of adjustment		(10)	(1)	–	–	–
Headline earnings	11.7%	1 912	1 887	1 682	1 469	1 269
Headline earnings per share (cents)		773.6	754.3	675.2	609.5	536.3
Continuing operations	11.4%	793.7	769.2	675.2	609.5	536.3
Discontinued operations		(20.1)	(14.9)	–	–	–
Diluted headline earnings per share (cents)		773.6	754.3	663.6	575.3	502.1
Continuing operations	12.6%	793.7	769.2	663.6	575.3	502.1
Discontinued operations		(20.1)	(14.9)	–	–	–
Earnings per share (cents)		743.8	751.4	674.8	609.1	540.2
Continuing operations	11.0%	774.7	766.9	674.8	609.1	540.2
Discontinued operations		(30.9)	(15.5)	–	–	–
Diluted earnings per share (cents)		743.8	751.4	663.2	575.0	505.7
Continuing operations	12.1%	774.7	766.9	663.2	575.0	505.7
Discontinued operations		(30.9)	(15.5)	–	–	–
Number of shares in issue (million)	0.0%	246	249	262	254	246
Weighted average number of shares (net of treasury shares) (million)	0.8%	247	250	249	241	237
Weighted average diluted number of shares (net of treasury shares) (million)	(0.3%)	247	250	254	255	253

¹ Restatement relating to the disclosure of the Musica business as a discontinued operation.

Five-year consolidated SUMMARY OF PROFITS

FOR THE YEAR ENDED 31 AUGUST

US Dollars million	5-year compound annual growth %	2021	2020 ¹	2019	2018	2017
Turnover	9.0%	2 526	2 107	2 186	2 254	1 992
Cost of merchandise sold	9.1%	(2 011)	(1 668)	(1 720)	(1 779)	(1 574)
Cost of merchandise written off – civil unrest		(23)	–	–	–	–
Gross profit	7.7%	492	439	466	475	418
Other income	12.0%	162	134	137	133	113
Insurance proceeds – civil unrest		15	–	–	–	–
Total income	9.1%	669	573	603	608	531
Expenses	7.7%	(472)	(397)	(428)	(451)	(396)
Depreciation and amortisation	36.3%	(80)	(66)	(70)	(25)	(21)
Occupancy costs	(24.9%)	(11)	(10)	(13)	(72)	(59)
Employment costs	7.4%	(247)	(212)	(233)	(238)	(211)
Other costs	8.0%	(131)	(109)	(112)	(116)	(105)
Other costs – civil unrest		(2)	–	–	–	–
Impairment allowance/(recovery)		(1)	–	–	–	–
Operating profit	13.0%	197	176	175	157	135
Impairment of property, plant and equipment – civil unrest		(4)	–	–	–	–
Adjustment for capital items		–	(1)	–	–	–
Profit before financing costs	12.5%	193	175	175	157	135
Net financing (expense)/income	26.6%	(13)	(11)	(13)	–	(3)
Financial income		2	4	4	2	1
Financial expense		(15)	(15)	(17)	(2)	(4)
Profit before earnings from associate	11.8%	180	164	162	157	132
Share of (losses)/profits of associates		–	–	–	–	–
Profit before tax	11.8%	180	164	162	157	132
Income tax expense	11.5%	(50)	(45)	(45)	(44)	(37)
Profit for the year from continuing operations	11.9%	130	119	117	113	95
Loss from discontinued operations, net of tax		(5)	(2)	–	–	–
Profit for the year		125	117	117	113	95
Attributable to:						
Equity holders of the parent		130	119	117	113	95
Adjusted for continuing operations:						
Adjustment for impairment and loss/(profit) on disposal of capital items		4	–	–	–	–
Gain on consolidation of the New Clicks Foundation Trust		–	–	–	–	(1)
Loss on disposal of business		–	–	–	–	–
Total tax effects of adjustment		(1)	–	–	–	–
Headline earnings from continuing operations	12.1%	133	119	117	113	94
Loss from discontinued operations, net of tax		(5)	(2)	–	–	–
Adjusted for discontinuing operations		–	–	–	–	–
Loss on disposal of property, plant and equipment		–	–	–	–	–
Impairment of property, plant and equipment and right-of-use assets		2	–	–	–	–
Total tax effects of adjustment		(1)	–	–	–	–
Headline earnings	11.5%	129	117	117	113	94
Exchange rate: average rate		14.78	16.08	14.34	12.97	13.46

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

¹ Restatement relating to the disclosure of the Musica business as a discontinued operation.

Five-year consolidated STATEMENT OF FINANCIAL POSITION

AT 31 AUGUST

R'million	5-year compound annual growth %	2021	2020	2019	2018	2017
ASSETS						
Non-current assets						
Property, plant and equipment	9.7%	2 138	2 121	2 067	1 843	1 534
Right-of-use assets		2 602	2 371	2 046	1 796	–
Intangible assets		670	569	497	477	458
Goodwill		103	103	103	104	104
Deferred tax assets		106	111	95	518	574
Investment in associates		28	20	20	20	20
Loans receivable		10	10	10	15	5
Financial assets at fair value through profit or loss		126	114	75	82	27
Derivative financial assets		152	113	132	214	135
Current assets		11 238	9 742	10 025	8 281	6 889
Inventories	9.4%	5 449	4 921	4 710	4 251	3 777
Trade and other receivables	11.5%	3 473	2 567	2 568	2 257	2 212
Income tax receivable		–	–	30	–	–
Loans receivable		12	1	1	10	9
Cash and cash equivalents		2 207	2 152	2 614	1 524	700
Derivative financial assets		97	101	102	239	191
Total assets	15.4%	17 173	15 274	15 070	13 350	9 746
EQUITY AND LIABILITIES						
Equity						
Share capital	14.4%	2	2	3	3	3
Share premium		1 065	1 065	1 065	514	3
Treasury shares		–	–	(913)	(703)	(703)
Share option reserve		–	–	–	578	748
Cash flow hedge reserve		35	12	23	74	15
Cost of hedging reserve		(7)	(6)	(6)	(4)	(11)
Foreign currency translation reserve		(19)	9	5	7	(1)
Distributable reserve		3 729	4 112	4 611	3 853	3 242
Non-current liabilities		2 173	1 940	1 688	1 501	402
Lease liabilities		1 976	1 795	1 489	1 256	–
Employee benefits		185	145	199	245	209
Deferred tax liabilities		12	–	–	–	–
Operating lease liability		–	–	–	–	193
Current liabilities		10 195	8 140	8 594	7 527	6 048
Trade and other payables	11.2%	8 752	6 747	7 303	6 227	5 504
Lease liabilities		947	890	853	814	–
Employee benefits		350	375	367	419	395
Provisions		–	–	–	–	7
Income tax payable		145	126	71	67	133
Derivative financial liabilities		1	2	–	–	9
Financial liability at fair value through profit or loss		–	–	–	–	–
Total equity and liabilities	15.4%	17 173	15 274	15 070	13 350	9 746

Five-year consolidated STATEMENT OF FINANCIAL POSITION

AT 31 AUGUST

US Dollars million	5-year compound annual growth %	2021	2020	2019	2018	2017
ASSETS						
Non-current assets		406	334	330	305	219
Property, plant and equipment	9.4%	146	128	135	111	118
Right-of-use assets		178	143	134	108	–
Intangible assets		46	34	32	29	35
Goodwill		7	6	7	6	8
Deferred tax assets		7	7	6	31	44
Investment in associates		2	1	1	1	2
Loans receivable		1	1	1	1	–
Financial assets at fair value through profit or loss		9	7	5	5	2
Derivative financial assets		10	7	9	13	10
Current assets		770	588	653	499	528
Inventories	9.3%	373	297	307	256	288
Trade and other receivables	11.4%	238	155	168	136	170
Loans receivable		1	–	–	1	1
Cash and cash equivalents		151	130	171	92	54
Derivative financial assets		7	6	7	14	15
Total assets	15.3%	1 176	922	983	804	747
EQUITY AND LIABILITIES						
Equity	14.3%	329	314	313	260	252
Share capital		–	–	–	–	–
Share premium		73	64	70	31	–
Treasury shares		–	–	(60)	(42)	(54)
Share option reserve		–	–	–	35	57
Cash flow hedge reserve		2	1	2	4	1
Foreign currency translation reserve		(1)	1	–	–	–
Distributable reserve		255	248	301	232	248
Non-current liabilities		149	117	110	91	31
Lease liabilities		135	108	97	15	–
Employee benefits		13	9	13	76	16
Deferred tax liabilities		1	–	–	–	–
Operating lease liability		–	–	–	–	15
Current liabilities		698	491	560	453	464
Trade and other payables	11.0%	599	406	475	375	422
Lease liabilities		65	54	56	49	–
Employee benefits		24	23	24	25	30
Provisions		–	–	–	–	1
Income tax payable		10	8	5	4	10
Derivative financial liabilities		–	–	–	–	1
Total equity and liabilities	15.3%	1 176	922	983	804	747
Exchange rate: closing rate		14.60	16.58	15.32	14.71	13.02

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

Five-year consolidated STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST

R'million	5-year aggregate effect	2021	2020	2019	2018	2017
Cash effects from operating activities						
Operating profit before working capital changes	15 779	4 017	3 885	3 563	2 274	2 040
Working capital changes	100	542	(821)	203	182	(6)
Cash generated by operations	15 879	4 559	3 064	3 766	2 456	2 034
Interest received	194	34	60	63	26	11
Interest paid	(702)	(209)	(221)	(220)	(10)	(42)
Taxation paid	(2 306)	(671)	(634)	(262)	(267)	(472)
Acquisition of derivative financial asset	(288)	(50)	(50)	(66)	(83)	(39)
Settlement of derivative financial asset	657	118	120	200	191	28
Cash inflow from operating activities before dividends paid	13 434	3 781	2 339	3 481	2 313	1 520
Dividends paid to shareholders	(4 761)	(1 469)	(822)	(981)	(812)	(677)
Net cash effects from operating activities	8 673	2 312	1 517	2 500	1 501	843
Cash effects from investing activities						
Investment in property, plant and equipment and intangible assets	(3 116)	(690)	(591)	(646)	(671)	(518)
Proceeds from disposal of property, plant and equipment	9	1	1	2	2	3
Disposal of investments	17	-	-	-	17	-
Acquisition of investments	(111)	(6)	(42)	-	(63)	-
Acquisition of unlisted investment in associate	(13)	(13)	-	-	-	-
Acquisition of non-controlling interest	(2)	-	-	-	-	(2)
Decrease/(increase) in loan receivables	2	-	-	9	(12)	5
Proceeds from disposal of investment in subsidiary	10	-	10	-	-	-
Loan to associate	(11)	(11)	-	-	-	-
Net cash effects from investing activities	(3 215)	(719)	(622)	(635)	(727)	(512)
Cash effects from financing activities						
Purchase of treasury shares	(1 615)	(752)	(653)	(210)	-	-
Proceeds from disposal of treasury shares	101	-	-	51	50	-
Transaction cost on the issue of shares	(2)	-	-	(1)	(1)	-
Repayment of lease liabilities	(2 105)	(787)	(703)	(615)	-	-
Net cash effects from financing activities	(3 621)	(1 539)	(1 356)	(775)	49	-
Net increase/(decrease) in cash and cash equivalents	1 837	54	(461)	1 090	823	331

Five-year consolidated STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST

US Dollars million	5-year aggregate effect	2021	2020	2019	2018	2017
Cash effects from operating activities						
Operating profit before working capital changes	1 088	272	242	248	175	151
Working capital changes	14	37	(51)	14	14	–
Cash generated by operations	1 102	309	191	262	189	151
Interest received	13	2	4	4	2	1
Interest paid	(47)	(14)	(14)	(15)	(1)	(3)
Taxation paid	(158)	(45)	(39)	(18)	(21)	(35)
Acquisition of derivative financial asset	(20)	(3)	(3)	(5)	(6)	(3)
Settlement of derivative financial asset	46	8	7	14	15	2
Cash inflow from operating activities before dividends paid	936	257	146	242	178	113
Dividends paid to shareholders	(331)	(99)	(51)	(68)	(63)	(50)
Net cash effects from operating activities	605	158	95	174	115	63
Cash effects from investing activities						
Investment in property, plant and equipment and intangible assets	(219)	(47)	(37)	(45)	(52)	(38)
Proceeds from disposal of property, plant and equipment	3	–	1	1	1	–
Disposal of investments	1	–	–	–	1	–
Acquisition of investments	(8)	–	(3)	–	(5)	–
Acquisition of unlisted investment in associate	(1)	(1)	–	–	–	–
Decrease/(increase) in loan receivables	–	–	–	1	(1)	–
Loan to associate	(1)	(1)	–	–	–	–
Net cash effects from investing activities	(225)	(49)	(39)	(43)	(56)	(38)
Cash effects from financing activities						
Purchase of treasury shares	(107)	(51)	(41)	(15)	–	–
Proceeds from disposal of treasury shares	8	–	–	4	4	–
Transaction cost on the issue of shares	(2)	–	–	(1)	(1)	–
Repayment of lease liabilities	(141)	(54)	(44)	(43)	–	–
Net cash effects from financing activities	(242)	(105)	(85)	(55)	3	–
Net increase/(decrease) in cash and cash equivalents	138	4	(29)	76	62	25
Exchange rate: average rate		14.78	16.08	14.34	12.97	13.46

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