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CLICKS GROUP

UNAUDITED INTERIM CONDENSED CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED 28 FEBRUARY 2022

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Group turnover up 9.0%*	Retail turnover up 13.6%*
Group diluted HEPS up 26.0%	Interim dividend up 26.3% to 180 cents per share
Continuing diluted HEPS up 20.1%*	Continuing adjusted diluted HEPS up 10.2%*
Return on equity increased to 47.2%	R1.3 billion returned to shareholders in dividends and buy-backs

Financial SUMMARY

			Six months to 28 February 2022	Six months to 28 February 2021	% change	Year to 31 August 2021
Consolidated statement of Turnover*	comprehensive income	(0,000)	10 557 506	17 946 049	9.0%	37 339 028
Gross profit*		(R'000) (R'000)	19 557 596 4 132 969	3 698 480	9.0% 11.7%	7 271 996
Total income*		(R'000)	5 469 888	4 829 908	13.3%	9 881 232
Headline earnings from co	ntinuing operations*	(R'000)	1 142 354	965 807	18.3%	1 961 225
Net financing cost*	financial position	(R'000)	(83 443)	(88 770)	(6.0%)	(186 111)
Consolidated statement of Equity	Intancial position	(R'000)	4 700 212	4 338 431	8.3%	4 805 193
Total assets		(R'000)	17 000 203	16 041 179	6.0%	17 173 482
Consolidated statement of			(057 747)	100.005		0.011.707
Net cash effects from oper Capital expenditure	ating activities	(R'000) (R'000)	(257 717) 352 232	139 805 269 310	30.8%	2 311 727 689 735
Capital commitments		(R'000)	523 628	475 775	00.070	846 814
Depreciation and amortisat	tion	(R'000)	674 999	618 985	9.0%	1 260 421
Performance		(0/)	0.0	9.6		10.0
Turnover growth* Comparable stores turnove	er arowth*	(%) (%)	9.0 10.2	8.6 4.0		10.2 5.1
Gross profit growth*	- 9 · · ·	(%)	11.7	6.3		2.9
Gross profit margin*		(%)	21.1	20.6		19.5
Total income growth* Total income margin*		(%) (%)	13.3 28.0	7.6 26.9		7.2 26.5
Operating margin*		(%)	8.5	8.0		7.8
Net working capital days*		. ,	39	38		30
Inventory days* Trade debtor days*			78 35	83 38		66 38
Trade creditor days			74	83		74
Current ratio		(:1)	1.1	1.1		1.1
Return on total assets	toreat	(%)	12.9	10.7		11.8
Return on shareholders' in Shareholders' interest to to		(%) (%)	47.2 27.6	37.4 27.0		38.2 28.0
	Iding cash, to shareholders'	(70)	2/10	21.0		20.0
interest at period-end	C	(%)	50.4	40.8		14.9
Statistics Number of permanent emp			16 286	15 629	4.2%	15 871
Number of stores	5109003		858	847	1.3%	841
Weighted retail trading area	a	(m²)	391 426	383 217	2.1%	384 844
Share statistics Number of ordinary shares i	n issuo	('000)	243 970	246 168	(0.9%)	245 557
Weighted average number		('000)	243 970	248 376	(0.9%)	243 007
Weighted average diluted r	number of shares in issue	('000)	244 647	248 376	(1.5%)	247 084
Headline earnings per shar		(cents)	466.9	370.6 370.6	26.0%	793.7 793.7
Dividend per share	– diluted – interim	(cents) (cents)	466.9 180.0	142.5	26.0% 26.3%	142.5
	- final	(cents)	-		20.070	347.5
Dividend payout ratio		(%)	38.6	38.5		63.3
Share price	– closing – high	(cents) (cents)	29 895 30 229	24 476 27 630	22.1%	30 256 30 256
	– low	(cents)	29 252	21 863		21 863
Net asset value per share		(cents)	1 927	1 762	9.4%	1 957
Net tangible asset value pe Market capitalisation	er share	(cents)	1 606 72 934 832	1 478 60 252 080	8.7%	1 642 74 295 726
Price earnings ratio		(R'000) (times)	72 934 832 34.3	60 252 080 35.4	21.0%	74 295 726 39.1
Volume of ordinary shares		('000)	94 254	108 889		217 040
Percentage of ordinary sha	ares traded	(%)	38.5	43.8		87.8
Free float Shareholders' return		(%) (cents)	99.9 (181)	99.9 1 619		99.9 7 746
(Decrease)/increase in sl	hare price	(cents)	(361)	1 476		7 256
Dividend per share		(cents)	`180´	143		490
Other information						
Inflation rate		(0/)	E 7	0.0		4.0
CPI Internal selling price infla	tion	(%) (%)	5.7 3.1	2.9 2.9		4.9 2.7
Interest rates		(70)	0.1	2.0		2.1
Prime overdraft rate	– closing	(%)	7.50	7.00		7.00
FTOF/ICE Africa above in -	– average	(%)	7.21	7.00		7.00
FTSE/JSE Africa share indi All Share Index	してい		76 091	60 754	25.2%	67 428
General Retailers Index			6 336	5 254	20.6%	6 992
Food and Drug Retailers	s Index		13 201	10 664	23.8%	12 943
Exchange rate Rand/US dollar	- closing	(R/US\$)	15.35	15.06	1.9%	14.60
	– average	(R/US\$)	15.23	14.76	3.2%	14.78
	-					

* Restatement relating to the closure of the Musica business as a discontinued operation. Refer to note 1.12.

Clicks Group Interim Condensed Consolidated Results 2022

COMMENTARY

Financial reporting

Shareholders are advised that the group is reporting financial information separately for continuing and discontinued operations following the closure of Musica in May 2021. The civil unrest in KwaZulu-Natal (KZN) in July 2021 had a significant impact on the group's financial results. The disclosure of certain figures in continuing operations has been adjusted for the second interim insurance payment received from the South African Special Risks Insurance Association (SASRIA) to present a normalised view of the group's underlying business performance.

Overview

Clicks Group has once again delivered a resilient performance for the first half of the 2022 financial year, highlighting the continued defensiveness of the group's business model in the ongoing tough trading environment.

Clicks performed well, gaining market share and continuing to expand its store and pharmacy network as well as benefiting from the national Covid-19 vaccination programme. As the largest vaccination provider in the private sector, Clicks has administered over 3 million vaccinations since the start of the programme. UPD reported muted growth as the impact of the Omicron fourth wave of Covid-19 was less severe than the Beta variant second wave in the prior period.

The group's performance translated into an increase of 10.2% in adjusted diluted headline earnings per share from continuing operations. The interim dividend was increased by 26.3% to 180 cents per share, in line with group diluted HEPS which was up 26%. The group's return on equity increased from 37.4% to 47.2%, well within the medium-term target range of 40% - 50%.

Update on insurance claim

The group's total SASRIA settlement for damages from the KZN civil unrest amounted to R710 million (excluding VAT). The first interim payment of R217 million was accounted for in the 2021 financial year. The second interim payment of R217 million has been included in the current reporting period. The final payment of R276 million, which was received after the end of the current reporting period, will be accounted for in the 2022 full-year results.

Financial performance

Group turnover increased by 9.0% to R19.6 billion. Retail sales grew by 13.6%, with selling price inflation of 3.7%. Distribution turnover increased by 0.6%, with price inflation of 1.9% for the first half.

Adjusted total income grew by 10.6% to R5.3 billion with the total income margin expanding by 40 basis points to 27.3%. The retail margin was 40 basis points lower owing to the impact of the low margin vaccinations. The distribution margin improved by 20 basis points due to the growth in the bulk distribution business.

Retail costs were held below turnover growth and increased by 12.2%, with comparable costs contained to a growth of 6.5%. Distribution costs increased by 8.4% owing to the impact of new bulk distribution clients as well as higher fuel, security, insurance and electricity costs.

Adjusted group operating profit increased by 7.5% to R1.5 billion. The group's adjusted operating margin was 20 basis points lower at 7.8% as a result of the low margin vaccinations in retail, and the cost pressures and lower wholesale turnover in UPD.

Headline earnings from continuing operations grew by 18.3% to R1.1 billion. Earnings per share from continuing operations increased by 27.0% to 493 cents with HEPS from continuing operations increasing by 20.1% to 467 cents.

Adjusting for the impact of the second SASRIA insurance payment, headline earnings from continuing operations grew by 8.6% and diluted HEPS by 10.2%.

Inventory levels were well managed and group inventory days reduced to 78 days (H1 2021: 83 days). Retail inventory days improved from 85 to 81 days and UPD from 56 to 49 days.

Cash generated from operating activities before dividends paid totalled R590 million. Capital expenditure of R352 million (H1 2021: R269 million) was invested mainly in new stores and pharmacies, store refurbishments, supply chain and information technology.

The group returned R1.3 billion to shareholders in dividend payments (R848 million) and share buy-backs (R446 million). At period-end the group held cash resources of R838 million.

Trading performance

Retail sales, including Clicks and the international franchise brands GNC, The Body Shop and Claire's, increased by 13.6% and by 10.2% in comparable stores. The convenience of the Clicks pharmacy network has been instrumental in supporting the national Covid-19 vaccination programme and Clicks administered 2.2 million vaccinations in the first half of the year, contributing 6.5% to the growth in retail sales.

Clicks expanded its retail footprint to 799 with the opening of 39 new stores over the past year. A further 45 pharmacies were opened, extending the national pharmacy presence to 646. The Clicks ClubCard active membership base increased to 9.5 million and accounted for 80.5% of sales in the half-year.

UPD's total managed turnover, combining wholesale and bulk distribution, increased by 6.7% to R14.2 billion. Two new bulk distribution contracts were secured in the period. Wholesale turnover declined by 3.6%, owing mainly to lower sales to private hospitals and independent pharmacies during the less severe Covid-19 fourth wave.

Outlook

Management expects trading conditions to remain constrained in the second half of the year owing to the increasing pressures on consumer disposable income in the current low growth environment. This will be compounded by the trading disruption from ongoing electricity load shedding.

Growth in Clicks will be supported by the ongoing Covid-19 vaccination programme and the opening of a further 28 stores for the year, while the first-half recovery in the beauty category is expected to continue.

UPD secured an additional bulk distribution contract which commenced in March. The normalisation of activity and the opening up of the economy in a post-Covid environment will be positive for major customers, Clicks and the private hospital groups, which is expected to benefit UPD's wholesale turnover. The group's business model remains resilient, with a proven ability to adapt to changing market dynamics, and management is confident in the group's ability to achieve its medium-term financial and operating targets.

Capital investment of R876 million is planned for the full financial year, comprising R565 million on stores and R311 million on IT systems and supply chain infrastructure, including solar installations on all Clicks and UPD distribution centres.

Full-year earnings forecast

The directors forecast that earnings for the financial year ending 31 August 2022 will increase over the 2021 financial year as follows:

Diluted headline earnings per share:

- Group: Increase of 30% to 35% (FY2021: 773.6 cents)
- Continuing operations: Increase of 25% to 30% (FY2021: 793.7 cents)

Diluted adjusted headline earnings per share:

- Group: Increase of 10% to 15% (FY2021: 816.7 cents)
- Continuing operations: Increase of 8% to 13% (FY2021: 836.8 cents)

This forecast is based on the assumption that the trading environment will remain constrained in the second half of the 2022 financial year, with continued uncertainty on the impact of Covid-19 despite the recent lifting of the country's state of disaster, and ongoing trading disruption caused by electricity load shedding. This forecast does not include any potential impact from the recent floods on the KZN economy.

Shareholders are advised that this forecast is the responsibility of the board of directors and has not been reviewed or reported on by the group's independent auditor.

Interim dividend

The board of directors has approved an interim gross ordinary dividend for the period ended 28 February 2022 of 180.0 cents per share (2021: 142.5 cents per share). The source of the dividend will be from distributable reserves and paid in cash.

Additional information

Dividends Tax (DT) of 20% amounting to 36.0 cents per ordinary share will be withheld in terms of the Income Tax Act. Ordinary shareholders who are not exempt from DT will therefore receive a dividend of 144.0 cents net of DT.

The company has 243 969 611 ordinary shares. Its income tax reference number is 9061/745/71/8.

Shareholders are advised of the following salient dates in respect of the interim dividend:

Last day to trade "cum" the dividen	d Tuesday, 28 June 2022
Shares trade "ex" the dividend	Wednesday, 29 June 2022
Record date	Friday, 1 July 2022
Payment to shareholders	Monday, 4 July 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 29 June 2022 and Friday, 1 July 2022, both days inclusive.

David Nurek Chairman Bertina Engelbrecht Chief executive officer Michael Fleming Chief financial officer

Cape Town 28 April 2022

Consolidated statement of COMPREHENSIVE INCOME

	Six months to	Restated* six months to		Year to
R'000	28 February 2022	28 February 2021	% change	31 August 2021
Revenue	20 914 471	19 098 327		39 982 414
Turnover	19 557 596	17 946 049	9.0	37 339 028
Cost of merchandise sold	(15 424 627)	(14 247 569)	8.3	(29 733 393)
Cost of merchandise written off – civil unrest	· · ·	· · · ·		(333 639)
Gross profit	4 132 969	3 698 480	11.7	7 271 996
Other income	1 206 544	1 131 428	6.6	2 391 845
Insurance proceeds – civil unrest	130 375	-		217 391
Total income	5 469 888	4 829 908	13.3	9 881 232
Expenses	(3 804 883)	(3 402 310)	11.8	(6 984 370)
Depreciation and amortisation	(648 907)	(564 670)	14.9	(1 180 103)
Occupancy costs	(80 212)	(80 718)	(0.6)	(161 158)
Employment costs	(1 996 573)	(1 791 483)	11.4	(3 659 289)
Other costs	(1 066 334)	(964 256)	10.6	(1 938 192)
Other costs – civil unrest	-	-		(31 589)
Impairment allowance	(12 857)	(1 183)		(14 039)
Operating profit	1 665 005	1 427 598	16.6	2 896 862
Loss on disposal of property, plant and equipment	(33)	(3 315)		(4 199)
Insurance proceeds on property, plant and equipment – civil unrest	87 016	_		_
Impairment of property, plant and equipment – civil unrest	_	_		(61 251)
Profit before financing costs	1 751 988	1 424 283	23.0	2 831 412
Net financing expense	(83 443)	(88 770)	(6.0)	(186 111)
Financial income	19 956	20 850	(4.3)	34 150
Financial expense	(103 399)	(109 620)	(5.7)	(220 261)
Profit before earnings from associates	1 668 545	1 335 513	24.9	2 645 301
Share of (loss)/profit of associates	(3 244)	1 062	21.0	(3 476)
Profit before taxation	1 665 301	1 336 575	24.6	2 641 825
Income tax expense	(459 623)	(373 155)	23.2	(727 724)
Profit for the period from continuing operations	1 205 678	963 420	25.1	1 914 101
Loss from discontinued operations, net of tax	-	(71 925)	(100.0)	(76 245)
Profit for the period	1 205 678	891 495	35.2	1 837 856
Items that may be subsequently reclassified to profit or loss				
Exchange differences on translation of foreign subsidiaries	12 417	(9 577)		(27 335)
Cash flow hedges	13 282	11 792		(14 089)
Change in fair value of effective portion	18 447	16 378		(19 568)
Deferred tax on movement of effective portion	(5 165)	(4 586)		(15 000) 5 479
		,		
Cost of hedging reserve	(8 718)	(10 955)		(19 699)
Cost of hedging recognised	(12 109)	(15 215)		(27 360)
Deferred tax on cost of hedging	3 391	4 260		7 661
Other comprehensive profit/(loss) for the period, net of tax	16 981	(8 740)		(61 123)
Total comprehensive income for the period	1 222 659	882 755		1 776 733
Earnings per share (cents)	492.8	358.9	37.3	743.8
 – continuing operations 	492.8	387.9	27.0	774.7
 discontinued operations 	_	(29.0)		(30.9)
Diluted earnings per share (cents)	492.8	358.9	37.3	743.8
 – continuing operations 	492.8	387.9	27.0	774.7
 discontinued operations 	-	(29.0)		(30.9)
Weighted average number of shares in issue ('000)	244 647	248 376	(1.5%)	247 084
Weighted average diluted number of shares in issue ('000)	244 647	248 376	(1.5%)	247 084

Consolidated statement of FINANCIAL POSITION

R'000	As at 28 February 2022	As at 28 February 2021	As at 31 August 2021
ASSETS			
Non-current assets	6 283 476	5 666 059	5 935 366
Property, plant and equipment	2 219 998	2 098 430	2 138 102
Right-of-use assets	2 813 626	2 472 294	2 601 684
Intangible assets	679 870	597 225	670 457
Goodwill	102 806	102 806	102 806
Deferred tax assets	124 303	133 459	106 215
Investment in associates	24 355	20 147	27 599
Loans receivable	79 729	10 165	9 896
Financial assets at fair value through profit or loss	146 673	128 945	125 882
Derivative financial assets	92 116	102 588	152 725
Current assets	10 716 727	10 375 120	11 238 116
Inventories	6 404 160	6 386 331	5 449 364
Trade and other receivables	3 377 100	2 834 246	3 473 074
Loans receivable	1 852	1 621	12 059
Cash and cash equivalents	837 501	1 108 691	2 206 627
Derivative financial assets	96 114	44 231	96 992
Total assets	17 000 203	16 041 179	17 173 482
EQUITY AND LIABILITIES			
Equity	4 700 212	4 338 431	4 805 193
Share capital	2 440	2 462	2 456
Share premium	1 064 953	1 064 953	1 064 953
Cash flow hedge reserve	4 400	(3 162)	34 817
Cost of hedging reserve	(6 435)	(7 680)	(7 167)
Foreign currency translation reserve	(6 280)	(939)	(18 697)
Distributable reserve	3 641 134	3 282 797	3 728 831
Non-current liabilities	2 341 133	2 079 480	2 172 869
Lease liabilities	2 220 410	1 953 347	1 975 938
Deferred tax liabilities	-	_	11 767
Employee benefits	120 723	126 133	185 164
Current liabilities	9 958 858	9 623 268	10 195 420
Trade and other payables	8 611 327	8 411 149	8 751 621
Lease liabilities	986 634	923 267	946 976
Employee benefits	249 698	218 959	350 016
Income tax payable	109 794	64 934	145 270
Derivative financial liabilities	1 405	4 959	1 537
Total equity and liabilities	17 000 203	16 041 179	17 173 482

Consolidated statement of CHANGES IN EQUITY

	Number	0	0.	
R'000	of shares '000	Share capital	Share premium	
Balance at 1 September 2020	248 663	2 487	1 064 953	
Transactions with owners, recorded directly in equity				
Dividends paid to shareholders	-	_	-	
Shares repurchased and cancelled	(2 495)	(25)	_	
Total transactions with owners	(2 495)	(25)	-	
Total comprehensive income for the period	-	_	-	
Profit for the period	-	_	-	
Cash flow hedge reserve	-	_	-	
Cost of hedging reserve	-	_	-	
Exchange differences on translation of foreign subsidiaries	-	_	-	
Transfer of reserve to inventories	-	_	_	
Balance at 28 February 2021	246 168	2 462	1 064 953	
Transactions with owners, recorded directly in equity				
Dividends paid to shareholders	-	_	-	
Shares repurchased and cancelled	(611)	(6)	-	
Total transactions with owners	(611)	(6)	-	
Total comprehensive income for the period	-	_	-	
Profit for the period	-	_	_	
Cash flow hedge reserve	-	_	-	
Cost of hedging reserve	-	_	-	
Exchange differences on translation of foreign subsidiaries	-	_	-	
Transfer of reserve to inventories	-	_	_	
Balance at 31 August 2021	245 557	2 456	1 064 953	
Transactions with owners, recorded directly in equity				
Dividends paid to shareholders	-	-	-	
Shares repurchased and cancelled	(1 587)	(16)	-	
Total transactions with owners	(1 587)	(16)	-	
Total comprehensive income for the period	-	-	-	
Profit for the period	-	_	-	
Cash flow hedge reserve	-	-	-	
Cost of hedging reserve	-	-	-	
Exchange differences on translation of foreign subsidiaries	-	-	-	
Transfer of reserve to inventories	-	_	-	
Balance at 28 February 2022	243 970	2 440	1 064 953	

Cash flow hedge reserve	e hedging	Foreign currency translation reserve	Distributable reserve	Total equity
11 686	6 (5 968)	8 638	4 112 155	5 193 951
-		_	(1 118 982)	(1 118 982)
-		_	(601 871)	(601 896)
-		-	(1 720 853)	(1 720 878)
11 792	(10 955)	(9 577)	891 495	882 755
-		-	891 495	891 495
11 792		-	-	11 792
-	- (10 955)	-	-	(10 955)
-		(9 577)	-	(9 577)
(26 640) 9 243	-	_	(17 397)
(3 162	.) (7 680)	(939)	3 282 797	4 338 431
-		_	(349 919)	(349 919)
_		_	(150 408)	(150 414)
			(500 327)	(500 333)
(25 881) (8 744)	(17 758)	946 361	893 978
(20 001	·	(17 700)	946 361	946 361
(25 881) –	_		(25 881)
(20 001	- (8 744)	_	_	(8 744)
_		(17 758)	_	(17 758)
63 860	9 257	(17 700)		73 117
34 817		(18 697)	3 728 831	4 805 193
01011	(1101)	(10 001)	0120001	1000 100
-	· –	-	(847 794)	(847 794)
	·	-	(445 581)	(445 597)
-	· –	-	(1 293 375)	(1 293 391)
13 282	. (8 718)	12 417	1 205 678	1 222 659
-		-	1 205 678	1 205 678
13 282		-	-	13 282
-	- (8 718)	-	-	(8 718)
-		12 417	-	12 417
(43 699) 9 450	_	-	(34 249)
4 400	(6 435)	(6 280)	3 641 134	4 700 212

Consolidated statement of CASH FLOWS

R'000	Six months to 28 February 2022	Restated* six months to 28 February 2021	Year to 31 August 2021
Cash effects from operating activities			
Profit before tax from continuing operations*	1 665 301	1 336 575	2 641 825
Loss before tax from discontinued operations*	-	(100 105)	(106 214)
Non-cash flow and other adjustments	648 595	738 583	1 481 574
Operating profit before working capital changes (refer to note 1)	2 313 896	1 975 053	4 017 185
Working capital changes (refer to note 2)	(1 137 341)	(270 154)	541 809
Cash generated by operations	1 176 555	1 704 899	4 558 994
Interest received	19 956	20 850	34 150
Interest paid	(109 309)	(105 313)	(208 845)
Taxation paid	(513 410)	(428 792)	(670 814)
Acquisition of derivative financial asset used to hedge the long-term incentive scheme	(64 230)	(50 467)	(50 467)
Settlement of derivative financial asset used to hedge the long-term incentive scheme	80 515	117 610	117 610
Cash inflow from operating activities before dividends paid	590 077	1 258 787	3 780 628
Dividends paid to shareholders	(847 794)	(1 118 982)	(1 468 901)
Net cash effects from operating activities	(257 717)	139 805	2 311 727
Cash effects from investing activities			
Investment in property, plant and equipment and intangibles to maintain operations	(148 733)	(115 335)	(217 418)
Investment in property, plant and equipment and intangibles to expand operations	(203 499)	(153 975)	(472 317)
Proceeds from disposal of property, plant and equipment	827	699	1 335
Insurance proceeds on property, plant and equipment – civil unrest	87 016	-	-
Loan to associate	(105 783)	-	(11 008)
Repayment of loan to associate	46 808	-	-
Decrease in other loan receivable	300	-	-
Acquisition of investments	-	(6 000)	(6 000)
Investment in associates	-	_	(13 000)
Net cash effects from investing activities	(323 064)	(274 611)	(718 408)
Cash effects from financing activities			
Purchase of treasury shares	(445 597)	(601 896)	(752 310)
Repayment of lease liabilities	(342 748)	(307 090)	(786 865)
Net cash effects from financing activities	(788 345)	(908 986)	(1 539 175)
Net decrease in cash and cash equivalents	(1 369 126)	(1 043 792)	54 144
Cash and cash equivalents at the beginning of the period	2 206 627	2 152 483	2 152 483
Cash and cash equivalents at the end of the period	837 501	1 108 691	2 206 627

Notes to the CASH FLOW STATEMENT

R'0	00	Six months to 28 February 2022	Six months to 28 February 2021	Year to 31 August 2021
Cas	h flow information			
1	Profit before working capital changes			
	Profit before tax from continuing operations*	1 665 301	1 336 575	2 641 825
	Loss before tax from discontinued operations*	-	(100 105)	(106 214)
	Adjustment for:			
	Depreciation and amortisation	674 999	618 985	1 260 421
	Impairment of and loss on disposal of property, plant and equipment	33	40 217	102 351
	Insurance proceeds on property, plant and equipment - civil unrest	(87 016)	-	-
	Release of cash flow hedge to profit or loss	(5 317)	(1 768)	(66 841)
	Increase in financial assets at fair value through profit or loss	(20 791)	(8 994)	(5 931)
	Net undistributed loss/(profit) of associates	3 244	(85)	5 463
	Net financing expense	83 443	90 228	186 111
		2 313 896	1 975 053	4 017 185
2	Working capital changes			
	Increase in inventories	(953 779)	(1 467 124)	(529 644)
	Decrease/(increase) in trade and other receivables	95 974	(267 031)	(905 859)
	(Decrease)/increase in trade and other payables	(120 687)	1 643 819	1 972 693
	(Decrease)/increase in employee benefits	(158 849)	(179 818)	4 619
		(1 137 341)	(270 154)	541 809

Segmental ANALYSIS

For the aix months ended 28 Feb nary 2022 28 Feb 2021 Pioperty pant and equipment 1963 768 703 67 144 14 589 Pioperty pant and equipment 1963 776 67 144 14 589 Pioperty pant and equipment 266 229 28 Feb 2021 26 Feb 2021 Instant of the receivables 57 527 551 480 104 533 46 738 Coolwill 6529 5627 769 627 36 200 Instant of the receivables 198 278 198 277 3 475 890 2 84 424 Other stacks 198 278 1 88 277 3 475 890 2 84 424 Employee benefits - non-varent 190 998 11 40 2054 4 957 72 3 20 305 Total assets 5192 050 3 901 153 5 39 510 5 39 510 5 39 510 Total assets 1193 351 14 51 533 3 653 336 3 692 373 Task and other payablas 12 87 73 3 653 336 3 692 373 Task and other payablas 12 87 73			Det	oil	Diatrik	ution	
P1000 P28 Feb 2022 P2 Feb 2021 P3 Feb 2022 P2 Feb 2021 P2 Feb 2022 P2 Feb 2021 P2 Feb 2011 P2 Feb 2021 <t< th=""><th>For the six months ended 28 February 2022</th><th></th><th>Rei</th><th>an</th><th>Distric</th><th>JULION</th><th></th></t<>	For the six months ended 28 February 2022		Rei	an	Distric	JULION	
Statement of financial position 1983 769 1583 775 256 229 259 655 Right of use assets 2746 482 2 457 705 67 144 14 889 Interratible assets 575 237 651 489 104 633 45 736 GoodWill 6 529 66 29 96 277 96 277 Invertories 4 357 528 407 208 2 198 064 2 459 382 Tada and other race/vables 1 867 525 406 208 2 778 778 902 370 Celt assets 1 062 781 938 771 3 475 580 2 844 424 Tada assets 1 100 2781 1 20 619 5 015 4 527 Lasse liabilities 3 140 399 2 844 532 66 645 1 3 990 Tada and other payables 5 192 060 3 941 83 4 665 345 1 930 Tada and other payables 1 193 351 1 451 83 3 663 336 3 082 378 Tada assets 1 193 351 1 451 83 3 663 336 3 082 378 Statement of comprehensive income 1 757 348 1 2831 669 8 189 286 6 14			28 Feb 2022	28 Feb 2021*	28 Feb 2022	28 Feb 2021	
Property, plant and equipment 1983 769 1838 775 256 252 250 855. Right-of-use assets 277 64 862 24 67 705 671 44 44 569 Intargible assets 575 237 551 449 104 633 45 736 Coxcluil 6 529 96 277 96 277 96 277 Invertories 1867 625 406 933 277 876 3 023 3003 Cach and tohe modivables 840 073 11 13 079 02 577 76 932 Tack and other modivables 13 409 924 11 420 544 8974 443 801 151 Employee benefits - non-current 11 50 08 50 16 4 527 Lesse liabilities 3 140 399 2 841 503 666 645 13 990 Total liabilities 12 216 73 9 989 091 5 321 107 5 728 778 Net assets 11 33 51 14 51 853 3 653 386 3 040 248 Charl jabilities 12 28 16 673 9 989 091 5 321 107 5 728 778 Net assets 11 33 51 14 51 853 3 653 386 0428 455	Statement of financial position						
Infragible assets 57 52 37 551 490 104 632 45 736 Cocdwill 6 529 96 277 96 277 92 277 Inventories 4 367 528 4 017 288 2 198 064 2 459 552 Cash and other receivables 840 073 1 113 079 (2 572) 27 935 Cher assets 10 06 2781 938 771 3 475 890 2 844 424 Total assets 10 06 2781 938 771 3 475 890 2 844 424 Total assets 10 06 2781 9304 183 8 411 151 Employee benefits – non-current 115 708 3 040 390 2 44 572 23 058 Cher labilities			1 963 769	1 838 775	256 229	259 655	
Good/with Inventories 6 529 6 529 9 6 277 9 6 277 Tanda and other receivables 1 857 526 449 6038 2 778 77 3 023 003 Cash and cash equivalents 1 987 526 449 6038 2 778 77 3 023 003 Cash and cash equivalents 1 989 771 3 475 890 2 884 624 Employee banefits - non-nament 1 11 3 078 120 059 5 015 4 627 Lease liabilities 3 140 399 2 44 538 5 16 4 627 Lease liabilities - 122 165 73 9 244 538 5 16 4 627 Chash and cash equivalents - 122 165 73 9 244 538 5 147 683 Employee banefits - non-oursent 1 22 165 673 9 86 891 5 32 1107 5 728 773 Net assets 1 183 351 1 45 803 6 66 54 1 3900 1 42 514 Corresport 76 473 9 189 225 8 141 261 1 673 1 615 922 1 63 16 1 66 934 Chash and cash equivalents - 185 710 9 176 3 116 592 76 432 8 183 C	Right-of-use assets		2 746 482	2 457 705	67 144	14 589	
Inventories 4 357 528 4 017.268 2198 02 2148 02 2459 532 Cash and cash equivalents 8 840 073 1 113 079 12 777 8 3 023 003 Cash and cash equivalents 1087 528 449 638 1 1151 Engloyee barefits - non-current 115 708 120 059 2 441 53 5015 4 427 Engloyee barefits - non-current 2115 708 120 059 2 441 53 5015 4 427 Engloyee barefits - non-current 225 126 192 732 24 572 23 058 Engloyee barefits - current 225 126 192 732 24 572 23 058 Engloyee barefits - current 225 126 192 732 24 572 23 058 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 051 5 321 107 5 724 73 Engloyee barefits - current 212 16 573 946 12 831 669 70 632 88 138 Other income 14 573 946 12 831 669 8 189 285 8 141 251 Engloyee barefits - current 212 16 573 946 12 831 669 10 165 Engloyee barefits - current 212 16 737 94 228 28 138 Depreses (340 138) (30 64 726) (146 653) (146 109 113) Engloyee barefits - current 212 16 737 348 12 80 207 (226 416) (143 257) 736 100 (12 21) Engloymant costs (170 94) (23 687 94) (13 665 74 169) Engloyee barefits - current (%) 33, 33, 3, 9, 1 8,5 Operating protint mover (%) 23, 6 23, 2 1, 0 1, 1 Total income rangin (%) 23, 6 23, 2 1, 0 2, 2 2, 1 0, 0 1, 1 Total income rangin (%) 24 40, 2 40, 4 4, 4 4, 3 4 Engloyee barefits - current (%) 24, 4 2, 4 Engloyee barefits - current (%) 24, 6 2, 2 1, 0 - Engloyee barefits - current (%) 24, 6 2, 2 7, 8 1, 3 5	Intangible assets		575 237	551 489	104 633	45 736	
Tacke and other receivables 187 525 496 038 2 778 729 3 022 003 Cher acselts 1062 781 938 771 3 475 902 2 884 424 Cher acselts 113 079 2 874 433 8 11 161 Employee benefits – non-current 115 708 120 059 5 015 4 1427 Lases liabilities 3140 399 2 841 533 666 645 1 3990 Tack and other payables 5 192 050 3 041 339 4 685 355 5 147 688 Employee benefits – non-current 225 126 73 9 068 601 5 321 107 5 728 773 Net asset 1183 331 1 45 185 30 665 351 3 082 373 Statement of comprehensive income 1 14 573 346 2 881 680 1156 Other income 775 438 268 635 666 771 664 71 3 015 822 981 89 Other income 786 719 4 242 075 746 403 688 294 Odebr income 786 438 200 201 (56 663) 103 1150 Obter income 786 719 4 242 075 746 403 <t< td=""><td>Goodwill</td><td></td><td>6 529</td><td>6 529</td><td>96 277</td><td>96 277</td><td></td></t<>	Goodwill		6 529	6 529	96 277	96 277	
Cash and cash equivalents 840 073 1 113 079 (E 272) 27 935 Total assets 13 049 924 11 420 544 8974 443 8 811 151 Employee banefits - non-current 116 706 120 089 5 015 4 527 Lasse labilities 5 182 003 3041 184 4 665 365 142 6544 Trade and other psycholes 5 182 003 3041 184 4 665 365 147 658 Chern Isolitities 12 216 573 9 066 691 5 321 107 5 728 773 Net assets 1183 351 1 451 853 3 653 338 3 082 378 Statement of comprehensive income 1 1 778 443 281 663 8 189 285 8 141 251 Unrover 14 573 346 12 831 669 8 189 285 8 141 251 1 Ofher income 775 438 626 666 667 71 601 166 1 Other income (3 404 318) (3 064 726) 648 669 (1 84 639) (1 84 193) Deprecision and anortisation (3 404 38) (3 064 773 601 166 1 Other income	Inventories		4 357 528	4 017 258		2 459 532	
Other assets 1062 781 938 771 3 475 890 2 884 244 Employee banefits - non-ourrent 11 400 969 6 11 61 6 120 8 901 14 120 8 901 2 841 620 Lasse liabilities 3 104 399 2 841 536 6 66 645 11 980 5 139 800 2 801 636 6 6455 5 147 688 2 900 611 5 338 510 5 139 800 5 338 510 5 139 800 5 338 510 5 139 800 5 338 510 5 139 800 5 338 510 5 139 800 5 338 510 5 139 800 5 139 800 5 139 800 5 338 510 5 139 800 5 33 653 336 5 039 2 78 5 141 681 5 139 200 5 23 073 9 908 691 5 321 107 5 728 773 Meta sets 1 139 351 1 461 853 3 653 336 3 082 378 5 141 261 Crows profit 4 081 761 3 815 392 79 632 88 138 Crows profit 4 040 7761 3 815 392 79 632 88 138 Crows profit 4 041 761 3 815 392 79 632 88 089 (431 913) Crows profit 14 10 761 3 0100 16 2050 Crows profit </td <td>Trade and other receivables</td> <td></td> <td>1 857 525</td> <td>496 938</td> <td>2 778 778</td> <td>3 023 003</td> <td></td>	Trade and other receivables		1 857 525	496 938	2 778 778	3 023 003	
Total assets 13 409 924 11 420 544 8 74 433 8 811 151 Engloyee benefits - non-current 116 708 120 099 5 015 4 527 Lease labilities 5 192 050 3 041 389 2 841 536 6 645 13 990 Tarba and other payables 5 192 050 3 041 483 4 685 865 5 728 773 Other labilities 3 543 290 2 910 161 5 385 10 5 39 810 Total labilities 1 221 6 573 3946 12 831 005 5 728 773 Not assets 1 193 351 1 451 853 3 653 336 3 082 378 Statement of comprehensive income Turnover 14 573 346 12 831 609 8 189 285 8 141 251 Other income 775 438 126 836 666 771 601 156 601 156 Other income (3 440 138) (3 044 749) (49 813) (18 200) 602 904 (244 403) (18 450) (18 400) (17 13) 10000 (1221) 1177 759 273 387 10000 (1221) 10000 (1221) 10000 (1221) 10000 </td <td>Cash and cash equivalents</td> <td></td> <td></td> <td>1 113 079</td> <td>(2 572)</td> <td></td> <td></td>	Cash and cash equivalents			1 113 079	(2 572)		
Employee benefits - non-current 116 708 120 099 5 015 4 527 Lassa liabilities 3140 399 2 841 536 66 645 13 990 Trade and other payables 5 192 050 3 904 183 4 685 365 5 147 688 Employee benefits - current 225 16 737 9068 691 5 239 107 5 728 773 Net asets 1133 31 1 451 853 3 653 336 3 082 378 Statement of comprehensive income 114 573 346 12 831 660 8 189 285 8 141 251 Gross profit 4 081 761 3 615 592 7 9632 881 38 Other income 775 438 626 688 666 771 601 166 Expenses (3 440 138) (3 064 728) (4 680 396) (14 91 913) Depreciation and amortisation (629 904) (564 686) (16 91 913) (16 20 50) Cocupancy costs (78 412) (80 240) (2 688 91 (12 21) (18 4850) Comparable stores turnover (%6 13.6 7.2 0.6 9.0 Coperating profit 1417 061	Other assets						
Lesse fiabilities 3 140 399 2 841 536 66 645 1 3 990 Trade and other payables 5 192 000 3 904 183 4 685 365 5 147 668 Employee benefits – current 2 25 126 192 732 2 45 72 23 058 Other liabilities 1 22 16 573 9 968 661 5 321 107 5 728 773 Net assets 1 193 351 1 451 853 3 653 336 3 082 378 Statement of comprehensive income 1 1 361 5 392 79 632 88 138 Cherrison 4 081 761 3 615 392 79 632 88 138 Other income 775 438 626 683 666 771 601 156 Total income 4 857 199 4 242 075 746 403 699 294 Expenses (3 440 138) (504 476) (418 030) (418 193) Depreciation and amortisation (629 094) (546 465) (116 46 633) (116 108) Cher nots (78 810) (71 426) (205 827) (268 416) Impairment allowance (13 857) 38 1 000 (1221)<							
Trade and other payables 5 192 050 3 904 183 4 683 365 5 147 688 Cher liabilities 3 543 290 2 910 151 539 510 539 510 Total itabilities 1 22 16 573 9 968 661 5 23 21 07 5 728 773 Net assets 1 193 351 1 451 863 3 653 336 3 082 378 Statement of comprehensive income 1 1 45 73 346 1 2 831 669 8 189 285 8 141 251 Gross profit 4 081 776 3 615 332 78 632 8 183 666 771 601 156 Cher income 775 438 626 683 666 771 601 156 626 683 668 711 601 156 Coupancy costs (78 412) (90 240) (2 586 11 (182 05) 626 446) (182 05) 626 446) Coupancy costs (78 412) (90 240) (2 586 11 (182 05) (182 05) (12 21) (182 05) (14 44 850) (14 22 1) (18 20 5) (12 21) (14 45 05) (14 44 850) (14 22 1) (14 45 05) (14 22 1) (14 21 1) (14 21 1) (14 21 10) (14 21 1)<							
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Other labilities 3 543 280 2 910 151 539 510 539 510 Total liabilities 1 216 573 9 966 601 5 321 107 5 728 773 Net assets 1 183 351 1 45 853 3 653 336 3 022 378 Statement of comprehensive income 1 45 73 346 1 45 15 392 79 682 88 141 251 Gross profit 4 081 771 3 615 392 79 682 88 138 Other income 775 438 626 633 666 771 601 156 Deprediation and amortisation (3 440 138) (3 046 425) (468 036) (49 183) (1 8205) Occupancy costs (77 432) (80 240) (2 588) (1 422) Deprediation and amortisation (67 90 40) (1 56 103) (1 8205) Occupancy costs (77 412) (80 240) (2 2 88) (1 44 850) Other costs (78 412) (180 4653) (16 41 850) (1 221) Endors (1 88 77) 3 8 1 000 (1 2 21) Imprement allowance (1 3 857) 3 8 1 000 (1							
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Net assets 1 193 361 1 451 863 3 653 336 3 082 378 Statement of comprehensive income 1 14 573 346 12 831 669 8 189 285 8 141 251 Gross profit 4 081 761 3 615 392 79 632 88 138 Other income 775 438 626 633 666 771 601 166 Expenses (3 440 138) (3 044 726) (488 036) (431 913) Depreciation and amortisation (629 094) (546 465) (18 830) (12 21) Employment costs (18 871 09 (12 861 00) (12 21) (14 4650) (12 21) Other costs (18 867 109 (12 21) (25 684 (15) (12 21) Operating profit 1 1177 349 278 367 257 381 Ratios (13 857) 38 1 000 (12 21) Operating profit 1177 349 278 367 257 381 Ratios (1660 crosse) in turnover (%) 33.6 33.1 9.1 8.5 Operating profit (%) 22.0 2.1 9.3							
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Statement of comprehensive income 14 573 346 12 831 669 8 189 285 8 141 251 Tornso profit 4 081 761 3 615 392 79 632 88 138 Other income 775 438 626 683 666 771 601 156 Total income 4 857 199 4 242 075 746 403 689 294 Occupancy costs (78 412) 604 726) (466 036) (41 91 3) Depreciation and amortisation (629 094) (548 466) (19 813) (18 205) Occupancy costs (78 412) (80 240) (2 588) (1 221) Employment costs (87 810) (791 426) (290 527) (266 416) Impairment allowance (13 857) 38 1 000 (1 221) Operating profit 1 417 061 1 177 349 278 367 257 381 Ratios Increase/(decrease) in turnover (%) 37.3.2 1.9 2.3 Comparable stores turnover growth (%) 33.3.3.3 9.1 8.5 Operating profit margin (%) 23.6 2.9.9	Net assets		1 193 351	1 451 853	3 653 336	3 082 378	
Turnover 14 573 346 12 831 669 8 189 285 8 141 251 Gross profit 4 081 761 3 615 392 79 632 88 138 Other income 775 438 626 683 666771 601 156 Total income 4 857 199 4 242 075 746 403 689 294 Expenses (3 440 138) (3 064 726) (486 036) (41 913) Depreciation and amortisation (629 094) (546 465) (19 813) (18 205) Occupancy costs (18 40 465) (16 24 633) (156 108) (144 850) Other costs (18 73 30) (79 142) (280 527) (266 416) Impairment allowance (13 857) 38 1000 (1 221) Operating profit 1417 061 1 177 349 278 367 257 381 Ratios 7 32 100 (1 221) Operating profit (%) 13.6 7.2 0.6 9.0 Selling price inflation (%) 3.3 3.3.1 9.1 8.5 Operatin	Statement of comprehensive income						
Gross profit 4 081 761 3 615 392 79 632 88 138 Other income 775 438 626 683 666 771 601 166 Expenses (3 440 138) (3 064 726) (468 036) (41 913) Depreciation and amortisation (629 094) (546 465) (19 813) (18 205) Occupancy costs (78 12) (80 240) (290 627) (266 416) Impairment allowance (18 40 455) (19 61 33) (16 51 08) (14 86 0) Other costs (878 310) (79 1426) (290 627) (266 416) Impairment allowance (13 857) 38 1 000 (1 221) Operating profit 1 417 061 1 177 349 278 367 257 381 Ratios (629 0547) 3.3 3.3.1 9.1 8.5 Operating profit (%) 10.2 4.0 - - Comparable stores turnover growth (%) 3.3.3 3.1 9.1 8.5 Operating profit margin (%) 20.2 4.0 -	•		1/ 573 3/6	12 831 660	8 180 285	8 1/1 251	
Other means 775 438 626 871 601 156 Total income 4 857 199 4 242 075 746 403 689 294 Expenses (3 064 726) (486 036) (431 913) 0 Depreciation and amortisation (629 094) (546 465) (19 813) (18 205) Occupancy costs (78 412) (80 240) (2 568) (1 221) Employment costs (1 840 465) (164 633) (156 108) (14 48 50) Other costs (78 412) (80 240) (2 20 527) (266 416) Impairment allowance (1 3 85 77) 38 1 000 (1 221) Operating profit 1 417 061 1 177 349 278 367 257 381 Ratios (73 433) 31.6 7.2 0.6 9.0 Comparable stores turnover growth (%) 33.3 33.1 9.1 8.5 Corparatig expenses as a percentage of turnover (%) 33.3 33.1 9.1 8.5 Operating profit (%) 20.4 12.4 8.2 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>							
Total income 4 857 199 4 242 075 746 403 689 294 Expenses (3 440 138) (3 040 726) (468 036) (631 913) Depreciation and amortisation (622 094) (546 465) (19 813) (18 205) Cocupancy costs (78 412) (80 240) (2 588) (1 221) Employment costs (1840 465) (1646 633) (18 205) Other costs (78 412) (80 240) (2 20 527) (266 416) Impairment allowance (13 857) 38 1000 (1 221) Operating profit 1417 061 1 177 349 278 367 257 381 Ratios Increase/(decrease) in turnover (%) 3.7 3.2 1.9 2.3 Comparable stores turnover growth (%) 10.2 4.0 - - Total income margin (%) 23.3 33.1 9.1 8.5 Operating profit margin (%) 20.4 12.4 8.2 16.6 Operating profit margin (%) 9.7 9.2							
Expenses (3 440 138) (3 047 26) (468 036) (431 913) Depreciation and amortisation (628 094) (546 465) (19 813) (18 205) Cocupancy costs (78 412) (80 240) (25 88) (1 221) Employment costs (18 40 465) (16 46 633) (166 108) (144 850) Other costs (18 40 465) (1 840 465) (26 8416) (121) Impairment allowance (13 857) 38 1000 (1221) Operating profit 1 417 061 1 177 349 278 367 257 381 Ratios (18 30) (3 04 124) (2 802) 2.3 Comparable stores turnover growth (%) 30.3 33.1 9.1 8.5 Operating expenses as a percentage of turnover (%) 23.6 23.9 5.7 5.3 Increase/(decrease) in operating expenses (%) 12.2 4.0 8.4 13.5 Increase/(decrease) in operating profit (%) 20.4 12.4 8.2 16.6 Operating expenses as a percentage o							
Depreciation and amortisation (629 094) (546 465) (19 813) (118 205) Docupancy costs (78 412) (80 240) (2588) (12 21) Employment costs (18 4065) (16 4665)3 (16 108) (14 4850) Impairment allowance (18 807) 38 1000 (12 21) Operating profit 1417 061 1177 349 278 367 257 381 Ratios (19 813) (14 820) (14 8450) Operating profit 1417 061 1177 349 278 367 257 381 Ratios (16 20 094) (34 3 33) 1900 (12 21) Operating profit (%) 13.6 7.2 0.6 9.0 Selling price inflation (%) 28.0 28.2 1.0 1.1 Total income margin (%) 23.6 23.9 5.7 5.3 Increase/(decrease) in operating expenses (%) 20.4 12.4 8.2 16.6 Operating expenses as a percentage of turnover (%) 20.4 12.4 8.2<							
Occupancy costs (78 412) (80 240) (2 588) (1 221) Employment costs (1 840 465) (1 646 633) (156 108) (144 850) Impairment allowance (79 412) (290 527) (266 416) Operating profit 1 417 061 1 177 349 278 367 257 381 Ratios 1 1 73 32 1.9 2.3 Comparable stores turnover growth (%) 3.7 3.2 1.9 2.3 Comparable stores turnover growth (%) 3.3 3.3.1 9.1 8.5 Operating expenses as a percentage of turnover (%) 23.6 28.2 1.0 1.1 Total increase/(decrease) in operating profit (%) 23.3 3.3.1 9.1 8.5 Operating oxpenses as a percentage of turnover (%) 20.4 12.4 8.2 16.6 Operating profit margin (%) 20.4 12.4 8.2 16.6 Operating profit margin (%) 9.7 9.2 3.4 3.2 Inventor	•			, ,		· · · · · · · · · · · · · · · · · · ·	
Employment costs (1 840 465) (1 646 633) (156 108) (144 850) Other costs (197 1426) (200 527) (266 416) Impairment allowance (13 857) 38 1000 (1 221) Operating profit 1417 061 1 177 349 278 367 257 381 Ratios (160 61) 1 177 349 278 367 257 381 Comparable stores turnover growth (%) 13.6 7.2 0.6 9.0 Selling price inflation (%) 13.6 7.2 1.9 2.3 Comparable stores turnover growth (%) 28.0 28.2 1.0 1.1 Total income margin (%) 23.6 23.9 5.7 5.3 Increase/(decrease) in operating profit (%) 20.4 12.2 4.0 8.4 13.5 Increase/(decrease) in operating profit (%) 27.4 8.2 16.6 0 Operating expenses as a percentage of turnover (%) 9.7 9.2 3.4 3.2 1 I			• •	. ,	• •		
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Number of permanent employees 15 689 14 777 597 619					-	-	
		(R)			-	-	
Capital expenditure (H) 309 397 239 229 42 835 30 033							
	Capital expenditure	(H)	309 397	239 229	42 835	30 033	

Intragroup	elimination	Total continuing operations		Musica		Total operations	
28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
-	-	2 219 998	2 098 430	-	-	2 219 998	2 098 430
-	-	2 813 626	2 472 294	-	-	2 813 626	2 472 294
-	-	679 870	597 225	-	-	679 870	597 225
-	-	102 806	102 806	-	-	102 806	102 806
(151 432)	(94 209)	6 404 160	6 382 581	-	3 750	6 404 160	6 386 331
(1 259 203)	(690 784)	3 377 100	2 829 157	-	5 089	3 377 100	2 834 246
-	-	837 501	1 141 014	-	(32 323)	837 501	1 108 691
(3 973 529)	(3 382 039)	565 142	441 156	_	(00,40,4)	565 142	441 156
(5 384 164)	(4 167 032)	17 000 203 120 723	16 064 663 124 616	-	(23 484) 1 517	17 000 203 120 723	16 041 179 126 133
_	_	3 207 044	2 855 526	-	21 088	3 207 044	2 876 614
(1 266 088)	(697 669)	8 611 327	8 354 202		56 947	8 611 327	8 411 149
(1 200 000)	(001 000)	249 698	215 790	_	3 169	249 698	218 959
(3 971 601)	(3 380 111)	111 199	69 550	_	343	111 199	69 893
(5 237 689)	(4 077 780)	12 299 991	11 619 684	_	83 064	12 299 991	11 702 748
,	, , ,						
 (146 475)	(89 252)	4 700 212	4 444 979	_	(106 548)	4 700 212	4 338 431
(3 205 035)	(3 026 871)	19 557 596	17 946 049	-	187 589	19 557 596	18 133 638
(28 424)	(5 050)	4 132 969	3 698 480	_	29 037	4 132 969	3 727 517
(105 290)	(96 411)	1 336 919	1 131 428	-	3 671	1 336 919	1 135 099
(133 714)	(101 461)	5 469 888	4 829 908	-	32 708	5 469 888	4 862 616
103 291	94 329	(3 804 883)	(3 402 310)	_	(94 453)	(3 804 883)	(3 496 763)
-	-	(648 907)	(564 670)	-	(28 285)	(648 907)	(592 955)
788	743	(80 212)	(80 718)	-	(6 806)	(80 212)	(87 524)
-	-	(1 996 573)	(1 791 483)	-	(33 925)	(1 996 573)	(1 825 408)
102 503	93 586	(1 066 334)	(964 256)	-	(25 130)	(1 066 334)	(989 386)
-	-	(12 857)	(1 183)	-	(307)	(12 857)	(1 490)
(30 423)	(7 132)	1 665 005	1 427 598	-	(61 745)	1 665 005	1 365 853
5.9	3.9	9.0	8.6	(100.0)	(43.7)	7.9	7.6
- 5.5	- 0.5	3.1	2.9	(100.0)	9.6	3.1	2.9
_	_	10.2	4.0	_	(27.0)	10.2	3.7
_	_	21.1	20.6	_	15.5	21.1	20.6
_	_	28.0	26.9	_	17.4	28.0	26.8
-	_	19.5	19.0	-	50.4	19.5	19.3
-	_	11.8	5.1	(100.0)	(19.5)	8.8	4.2
-	-	16.6	14.2	(100.0)	1 369.8	21.9	9.7
-	-	8.5	8.0	-	(32.9)	8.5	7.5
-	-	78	83	-	5	78	83
-	-	35	38	-	-	35	38
-	_	74	83	-	21	74	82
-	-	39	38	-	(16)	39	39
_	-	858	822	-	25	858	847
-	—	822	788	25	93	847	881
-	-	43	42	-	-	43	42
_		(7) 646	(8) 601	(25)	(68)	(32)	(76) 601
		601	572	-		601	572
-	-	47	30	-	_	47	30
_	-	(2)	(1)	_	_	(2)	(1)
_		488 463	462 002		16 693	488 463	478 695
_	_	391 426	368 554	_	14 663	391 426	383 217
_	_	68 820	64 433	_	23 881	68 820	62 881
_	-	16 286	15 396	_	233	16 286	15 629
_	-	352 232	269 262	_	48	352 232	269 310

Accounting POLICIES AND NOTES

1.1 These condensed consolidated financial statements for the six months ended 28 February 2022 have been prepared in accordance with the requirements of the JSE Limited Listings Requirements for interim reports and the requirements of the Companies Act of South Africa. The Listings Requirements require interim reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 – Interim Financial Reporting.

The information contained in the interim report has neither been audited nor reviewed by the group's external auditors. These condensed consolidated financial results have been prepared under the supervision of M Fleming CA (SA), the chief financial officer of the group.

The accounting policies used in the preparation of the financial results for the six months ended 28 February 2022 are in terms of IFRS and are consistent with those applied in the audited annual financial statements for the year ended 31 August 2021.

- 1.2 The consolidated statement of comprehensive income and segmental analysis for the six months ended 28 February 2021 have been restated for the closure of the Musica business in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The restatement has been outlined in note 1.12.
- 1.3 Related party transactions for the current period are similar to those disclosed in the group's annual financial statements for the year ended 31 August 2021. No significant related party transactions arose during the current period.
- 1.4 During the period the group repurchased and cancelled 1 587 455 Clicks Group Limited ordinary shares.
- 1.5 The carrying values of all financial instruments approximate fair value. All financial instruments are held at amortised cost, with the exception of derivative instruments which are designated as hedging instruments, the investment in Guardrisk Insurance Company Limited and investments held by the New Clicks Foundation Trust, which are accounted for at fair value through profit or loss. The fair value of financial instruments that are not traded in active markets are determined by using valuation techniques; if all significant inputs required to fair value an instrument are observable, the instrument is included in level 2 and if the significant inputs required to fair value an instrument are unobservable, the instrument is included in level 3. The derivative instruments comprise equity derivative hedges which are calculated using a Monte Carlo option pricing model with reference to the closing share price, 250-day historical volatility, the 12-month trailing dividend yield and the risk-free rate; and forward exchange contracts which are calculated using standard market calculation conventions with reference to the relevant closing market spot rates, forward foreign exchange rates and interest rates. All financial instruments accounted for at fair value through profit or loss are considered to be level 2 instruments, with the exception of investments held by the New Clicks Foundation Trust which are considered to be level 1 instruments, since the investments are listed instruments with a valuation based on listed prices. There have been no transfers between levels 1, 2 and 3 instruments during the period. The group applies hedge accounting and where derivative instruments are designated as hedging instruments in a cash flow hedge, fair value gains/ losses are recognised in other comprehensive income and released either to profit or loss or the hedged item when the forecast transaction takes place.
- 1.6 The majority of the current and non-current derivative financial assets are to hedge obligations under the cash-settled share compensation scheme.
- 1.7 The group's revenue from contracts with customers is disaggregated as below:

R'000	Unaudited six months to 28 February 2022	Restated* six months to 28 February 2021	Year to 31 August 2021
Revenue from contracts with customers			
Goods sold to customers	19 557 596	17 946 049	37 339 028
Other income	1 336 919	1 131 428	2 609 236
Distribution and logistics fees	586 518	559 346	1 209 415
Cost recoveries and other	620 026	572 082	1 182 430
Insurance proceeds – civil unrest	130 375	-	217 391
	20 894 515	19 077 477	39 948 264

1.8 Headline earnings reconciliation

R'000	Unaudited six months to 28 February 2022	Six months to 28 February 2021	% change	Year to 31 August 2021
Total profit for the period	1 205 678	963 420	25.1	1 914 101
Adjusted for:				
Loss on disposal of property, plant and equipment	33	3 315		4 199
Insurance proceeds on property, plant and equipment – civil unrest	(87 016)	_		
Impairment of property, plant and equipment – civil unrest	-	-		61 251
Total tax effect of adjustments	23 659	(928)		(18 326)
Headline earnings from continuing operations	1 142 354	965 807	18.3	1 961 225
Loss from discontinued operations, net of tax	-	(71 925)		(76 245)
Adjusted for discontinued operations:				
Loss on disposal of property, plant and equipment	-	6 485		6 485
Impairment of property, plant and equipment and right-of- use assets	-	30 417		30 417
Total tax effect of adjustments	-	(10 333)		(10 333)
Headline earnings	1 142 354	920 451	24.1	1 911 549
Headline earnings per share (cents)	466.9	370.6	26.0	773.6
Continuing operations	466.9	388.9	20.1	793.7
Discontinued operations	-	(18.3)		(20.1)
Diluted headline earnings per share (cents)	466.9	370.6	26.0	773.6
Continuing operations	466.9	388.9	20.1	793.7
Discontinued operations	-	(18.3)		(20.1)

1.9 Covid-19 vaccine administration

The group acquires all Covid-19 vaccines from the Department of Health (DOH) and administers these to medical aid patients and unfunded patients for the DOH. Unfunded vaccination fees are recovered from the DOH. Included in trade and other receivables is an amount of R819 million recoverable from the DOH, which has a negative impact of 12 days on the group receivables days. Included in trade and other payables is an amount of R951 million related to the vaccine purchases from the DOH, which has a positive impact of seven days on creditor days.

1.10 Acquisition of pharmacy licences

On 1 October 2021 the Competition Commission approved the merger for Clicks Retailers to acquire 25 retail pharmacies from Pick n Pay which includes the pharmacy licences, the ethical drug stock and all staff employed in the pharmacies. At the reporting date the transfer of the pharmacy licences from Pick n Pay to Clicks Retailers was in the process of being approved by the DOH in tranches, with 11 licences approved prior to 28 February 2022.

1.11 Impact of civil unrest

The civil unrest in KwaZulu-Natal (KZN) in July 2021 impacted 52 Clicks stores and one The Body Shop store, as well as two of the group's distribution centres. The group suffered significant physical damage and loss to its fixed assets, cash on hand and inventory in the affected stores and distribution centres. 339 Clicks stores and 26 The Body Shop stores were closed at the peak of the unrest to protect employees and customers, and to limit potential losses.

By 28 February 2022, 47 of these stores had been reopened and currently six stores remain closed. Of the six still to be opened, the final damaged store is scheduled to open in the 2023 financial year.

The UPD and Clicks distribution centres in KZN were both looted and damaged, and reopened on 26 July 2021 and 16 August 2021 respectively.

The civil unrest resulted in inventory write-offs of R333.6 million, property, plant and equipment impairments of R61.3 million, loss of cash on hand of R3.4 million and additional costs of R28.2 million incurred to limit additional losses. In addition to these losses, the unrest resulted in lost sales to 28 February 2022 and placed significant pressure on the group's supply chain network, which implemented business continuity plans using the remaining group distribution centres. In addition, UPD ensured the fulfilment of its pharmaceutical contractual obligations to major customers.

The group's right-of-use assets were assessed for impairment as at 31 August 2021 using budgeted future cash flows, which took into account the effects of the civil unrest.

The group has adequate South African Special Risks Insurance Association (SASRIA) and general insurance cover for material damage to assets, stock and business interruption.

As disclosed in the group's 2021 annual financial statements, the group received a second interim payment of R217.4 million from SASRIA on 29 October 2021 as part of its political risk insurance claim relating to the civil unrest in July 2021. This second interim insurance payment is accounted for in the group's financial results for the six months ended 28 February 2022. An amount of R130.4 million is reflected in other income and R87.0 million included as income of a capital nature related to property, plant and equipment.

The final SASRIA claim amounted to R713.4 million, comprising loss of stock of R523.9 million, replacement of fixed assets of R167.0 million and other costs of R22.5 million.

The group entered into a full and final settlement agreement with SASRIA subsequent to the half-year amounting to R710.3 million. An amount of R523.9 million was recovered for loss of stock, R19.4 million for other costs and R167.0 million for replacement of fixed assets.

The group has adequate cash and borrowing facilities available to manage liquidity requirements during the recovery and rebuilding phase.

The group and continuing operations headline earnings excluding the impact of the civil unrest is disclosed as follows:

R'000	Unaudited six months to 28 February 2022	Six months to 28 February 2021	% change	Year to 31 August 2021
Headline earnings from continuing operations	1 142 354	965 807	18.3	1 961 225
Adjusted for:				
Cost of merchandise written off – civil unrest	-	-		333 639
Insurance proceeds related to non-capital items – civil unrest	(130 375)	-		(217 391)
Other costs – civil unrest	-	-		31 589
Total tax effects on adjustments	36 505	-		(41 394)
Adjusted headline earnings from continuing operations	1 048 484	965 807	8.6	2 067 668
Discontinued operations headline earnings	-	(45 356)		(49 676)
Group adjusted headline earnings	1 048 484	920 451	13.9	2 017 992
Group adjusted headline earnings per share (cents)	428.6	370.6	15.7	816.7
Continuing operations	428.6	388.9	10.2	836.8
Discontinued operations	-	(18.3)		(20.1)
Group diluted adjusted headline earnings per share (cents)	428.6	370.6	15.7	816.7
Diluted continuing operations	428.6	388.9	10.2	836.8
Diluted discontinued operations	-	(18.3)		(20.1)

1.12 Closure of Musica cash-generating unit

On 28 January 2021 the group announced that the board of directors had decided to close the group's heritage entertainment brand, Musica, with effect from 31 May 2021. Musica closed all of its 78 stores and ceased operations during the previous financial year. As a result the cash-generating unit is disclosed as a discontinued operation in accordance with IFRS 5.

The impact on the financial statements of the restatement above is disclosed as follows:

<u>R'000</u>	As previously reported 28 February 2021	IFRS 5 Adjustment	Restated 2021
Consolidated statement of comprehensive income			
Turnover	18 133 638	(187 589)	17 946 049
Cost of merchandise sold	(14 406 121)	158 552	(14 247 569)
Gross profit	3 727 517	(29 037)	3 698 480
Other income	1 135 099	(3 671)	1 131 428
Total income	4 862 616	(32 708)	4 829 908
Expenses	(3 496 763)	94 453	(3 402 310)
Depreciation and amortisation	(592 955)	28 285	(564 670)
Occupancy costs	(87 524)	6 806	(80 718)
Employment costs	(1 825 408)	33 925	(1 791 483)
Other costs	(989 386)	25 130	(964 256)
Impairment allowance	(1 490)	307	(1 183)
Operating profit	1 365 853	61 745	1 427 598
Loss on disposal of property, plant and equipment	(9 800)	6 485	(3 315)
Impairment of property, plant and equipment – civil unrest	(30 417)	30 417	-
Profit before financing costs	1 325 636	98 647	1 424 283
Net financing expense	(90 228)	1 458	(88 770)
Financial income	20 850	_	20 850
Financial expense	(111 078)	1 458	(109 620)
Profit before earnings from associates	1 235 408	100 105	1 335 513
Share of profit of associates	1 062	-	1 062
Profit before taxation	1 236 470	100 105	1 336 575
Income tax expense	(344 975)	(28 180)	(373 155)
Profit for the period	891 495	71 925	963 420

1.12 Closure of Musica cash-generating unit (continued) The impact of the Musica business for the current financial year on the group is disclosed as follows.

R'000	Unaudited six months to 28 February 2022	Six months to 28 February 2021	Year to 31 August 2021
Consolidated statement of comprehensive income			
Turnover	-	187 589	197 019
Cost of merchandise sold	-	(158 552)	(168 688)
Gross profit	-	29 037	28 331
Other income	-	3 671	7 184
Total income	-	32 708	35 515
Expenses	-	(94 453)	(103 092)
Depreciation and amortisation	-	(28 285)	(28 291)
Occupancy costs	-	(6 806)	(8 248)
Employment costs	_	(33 925)	(42 384)
Other costs	_	(25 130)	(23 599)
Impairment allowance	-	(307)	(570)
Operating profit	-	(61 745)	(67 577)
Loss on disposal of property, plant and equipment	-	(6 485)	(6 485)
Impairment of property, plant and equipment	-	(30 417)	(30 417)
Profit before financing costs	-	(98 647)	(104 479)
Net financing expense	-	(1 458)	(1 735)
Financial income	_	-	1
Financial expense	-	(1 458)	(1 736)
Profit before taxation	-	(100 105)	(106 214)
Income tax expense	-	28 180	29 969
Profit for the period	-	(71 925)	(76 245)
Musica statement of financial position			
Assets			
Property, plant and equipment	-	-	-
Right-of-use assets	-	-	-
Intangible assets	-	-	-
Inventories	-	3 750	1 069
Trade and other receivables	-	5 089	43
	-	8 839	1 112
Liabilities			
Employee benefits – non-current	-	1 517	-
Lease liabilities	-	21 088	3 832
Trade and other payables	-	56 947	7 942
Employee benefits – current	-	3 169	68
	_	82 721	11 842

1.12 Closure of Musica cash-generating unit (continued)

R'000	Unaudited six months to 28 February 2022	Six months to 28 February 2021	Year to 31 August 2021
Musica statement of cash flows information			
Net cash outflows attributable to Musica			
Cash effects from operating activities	-	20 806	(31 188)
Cash effects from investing activities	-	(48)	(48)
Cash effects from financing activities	-	(24 689)	(42 170)
Net decrease in cash utilised by Musica	-	(3 931)	(73 406)

1.13 Events after the reporting period

Subsequent to 28 February 2022, the remaining 14 pharmacy licences acquired as part of the Pick n Pay pharmacy licence acquisition (refer to note 1.10) were approved and transferred to Clicks Retailers.

Subsequent to the half-year ended 28 February 2022, the group entered into a full and final insurance settlement with SASRIA (refer to note 1.11) and received an amount of R316.8 million (including VAT) relating to the civil unrest insurance claim which will be accounted for in the group's full-year results to 31 August 2022. Of the settlement amount R195.5 million will be included in other income and R80.0 million included as income of a capital nature related to property, plant and equipment.

During April 2022 the KwaZulu-Natal region experienced widespread flooding which resulted in significant infrastructure damage and a regional state of disaster being declared. The group is adequately insured for this event and is in the process of assessing and quantifying the damage to any assets and stock, as well as business interruption, with two stores currently not trading.

Clicks Group Interim Condensed Consolidated Results 2022 -18 -

Corporate INFORMATION

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* Independent non-executive

Company secretary: M Welz

Transfer secretaries: Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank 2196. Private Bag X9000, Saxonwold 2132

Sponsor: Investec Bank Limited

Registration number: 1996/000645/06 Income tax number: 9061/745/71/8

Share code: CLS ISIN: ZAE000134854 CUSIP: 18682W205 LEI: 378900E967958A677472

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