

# CLICKS GROUP LIMITED

**INTERIM RESULTS  
for the six months  
ended  
28 February 2025**



**vitamin b for energy**

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# 01 Review of the period

Bertina  
Engelbrecht

# Review of the period

- Performance continues to prove the resilience and defensiveness of the group
  - Diluted HEPS up **13.2%**
- Opened 950<sup>th</sup> Clicks store and 740<sup>th</sup> pharmacy
- Over 12m active ClubCard members
- UPD recovered from systems implementation
- SA's first fleet of pharma-compliant EVs with solar-powered refrigeration
- Achieved level 3 B-BBEE rating

# 02 Financial results

Gordon  
Traill



# Financial highlights

CLICKS GROUP  
LIMITED

**Turnover up**

**6.2%**

**Retail** turnover up **6.4%**

**UPD** reported turnover up **7.6%**

**Trading margin**

up from 8.5% to

**9.1%**

**Diluted HEPS up**

**13.2%**

to 604 cps

**Cash generated  
by operations**

**R1.7 bn**

in the six months

**Return on equity**

up from 43.4% to

**46.2%**

**Interim dividend up**

**13.3%**

to 238 cps

# Turnover

R'm	H1 2025	H1 2024	% change	% same stores growth	% inflation
Retail	18 384	17 283	6.4	4.6	3.3
Distribution	8 771	8 148	7.6		2.1
Intragroup turnover	(3 991)	(3 627)	10.0		
<b>Total group</b>	<b>23 164</b>	<b>21 804</b>	<b>6.2</b>		<b>3.0</b>

- Retail value growth impacted by lower inflation, higher level of promotions and continuing switch to private label
- 8.3% Retail turnover growth excluding Unicorn Pharmaceuticals and extra trading day in prior period
- 5.4% same store growth excluding extra trading day in prior period
- UPD and intragroup benefited from recovery from prior year systems impact

# Total income

R'm	H1 2025	H1 2024	% change	H1 2025 % margin	H1 2024 % margin
Retail	6 434	5 969	7.8	35.0	34.5
Distribution	825	784	5.2	9.4	9.6
Intragroup	(85)	(167)			
<b>Total group</b>	<b>7 174</b>	<b>6 586</b>	<b>8.9</b>	<b>31.0</b>	<b>30.2</b>

- Retail margin driven by strong growth in private label
- UPD impacted by slightly lower SEP increase  
(maximum of 5.25% vs 6.79% + 1.73% in H1 2024)

# Trading expenditure – Retail

R'm	H1 2025	H1 2024	% change
Depreciation – PPE	294	284	3.6
Depreciation – ROU asset	550	502	9.6
Occupancy costs	106	101	4.4
Employment costs	2 420	2 224	8.8
Other costs	1 262	1 156	9.2
<b>Total retail costs</b>	<b>4 632</b>	<b>4 267</b>	<b>8.5</b>
% of turnover	25.2%	24.7%	
Finance costs – lease liability	164	131	25.4

- Comparable retail costs up **6.0%**
- Employment costs impacted by 7% wage increase and pharmacy openings
- Other operating costs include electricity, card acquiring charges & advertising
- IFRS 16 costs impacted by increased number of renewals & new stores

# Trading expenditure – Distribution

R'm	H1 2025	H1 2024	% change
Depreciation – PPE	35	27	30.2
Depreciation – ROU asset	5	9	(46.8)
Occupancy costs	2	1	35.2
Employment costs	176	197	(10.3)
Other costs	379	354	7.2
<b>Total distribution costs</b>	<b>597</b>	<b>588</b>	<b>1.6</b>

- Depreciation of PPE driven by investment in systems
- Extra employment costs in base during Lea Glen systems rollout removed

# Trading profit

R'm	H1 2025	H1 2024	% change	H1 2025 % margin	H1 2024 % margin
Retail	1 802	1 702	5.9	9.8	9.8
Distribution	227	196	15.8	2.6	2.4
Intragroup	68	(35)			
<b>Total group</b>	<b>2 097</b>	<b>1 863</b>	<b>12.6</b>	<b>9.1</b>	<b>8.5</b>

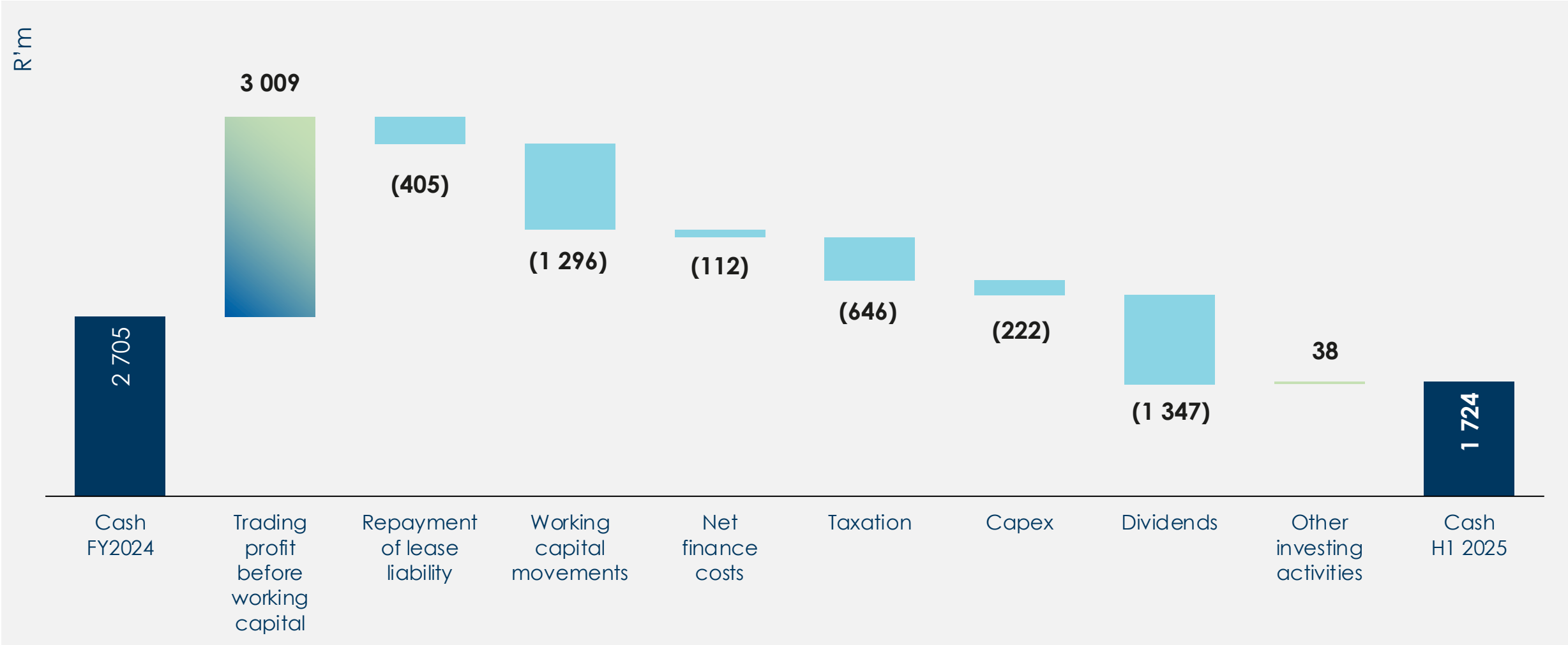
- Retail margin is 10.2% including Unicorn intragroup profit
- Intragroup a result of remaining unsold Unicorn stock prior to disposal – will normalise in FY2026
- UPD recovered from prior year systems implementations

# Inventory

	Days in stock		Inventory (R'm)		
	H1 2025	H1 2024	H1 2025	H1 2024	% change
Retail	84	82	5 578	5 095	9.5
Distribution	52	61	2 498	2 669	(6.4)
Intragroup inventory			(113)	(187)	
<b>Total group</b>	<b>85</b>	<b>86</b>	<b>7 963</b>	<b>7 577</b>	<b>5.1</b>

- Retail inventories impacted by additional pharmacies, and SEP & other buy-ins
- UPD had lower level of SEP buy-in than prior year
- Group net working capital days up slightly from 44 to 45 days

# Cash management for the six months



- **R1 025m** capex planned for FY2025
  - R578m on stores:
    - 45 – 55 new Clicks stores and pharmacies
    - 70 – 80 store refurbishments
  - R447m on infrastructure:
    - R86m on UPD IT and warehouse equipment
    - R361m on retail systems and infrastructure

# 03 Trading Performance

Bertina  
Engelbrecht



# Clicks business review

# Retail sales performance

	% change	% contribution
Pharmacy	9.2	25.7
Front shop health	9.8	25.3
Beauty and personal care	8.2	33.6
General merchandise	4.5	15.4
<b>Total turnover</b>	<b>8.3</b>	<b>100.0</b>

- % changes exclude Unicorn Pharmaceuticals turnover in H1 2024 and extra trading day in the prior period
- Comparable stores turnover growth of 5.4% (excluding extra trading day in H1 2024)
  - Inflation 3.3%
  - Volume growth of 2.1%

# Market shares

%	H1 2025	H1 2024
<b>Health</b>		
Retail pharmacy*	<b>23.8</b>	23.8
Front shop health**	<b>34.0</b>	33.7
Baby**	<b>23.0</b>	21.3
<b>Beauty</b>		
Skincare**	<b>44.2</b>	43.0
Haircare**	<b>33.1</b>	32.9
Personal care**	<b>22.4</b>	21.5
<b>General merchandise</b>		
Small electrical appliances**	<b>18.4</b>	19.1

\* Per IQVIA (Private Retail Pharmacy S1-6) (restated)

\*\* Per AC Nielsen (restated)

- Maintaining **value**
  - Price competitive with all national retailers
  - Promotional sales +13.2% to 47.1% of turnover
  - In pharmacy, generics +7.5% to 59% of sales and 70% of volume
  - R438 million cashback paid to ClubCard members in the six months

Clicks price index* vs:	
Retailer A	97.8
Retailer B	98.9
Retailer C	99.3
Retailer D	98.1

\* Excluding all promotional pricing, bulk deals and 3 for 2 promotions



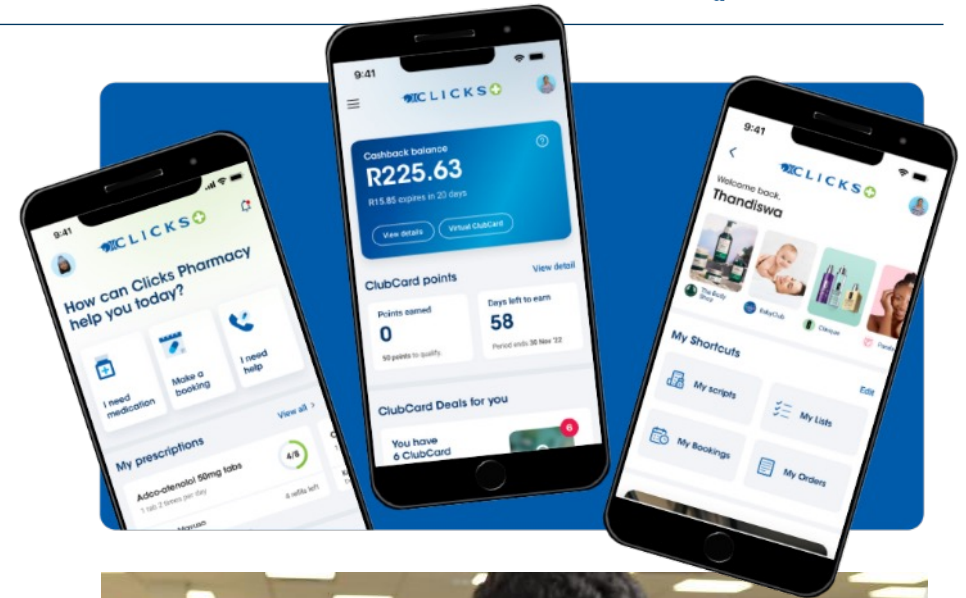
# Performance and strategy

- **Differentiating** our product offer
  - Private label +10.1% to 26.5% of sales (front shop 31.4%, pharmacy 11.8%)
  - 6 Clicks Baby stores and 8 store-in-stores performing well – to open 7 more in H2
  - Clinics turnover up 11.6%
  - New healthcare elevation in 80 stores – 50 more to be rolled out in H2
  - ARC Stores growing strongly



# Performance and strategy

- Engaging customers through **personalisation**
  - 12.1m active ClubCard members, 81.6% of sales
  - ClubCard again voted the most loved loyalty programme in SA\*
  - Online sales up 23.0%; online purchases and 'research online purchase offline' (ROPO) increased to 4.4% of sales
  - New pharmacy management system, LEAP, rolled out to 383 pharmacies



\* Per Truth Loyalty and BrandMapps' ninth South African Loyalty Landscape for 2024/25

# Performance and strategy

- Extending **convenience**

- 950\* Clicks stores with 740 pharmacies
- 53% of population < 5.0km of a pharmacy
- Opening clinics and trialling smaller formats
- 241 stores located in low income areas (23.4% of retail turnover)
- RPS now >50% of chronic scripts
- PCDT pharmacy model pilot to be extended from 11 to 17 pharmacies
- Rollout of UniHealth specialised format – will open first greenfield site in H2

Format	Total
Convenience	725
Destination	225
<b>Total</b>	<b>950</b>

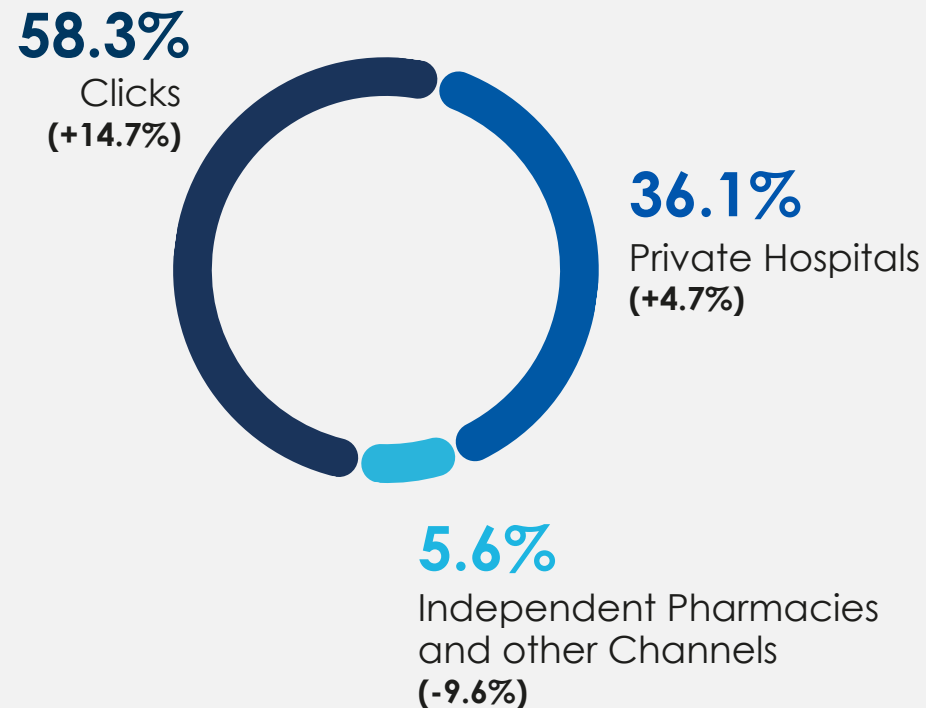


\* Includes 6 Clicks Baby stores

## UPD business review



# Fine wholesale turnover



- Wholesale turnover up 9.3%
- Clicks boosted by return to purchasing compliance, higher pharmacy openings and increased GLP-1 sales
- Hospital volumes +10.0% (genericisation impacting value growth)
- Wholesale market share down from 27.5% to 26.6%\*

\* MAT per IQVIA

# Review of the period

- Total managed turnover +4.8% to R14.1bn
- Generic medicines 75.0% of volumes
- Exited two rented DCs in December
- Upgrade to SAP production system concluded in September
- Knapp WMS rollout at Bloemfontein DC completed in February
- 42 EV delivery vehicles launched in Gauteng & Western Cape in February

# 04 Outlook

Bertina  
Engelbrecht

# Outlook for H2 2025

- Consumer environment will remain constrained
  - Additional impact of VAT increase and geopolitical risks
- Taking advantage of market movements to buy back shares
- Planning **45 - 55** new Clicks stores and **45 - 55** new dispensaries in FY2025
  - Opened 29 Clicks Pharmacies so far this year
- Earnings forecast for FY2025: **11 – 16%** growth in dHEPS

# 05 Questions

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