



CLICKS GROUP
LIMITED

2025

Annual results
for the year ended
31 August 2025

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01

Review of
the year

Bertina
Engelbrecht

Review of the year

- Performance continues to prove defensiveness of the group
 - Diluted HEPS up **14.1%**
 - Return on equity of **49.2%**
- 30th birthday of Clicks ClubCard, 12.6m active members
- Opened 990th Clicks store and 780th pharmacy
- Market share gains in core health & beauty categories
- UPD core wholesale channels increased purchasing compliance, with expenses very well managed
- Supporting gender diversity & empowerment



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02

Financial Results

Gordon
Trill

Financial highlights

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Turnover up

5.3%

Retail turnover up **6.0%**

UPD total managed
turnover up **2.0%**

Total income margin

up from 30.2% to

31.1%

Trading margin

up from 9.2% to

9.8%

Diluted HEPS up

14.1%

to 1 361.7 cps

**Cash generated
by operations**

R6.6 bn

**Returned to
shareholders**

R2.7 bn

Return on equity

up from 46.4% to

49.2%

Total dividend up

14.2%

to 886 cps

Turnover

R'm	2025	2024	% change	% same stores growth	% inflation
Retail	37 554	35 438	6.0	4.3	2.6
Distribution	18 658	17 750	5.1		1.3
Intragroup turnover	(8 384)	(7 750)	8.2		
Total group	47 828	45 438	5.3		2.1

- **7.0%** Retail turnover growth excluding Unicorn Pharmaceuticals in FY2024
- Retail value growth impacted by lower inflation, higher level of promotions and continuing switch to private label
 - Retail price inflation 1.9% in H2 versus 3.3% in H1
- UPD value growth impacted by continuing genericisation of hospitals

Total income

R'm	2025	2024	% change	2025 % margin	2024 % margin
Retail	13 252	12 264	8.1	35.3	34.6
Distribution	1 843	1 769	4.2	9.9	10.0
Intragroup turnover	(234)	(318)			
Total group	14 861	13 715	8.4	31.1	30.2

- Retail margin driven by strong growth in private label and supply chain efficiencies
- UPD impacted by slightly lower SEP increase (maximum of 5.25% vs 6.79% + 1.73% in FY2024)

Trading expenditure – Retail

R'm	2025	2024	% change
Depreciation – PPE	598	575	4.0
Depreciation – ROU asset	1 133	1 032	9.8
Occupancy costs	210	210	0.1
Employment costs	4 897	4 529	8.1
Other costs	2 483	2 290	8.4
Total retail costs	9 321	8 636	7.9
% of turnover	24.8%	24.4%	
Finance costs – lease liability	338	280	20.9

- Comparable retail cost growth **5.0%**
- Employment costs impacted by 7.0% wage increase and pharmacy openings
- Other costs include electricity & water, and card acquiring charges

Trading expenditure – Distribution

R'm	2025	2024	% change
Depreciation – PPE	72	58	24.5
Depreciation – ROU asset	9	17	(46.4)
Occupancy costs	3	4	(18.8)
Employment costs	385	378	2.0
Other costs	749	738	1.4
Total distribution costs	1 218	1 195	1.9

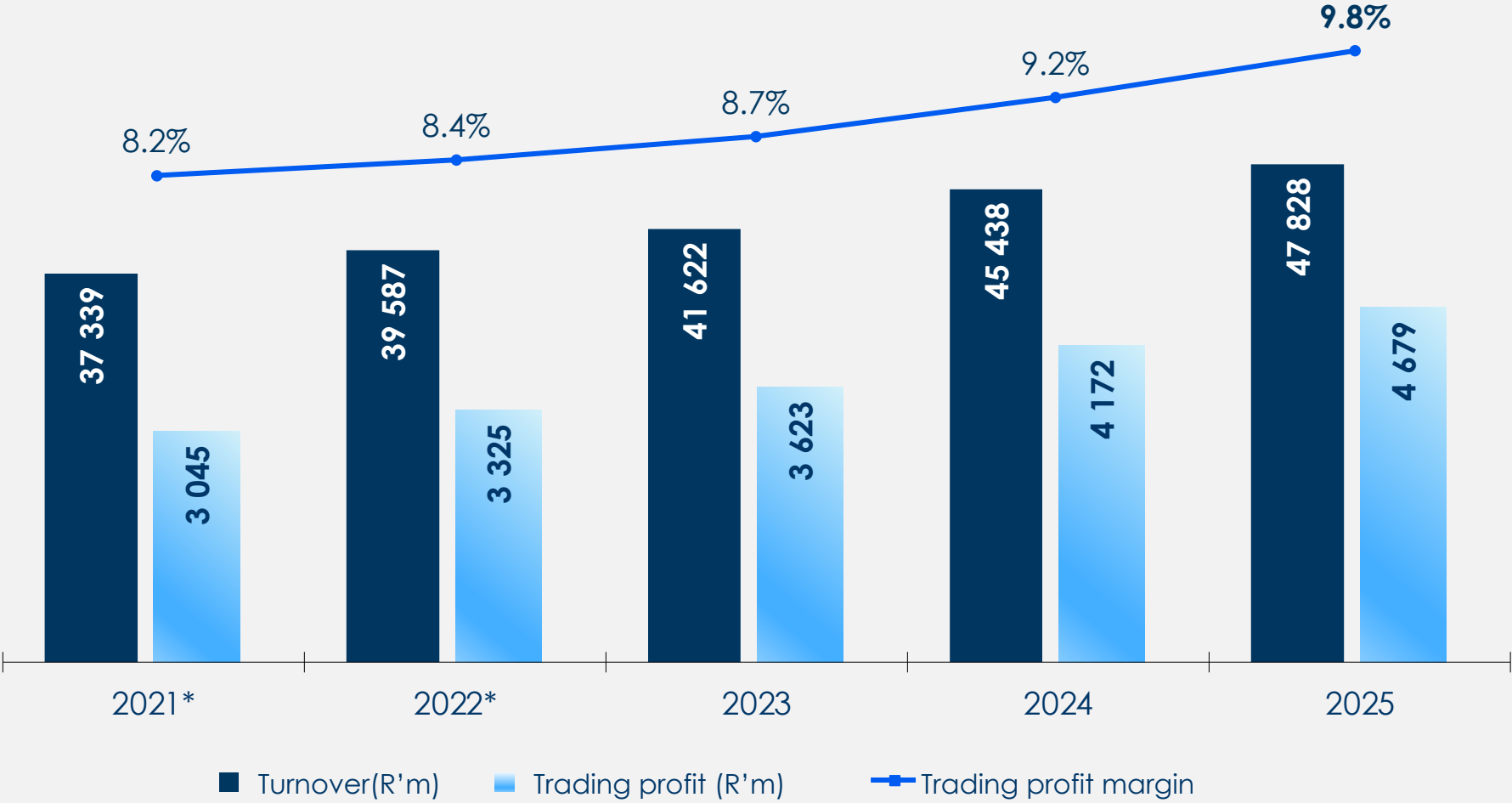
- Depreciation of PPE driven by investment in systems
- Benefit of solar and EVs on electricity and fuel costs

Trading profit

R'm	2025	2024	% change	2025 % margin	2024 % margin
Retail	3 932	3 628	8.4	10.5	10.2
Distribution	625	574	9.0	3.3	3.2
Intragroup	122	(30)			
Total group	4 679	4 172	12.1	9.8	9.2

- Retail margin is 10.8% including Unicorn intragroup profit
- Intragroup a result of unwind of profit on Unicorn stock – will normalise in FY2026

Growth in turnover, profit and margin



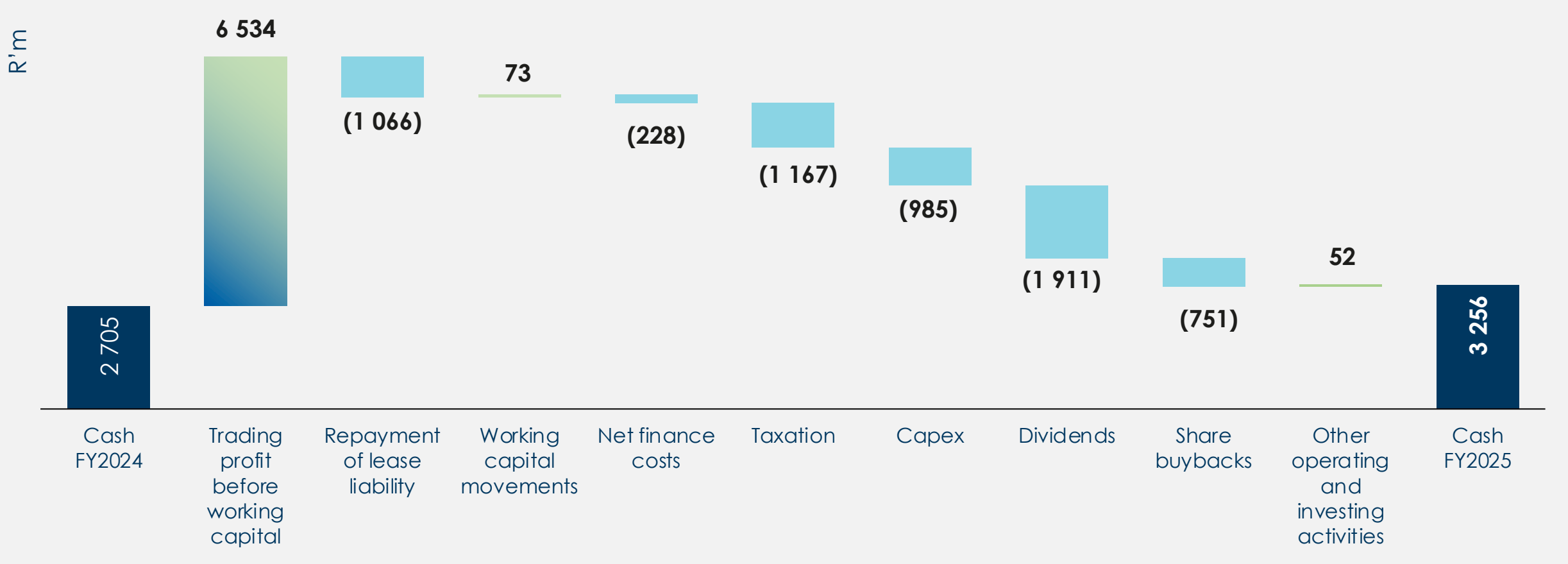
* FY2021 continuing operations; FY2021 & FY2022 trading profit and margin adjusted for impact of civil unrest

Inventory

	Days in stock		Inventory (R'm)		
	2025	2024	2025	2024	% change
Retail	77	76	5 613	5 245	7.0
Distribution	45	42	2 265	1 999	13.3
Intragroup inventory			(59)	(181)	
Total group	78	74	7 819	7 063	10.7

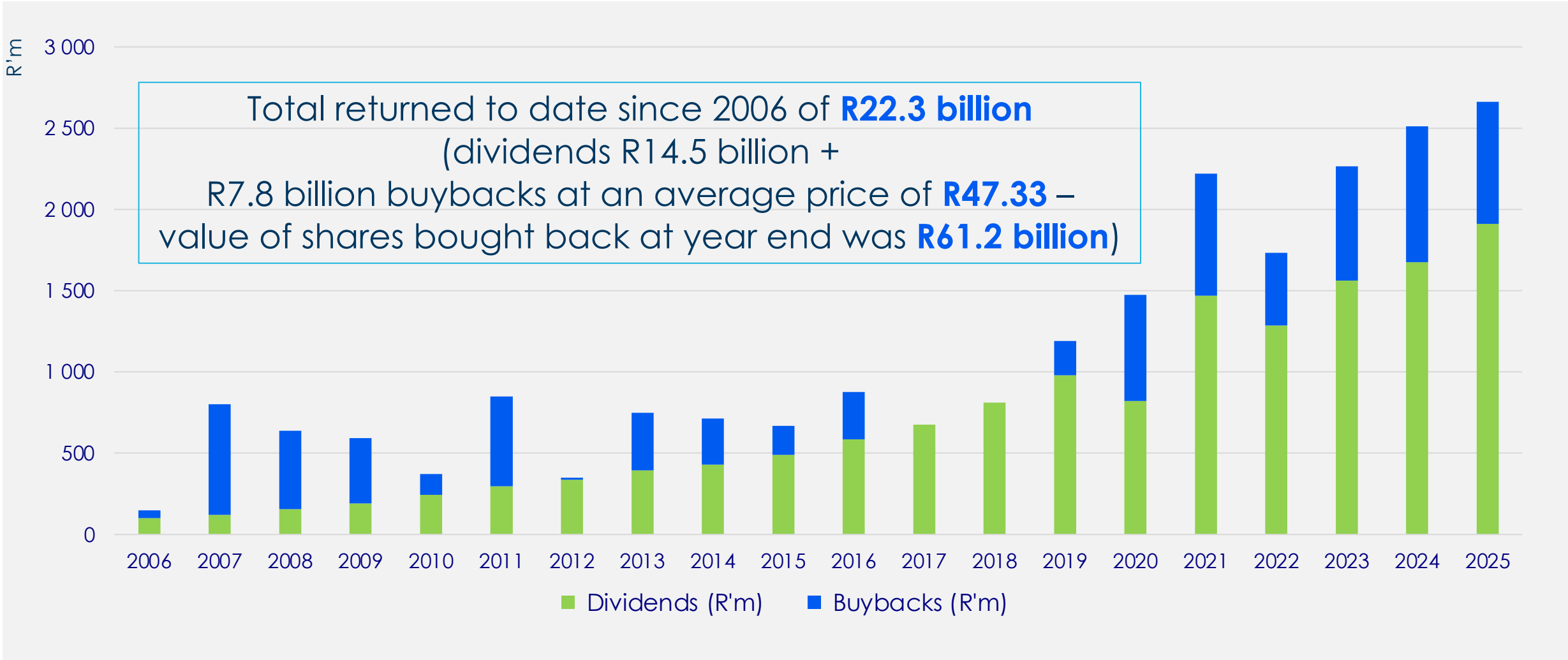
- Retail inventories impacted by new stores opened in July & August and focus on availability to drive sales
- GLP-1 buy-ins and higher Unicorn stock levels in UPD
- Group net working capital days improved from 35 to 34 days

Cash management



- R1.5 billion final dividend to be paid to shareholders in January 2026

Capital returned to shareholders

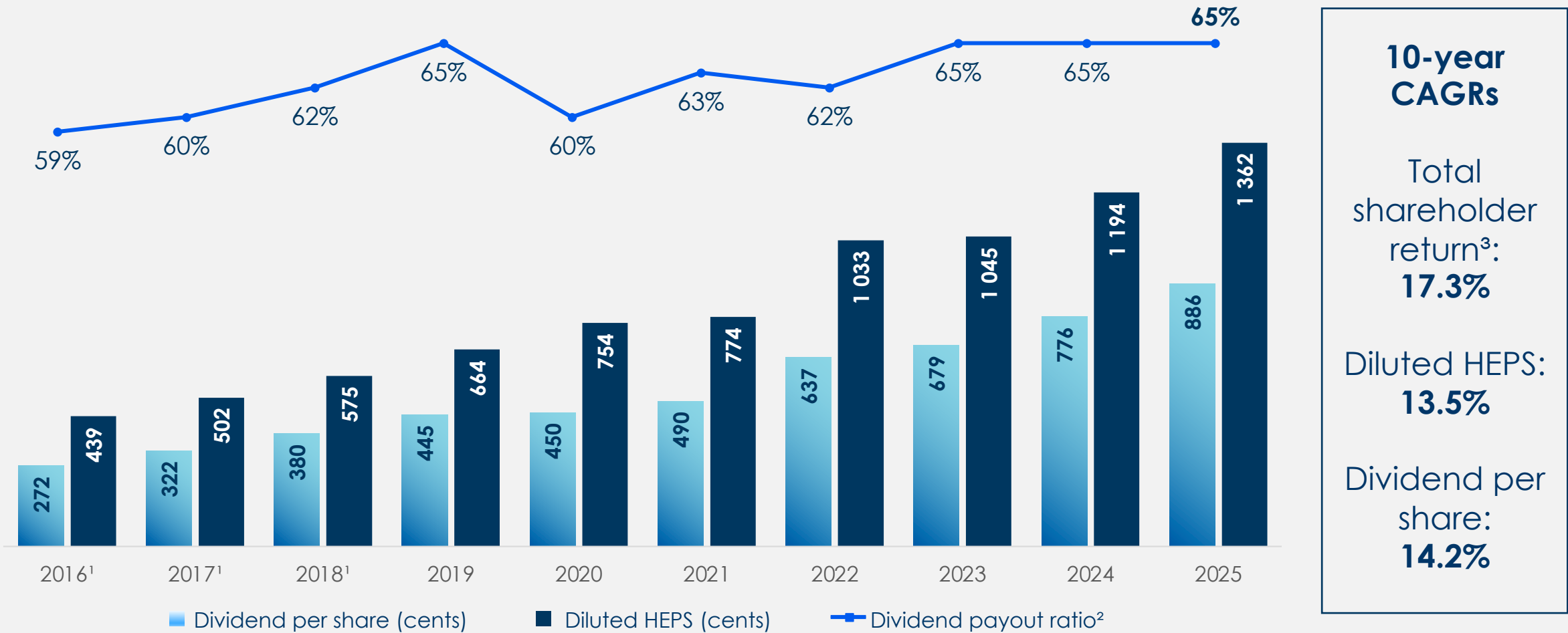


- **R1 256m** capex planned for FY2026
 - R662m on stores:
 - 40 – 50 new Clicks stores and pharmacies
 - 70 – 80 store refurbishments
 - R594m on infrastructure:
 - R88m on UPD IT and warehouse equipment
 - R506m on retail systems and infrastructure, including WMS rollout to Cape Town, Centurion and Durban DCs
- **R1.3 – R1.4bn p.a.** capex planned for next three years

Medium-term financial targets

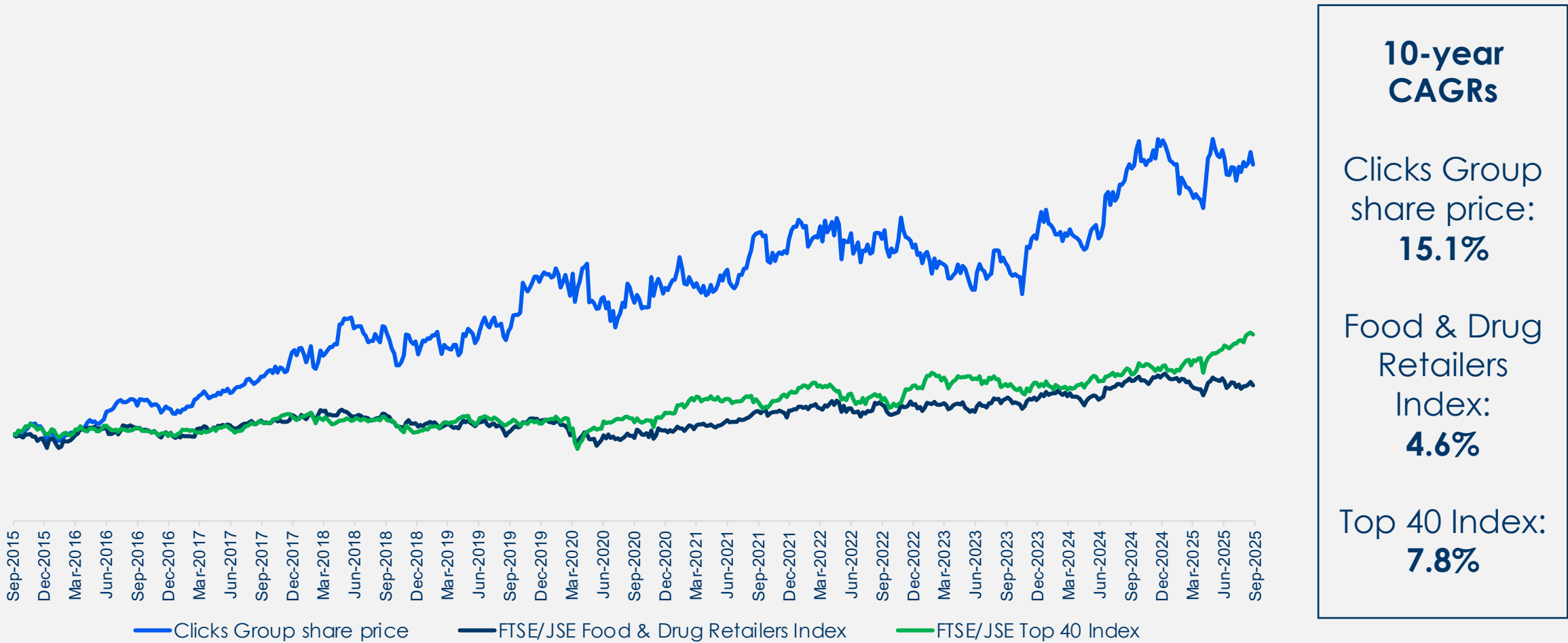
	Achieved in FY2025	Medium-term target
ROE (%)	49.2	40 – 50
ROIC excluding IFRS 16 (%)	47.0	40 – 50
ROIC (%)	30.7	20 – 30
ROA (%)	14.9	11 – 15
Net working capital days	34	30 – 35
Group trading margin (%)	9.8	9.0 – 10.0
Retail	10.5	10.0 – 11.0
Distribution	3.3	2.8 – 3.3
Dividend payout ratio (%)	65	60 – 65

Sustained financial performance



¹ Pre-IFRS 16 ² Based on HEPS ³ Based on reinvestment of dividends paid and the closing share price

Continued share price outperformance





03

Trading Performance

Bertina Engelbrecht

Clicks business review

Retail sales performance

	% change	% contribution
Pharmacy	6.9	26.8
Front shop health & baby	8.0	25.6
Beauty & personal care	7.4	32.5
General merchandise	4.4	15.1
Total turnover	7.0	100.0

- % changes exclude Unicorn Pharmaceuticals turnover in FY2024
- Comparable stores turnover growth of **4.7%** (excluding extra trading day in FY2024)
 - Inflation 2.6%
 - Volume growth of 2.1%

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

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

** Per NielsenIQ (restated)

Performance and strategy

- Maintaining **value**
 - Price competitive with all national retailers
 - Promotional sales +12.4% to 47.0% of turnover
 - In pharmacy, generics +8.8% to 59% of sales and 71% of volume
 - R855 million cashback paid to ClubCard members

Clicks price index* vs:	
Retailer A	96.9
Retailer B	98.4
Retailer C	98.2
Retailer D	99.0

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



Performance and strategy

- **Differentiating** our product offer
 - R9.7bn sales of private label and exclusive brands
 - Private label +10.7% to 25.9% of sales (front shop 30.6%, pharmacy 12.3%)
 - Six private label products voted SA Product of the Year in their categories
 - Clicks Baby standalone stores and 14 store-in-stores performing well
 - ARC Stores opened largest beauty store in Africa at Sandton City



Performance and strategy

- Engaging customers through **personalisation**
 - 12.6m active ClubCard members, 82.6% of sales
 - Most used loyalty programme* in SA
 - Online sales up 15.9%; online purchases and ‘research online purchase offline’ (ROPO) increased to 4.1% of sales
 - LEAP pharmacy management system will be rolled out to all pharmacies by November



* Per Truth & BrandMapp Loyalty Whitepaper 2025

Performance and strategy

- Extending **convenience**
 - 990* Clicks stores and 1 UniCare store with 780 pharmacies and 225 clinics
 - 53.2% of population < 5.0km of a pharmacy
 - Starting rollout of UniCare specialised format – two greenfield sites and two acquisitions planned in H1
 - Opening clinics and trialling smaller formats
 - 247 stores located in low income areas (23.7% of retail turnover)



Format	Total
Convenience	764
Destination	227
Total	991

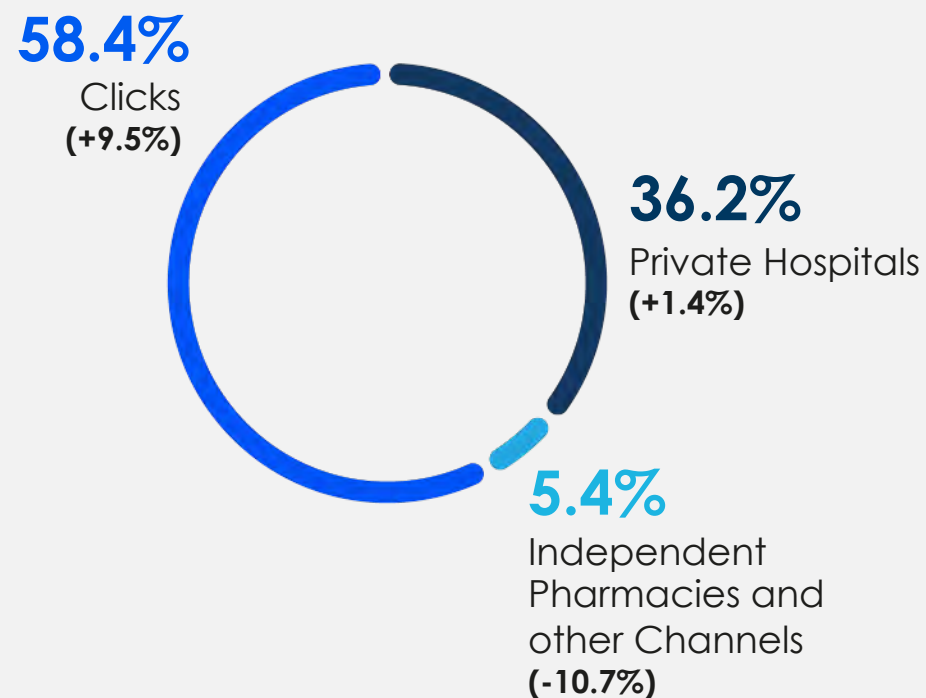


* Includes 6 Clicks Baby stores

UPD business review



Fine wholesale turnover



- Wholesale turnover up 5.2%
- Benefit of increased Clicks pharmacy openings; purchasing compliance > 98%
- Hospital volumes +8.8%
- Wholesale market share down from 26.7% to 26.2%*

* Source: IQVIA, TPM, MAT August 2025, Schedule 1 - 6

Review of the year

- Total managed turnover +2.0% to **R30.5bn**
- Generic medicines 75.7% of volumes
- Excellent cost management post systems implementation, aided by solar, batteries and EVs
- SAP and WMS rolled out successfully to seven distribution clients – remaining clients to be completed by March 2026
- Ordering additional 40 EV delivery vehicles in Gauteng & Western Cape



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04

Strategy and outlook

Bertina Engelbrecht

- Macro-economic indicators improving, yet the consumer remains constrained
- The group is well positioned due to:
 - Competitive advantage in **defensive health and beauty sectors** – with **market-leading shares** in core retail categories and in pharmaceutical wholesale and distribution
 - **Long-term organic growth** opportunities underpinned by our value proposition and customer service
 - **Increasing scale** maximises and leverages efficiency, effectiveness and reach

- Leveraging investments in LEAP pharmacy management system, UniCare, Sorbet and ARC Stores
- Medium-term target of **1 200 Clicks stores**
 - Plan to open 40 - 50 stores and pharmacies per year
 - Roll out of 10 - 15 UniCare specialised pharmacy format
- Target of **35% private label** & exclusive brands in front shop
- R1.3bn p.a. in capex planned - continued investment in systems and omni-channel capability
- Strengthened and expanded group executive
- Confident of the group's ability to continue delivering on medium-term targets

05

Questions



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