CLICKS GROUP FINANCIAL RESULTS FOR FY2026 (YEAR ENDED 31 AUGUST 2026)

TRADE INTELLIGENCE COMMENT

Clicks Group grew FY2026 turnover by +5.4% to R50.4bn, surpassing R50bn for the first time despite constrained consumer spending and aggressive discounting. Growth was supported by store and pharmacy expansion, alongside continued execution of its value, differentiation, personalisation and convenience strategies.

Clicks' value focus remains central to customer needs, with 13.1 million active ClubCard members contributing 84.2% of sales. An additional 10% discount across 3,000 products strengthened the loyalty offer, while promotions accounted for 47.1% of sales. In support of its convenience strategy, Clicks added a net 41 stores and 60 pharmacies, taking its footprint to 1,031 stores and five UniCare pharmacies. Category performance was mixed: Clicks gained share in pharmacy, personal care and small appliances, but lost share in front shop health, skincare and haircare. Leading in health and beauty retail with 25.8% total private label share, Clicks aims to grow front shop private label share from 30.9% to 35% and dispensary from 12.3% to 18%.

Clicks will continue investing in store expansion plans to open 40 to 50 stores annually, targeting 1,200 stores over the medium term, alongside 15 to 20 specialised UniCare pharmacies. In FY2027, a focus on new formats will see investment into KwaMakhi, Sorbet and ARC stores. Their intensified focus on specialised healthcare includes new oncology services, higher inventory in support of the new medical consumables business and digital dispensary capabilities. Consumer spending will remain under pressure due to rising fuel costs and interest rates. Aggressive promotional discounting will continue to define an intensely competitive retail landscape. Clicks' tiered formats and reach across all income segments provide a resilient foundation for sustained growth.

KEY HIGHLIGHTS

- **Group turnover** +5.4% to R50.4bn, with constrained consumers and *"aggressive competitor discounting"*, as well as system implementation delays that impacted stock availability in the Western and Eastern Cape stores in H1
- **Total income**[1] +5.1% to R15.6bn. Margin lower at 31.0% (FY2025: 31.1%) due to mix change. Distribution turnover growth ahead of Retail
  - **Retail:** +7.5% to R14.2bn, margin 36.2% (FY2025: 35.3%), attributed to "*supply chain efficiencies*" offsetting increasing competition
  - **Distribution:** +6.8% to R1.8bn, margin 9.0% (FY2025: 9.9%), medicine price increase was lower and two bulk contracts ended
- **Trading profit**[2] +4.7% to R4.9bn. Margin slightly lower at 9.7% (FY2025: 9.2%). **Expenses**: +5.2% to R10.7bn
  - **Retail:** +9.9% to R4.3bn, **margin** increased to 11.0% (FY2025: 10.8%), with expenses: +5.6% to R9.8bn, including new stores
  - **Distribution**: -10.4% to R560m, **margin** 2.7% (FY2025: 3.3%), expense growth +4.1% to R1.3bn, including the costs for the IT system
- Diluted **HEPS:**[3] +4.4% to 1,422 cents per share (cps). **Dividend:**[4] +4.4% to 925 cps. Share buybacks continue, R1.3bn for FY2026
- As at 31 Aug 2026: **1,031 Clicks stores**. 77% of footprint is "*convenience*" format and 25.5% of turnover comes from the 270 stores located in low-income areas. There are 840 pharmacies (incl. 5 UniCare stores). In FY2026, the Group **launched 4 KwaMakhi** pilot stores
- **Planned CAPEX for FY2027: R1.5bn**, of which R780m is for stores: 40 to 50 new stores/pharmacies, incl. more UniCare pharmacies; expansion of KwaMakhi; and 70 to 80 refurbs. R673m is allocated to systems, omnichannel and supply chain. The acquisition of more shares of ARC Store (premium beauty retailer) is pending approval

Clicks Group FY2026 Financial Results Summary Table

	Turnover (R'bn)	Turnover Growth %	Comparable[6] Turnover Growth %	Turnover Growth % from New Stores	Average Internal Selling Price Inflation	Volume Growth %
Group	**R50.4bn**	**+5.4%**	–		**+1.2%**	–
Retail[5]	R39.1bn	+4.2%	+1.8%	+2.4%	+1.5% (H1: +2.3% | H2: +1.2%)	+0.3%
Distribution	R20.4bn	+9.2%	–		+0.6%	–

Notes: – Data not reported | 1. Total income: Gross profit plus other income | 2. Trading profit: Total income less expenses (before profit/loss on asset disposal, finance expenses, earnings from associates and tax) – same as operating profit in this instance. Includes an intragroup profit of R18m for FY2026 (FY2025: R122m) | 3. HEPS (headline earnings per share) – diluted | 4. Dividend based on a 65% payout ratio on unadjusted HEPS | 5. Retail is made up of Clicks, UniCare, The Body Shop, Sorbet corporate stores and KwaMakhi | 6. Comparable growth adjusts for new/closed stores | Not shown on the table: Intragroup turnover from Distribution sales to Clicks Retail FY2026: -R9.1bn (FY2025: -R8.4bn) | Market share sources reported by the Group, sourced from IQVIA for pharmacy and the rest from NIQ – FY2025 data has been revised

RETAIL HIGHLIGHTS

- **Retail turnover**[5] +4.2% to R39.1bn, with +41 net new Clicks stores over the 12 months and contained internal selling price inflation of only +1.5%. Holding onto positive volume growth (+0.3%) despite lost sales in H1 due to the system implementation challenges
  - **Promotions:** Accounting for 47.1% of turnover (FY2025: 47.0%), supported by 13.1 million ClubCard members
  - **Private brand:** +4.5% to R10.1bn, accounting for 25.8% of sales (front shop: 30.9%, pharmacy: 12.3%)
- **Beauty and personal care** (32.6% of retail turnover) +4.5% to R12.8bn. Market share declined in skincare: 42.3% (FY2025: 43.3%) and increased for personal care: 23.1% (FY2025: 22.6%), and slightly declined for haircare: 32.6% (FY2025: 32.7%)
- **Pharmacy** (27.6% of retail) +7.3% to R10.8bn, market share gains to 24.7% (FY2025: 24.1%). FY2026: +60 net new pharmacies to 840, incl. +4 UniCare specialist 24-hour pharmacies (total: 5 UniCare)
- **Front shop health & baby (**25.1% of retail) +2.2% to R9.8bn. Front shop health market share dipped to 32.6% (FY2025: 33.1%). Baby market share down slightly to 23.0% (FY2025: 23.1%), attributed to deflation in diapers and "*discounting activity*"
- **General merchandise** (14.7% of retail): +1.3% to R5.7bn. Market share rebounded: 19.7% (FY2025: 18.7%)

CLICKS GROUP COMMENT

> *Despite a trading environment characterised by weak macroeconomic conditions and intensified competition, the Group nevertheless grew turnover by +5.4%, ahead of inflation and exceeded R50bn in turnover for the very first time."* – **Bertina Engelbrecht, Clicks Group CEO**