CLICKS GROUP LIMITED



Integrated report

2026

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Reporting suite 2026



The integrated report is the group's primary reporting medium and is supplemented by additional reports and information.

The following reports are available online at **www.clicksgroup.co.za**

Financial reporting

- Annual financial statements 2026
- Five-year financial review
- Annual results 2026
- Annual results 2026 presentation

Environmental, social and governance reporting

- Sustainability report 2026
- King V Disclosure Framework
- Social and ethics committee report 2026
- Notice of annual general meeting

Remuneration reporting

- Remuneration report 2026



As a leader in the healthcare market Clicks Group is committed to increasing access to affordable healthcare for all South Africans. Clicks is the country's leading health, wellness and beauty retailer and foremost pharmacy chain, with an expanding network of over 1 100 total stores and 840 pharmacies supported by a growing digital presence. UPD is the country's leading full-range pharmaceutical wholesaler, providing the distribution capability for the group's healthcare strategy.

Report navigation

The impact of the six capitals on the group's operations and performance and their contribution to value creation, preservation and protection of erosion is covered throughout the integrated report.

The following icons have been included to aid navigation of the report and indicate where the specific capitals have been referenced in the report:

- Financial
- Manufactured
- Intellectual
- Human
- Social and relationship
- Natural

- Page reference
- Online reference

CLICKS
UniCare 24/7 Trusted Health
THE BODY SHOP
Sorbet
kwaMakhi
UPD

2026 in review

Financial performance

Creating sustainable long-term shareholder value through a retail-led health, beauty and wellness offering.

Group turnover
+5.4%
to R50.4 billion

Total income margin down from 31.1% to
31.0%

Trading margin down from 9.8% to
9.7%

Diluted HEPS
+4.4%
to 1 422 cents

Total dividend
+4.4%
to 925 cents per share

Return on equity down from 49.2% to
48.7%

Cash generated by operations
R6.3bn

Returned to shareholders
R3.4bn



FTSE4Good Index for the
10th
consecutive year

Environmental

16%
absolute carbon emissions reductions

5 469 MWh
renewable energy generated

77%
waste recycled

Social

96%
black employees

62%
female employees

Level 3
BBBEE rating

Governance

67%
black directors

44%
female directors

78%
independent directors

86%
black executive management

Introducing the 2026 integrated report

We have pleasure in presenting the Clicks Group integrated report for the 2026 financial year. Improving macroeconomic conditions in South Africa during the first half of the financial year supported a gradual recovery in consumer spending. However, the outbreak of hostilities in the Middle East in late February 2026 heightened global economic uncertainty and triggered a sharp increase in international energy prices. The resulting surge in domestic fuel prices created significant inflationary pressure which placed renewed strain on consumers and slowed the pace of South Africa's economic recovery.

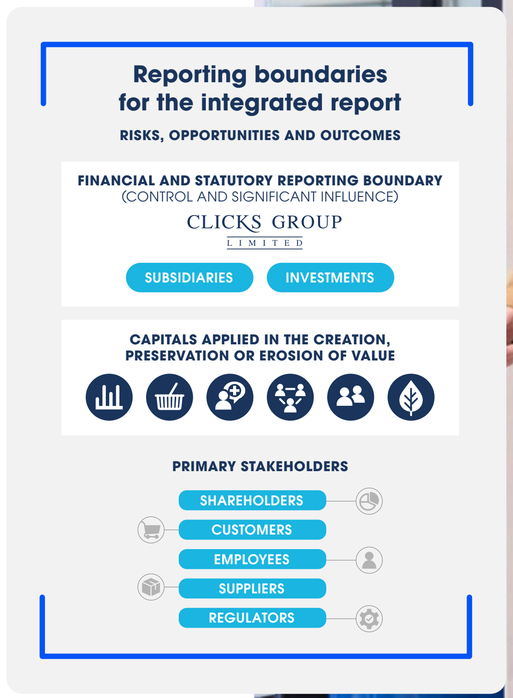
This report is aimed mainly at our shareholders, being our primary providers of capital, and the broader investment community. We also recognise the role and contribution of our customers, staff, suppliers, regulators and funding institutions in the creation, preservation and protection of value erosion.

Reporting scope and boundary

The report covers material information relating to the group's business model, strategy, material issues, risks and opportunities, and performance for the financial year 1 September 2025 to 31 August 2026.

Forward-looking information mainly focuses on the strategic objectives, operating plans and prospects for the 2027 financial year, together with the medium-term financial targets.

The financial reporting boundary covers the performance of the group's main operating businesses, Clicks and UPD, and focuses on the operations in South Africa where the majority of group revenue is generated. The group also operates 68 stores in four neighbouring countries.



Introducing the 2026 integrated report *continued*

The integrated reporting boundary extends beyond the financial reporting boundary to include the material risks, opportunities and outcomes arising from the group's operating environment, businesses and strategy. The boundary also incorporates engagement with key stakeholders that could influence the group's ability to create and sustain value.

Reporting and governance compliance

The group has applied the Integrated Reporting Framework of the International Financial Reporting Standards (IFRS) Foundation and JSE Sustainability Disclosure Guidance in preparing this report. The application of these reporting frameworks was proposed by management and approved by the board.

The Integrated Reporting Framework recommends reporting to shareholders on the capital resources that are applied in the creation, preservation or erosion of value. The impact of the six capitals on the group's business activities and performance is covered in the relevant sections of the report.

All reporting complies with IFRS Accounting Standards, the South African Companies Act and its amendments, and the JSE Listings Requirements.

The King V Report on Corporate Governance for South Africa (King V) was released in October 2025 and is effective for companies with financial years beginning on or after 1 January 2026. During the 2026 financial year the group applied the principles of King IV and following the publication of King V, commenced the transition to the new code. The directors confirm that the group has in all material respects voluntarily applied the principles and recommended practices of the code, except for the specific exceptions noted in the King V Disclosure Framework which is available on the group's website. The board plans to complete the transition to King V in the 2027 financial year.

The group is preparing for the phased adoption of the International Sustainability Standards Board's IFRS S1 and S2 sustainability reporting standards. While these standards are not yet mandatory in South Africa, the group will progressively align its sustainability-related financial disclosures with their requirements.

Materiality

The group applies the concept of double materiality to its integrated reporting, covering both financial and impact materiality.

Financial materiality is applied in reports and disclosures that are targeted primarily at shareholders and other providers of capital used in determining enterprise value. The group's financial materiality assessment considers internal and external factors, both positive and negative, that could substantively affect its ability to execute its strategy and which could have a material impact of 5% or more on the group's profit before taxation.

Impact materiality considers the social, environmental and economic impacts of our operations and we aim to enhance the measurement and disclosure of impact reporting each year.

The integrated report applies double materiality as it covers content and disclosures that are material to investors and other providers of capital (financial materiality) as well as the impacts on people, the planet and profits (impact materiality). This approach is consistent with the JSE Sustainability Disclosure Guidance's distinction between financial materiality, impact materiality and double materiality.

Independent assurance

The integrated report has been reviewed by the board but has not been independently assured. The annual financial statements have been independently audited by KPMG Inc.

Sustainability information included in the report has been approved by the board's social and ethics committee. Accredited service providers have measured selected non-financial performance metrics and management has verified the processes for measuring all other non-financial information.

Integrated reporting process

The preparation of the integrated report is the responsibility of a working group led by the chief executive officer (CEO) and chief financial officer (CFO), comprising senior members from finance, marketing and human resources, the company secretary and the group's external investor relations consultants.

The integrated report working group aims to enhance the reporting and disclosure each year. Draft reports are initially reviewed by the CFO and the CEO, with specific reports being reviewed and approved by the board chairman and the respective board committee chairs.

The completed integrated report is reviewed by all directors prior to being recommended for approval. The chairman of the audit and risk committee is responsible for the final approval of the report on behalf of the board, whereafter the integrated report is released to shareholders.

Director responsibility

The board is responsible for ensuring the integrity, balance and reliability of the integrated report. The directors have collectively assessed the content and confirm the report addresses all material issues, the integrated performance and the group's strategy, as well as the short, medium and long-term prospects.

The audit and risk committee has oversight responsibility for integrated reporting and recommended the report for approval by the directors.

The 2026 integrated report was unanimously approved by the board on 6 November 2026.



Mfundiso Njeke
Independent non-executive chairman



Bertina Engelbrecht
Chief executive officer



Gordon Traill
Chief financial officer

01

About Clicks Group

Clicks Group operates in the defensive health and beauty sectors, supported by attractive long-term growth drivers and leading market positions across retail, wholesale and distribution.

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24 Investment case



Group profile

Clicks Group is a retail-led healthcare group listed in the Personal Care, Drug and Grocery Stores sector on the JSE.

Founded in 1968, Clicks is the country's leading health, beauty and wellness retailer and the largest retail pharmacy chain, with an expanding network of 1 031 stores, 835 pharmacies and five 24-hour UniCare specialised pharmacies supported by a growing digital presence. UPD is the country's leading full-range pharmaceutical wholesaler, providing the distribution capability for the group's healthcare strategy.

Listed on the JSE since 1996, the group's sustained financial performance and growth in shareholder value has seen the group included in the FTSE/JSE Top 40 Index for the past nine years.

The group recognises the importance of environmental, social and governance (ESG) practices in creating a sustainable business and has been included in the FTSE4Good Index for the past 10 years.

As a leader in the healthcare market Clicks Group is committed to increasing access to affordable primary healthcare for all South Africans through its retail pharmacy and pharmaceutical wholesale businesses.

The group has a level 3 broad-based black economic empowerment (BBBEE) rating.

An overview of the group's history is available online.

Clicks

Our anchor brand
Clicks is South Africa's leading health and beauty retailer, offering value for money in convenient and appealing locations.

UniCare

Launched in 2025
UniCare 24-hour pharmacy operates a 24-hour dispensary and offers specialised health services through a range of clinics and on-site doctors.

The Body Shop

Launched in SA in 2001
The Body Shop sells natural, ethically produced beauty products and has been operating under a franchise agreement with The Body Shop International since 2001.

Sorbet

Acquired in 2023
Sorbet is the country's largest professional beauty salon franchise chain, operating under the Sorbet (all-round beauty therapy) and Sorbet Man (male grooming) brands.

ARC

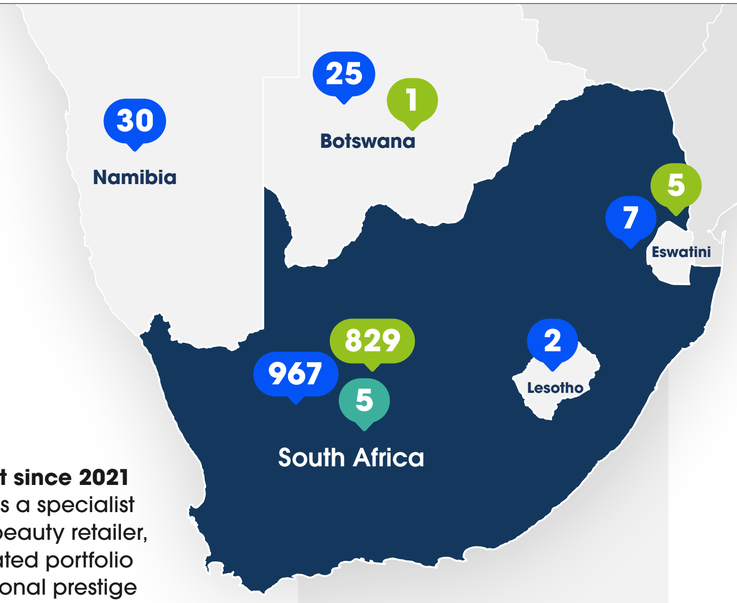
Investment since 2021
ARC Store is a specialist premium beauty retailer, with a curated portfolio of international prestige brands across fragrance, skincare, makeup, haircare, and bath and body.

KwaMakhi

Launched in August 2026
KwaMakhi is a new convenience retail brand focused on South Africa's township market, with its own dedicated product range, private label offering and neighbourhood-focused format.

UPD

Our distribution channel
UPD is South Africa's leading full-range pharmaceutical wholesaler and was the first to have a national presence.



Total

Clicks stores	1 031

801 convenience format
230 destination format

UniCare stores	5
Clicks in-store pharmacies	835

225 clinics
211 Sorbet beauty salons
53 The Body Shop stores
3 KwaMakhi stores
3 retail distribution centres

Rest of Africa

Namibia	30 stores
Botswana	25 stores 1 pharmacy*
Eswatini	7 stores 5 pharmacies*
Lesotho	2 stores

* Clicks in-store pharmacies.

Health and beauty retail

The anchor brand, Clicks, is South Africa's leading health and beauty retailer, offering value for money in convenient locations and appealing stores, as well as an online platform offering in-store collection or home delivery.

Refer to the Clicks business review on page 48.

In 2001 an exclusive franchise agreement with **The Body Shop International**, which sells natural, ethically produced beauty products, provided further differentiation to the retail offering, with a combination of 53 standalone stores and presence in 257 Clicks stores.

In 2021 the group invested 22.7% in **ARC Store**, a premium beauty brand retailer with an online presence and 11 stores in destination malls, increasing its stake to 25.7% in the 2026 financial year and post the year-end to 61.0% (subject to approval by the competition authorities).

M-Kem, a 24-hour specialised pharmacy in Cape Town, was acquired in 2023 and rebranded to **UniCare** in 2025. The group has been rolling out similar large format specialised pharmacies in the major metropoles.

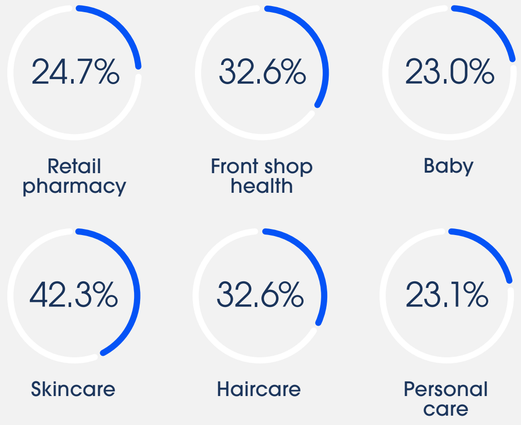
In 2023 the Sorbet beauty salon franchise chain was acquired, operating under the **Sorbet** (all-round beauty therapy) and Sorbet Man (male grooming) brands.

In August 2026 the group launched **KwaMakhi**, a new neighbourhood convenience retail brand focused on South Africa's township market.

Target markets

ARC targets primarily upper-income millennial and Gen Z customers
The Body Shop targets urban upper-income customers
UniCare targets predominantly the health insured in the upper-income segment
Clicks targets consumers in the growing middle to upper-income markets
Sorbet targets both women and men in the middle and upper-income segments
KwaMakhi targets consumers in high-density township neighbourhoods

Clicks market share





Group profile *continued*



Clicks ClubCard

13.1m
active members

84.2%
sales contribution

One of the
largest loyalty programmes
in South Africa

Private label

25.8%
of sales

Product offering
differentiated
through wide ranges of private label and exclusive brands

	South Africa	Rest of Africa*	Total	Pharmacies
Clicks	**967**	64	1 031	835
UniCare	**5**		5	5
The Body Shop	**49**	4	53	
Sorbet**	**211**		211	
KwaMakhi	**3**		3	
Total	**1 235**	**68**	**1 303**	**840**

* Includes 30 stores in Namibia, 25 stores and one in-store pharmacy in Botswana, seven stores and five in-store pharmacies in Eswatini and two stores in Lesotho.

** Includes 18 Sorbet corporate stores and 193 franchise stores.

Group profile *continued*

Clicks ClubCard

As South Africa's first and most used retail loyalty programme, Clicks ClubCard has been providing benefits and discounts to customers since 1995. More than three decades after its launch, 13.1 million active ClubCard members enjoy rewards offering day-to-day value.

R8.5bn
paid to ClubCard members since inception

84.2%
of retail sales are from ClubCard members, basket size is double that of a non-card shopper

71%
female members

29%
male members

823 200
Baby Club members

1.65m
Seniors Club members

12
affinity partners

R976m
cashback paid to ClubCard members in the 2026 financial year

Consistently voted one of the **top two most used rewards programmes** in South Africa

Revitalisation of ClubCard in 2026

Pay Even Less

campaign launched in August 2026, offering an **additional 10% discount** for ClubCard members on more than 3 000 top-selling products spanning personal care, beauty, health and everyday essentials.

Launched a first-of-its-kind partnership with FNB/RMB and Engen where qualifying FNB and RMB Private Bank clients earn up to R12 per litre in eBucks at Engen.

New banking affinity partnerships

with Standard Bank and ABSA, offering customers up to **30% back in reward points**, and increased benefits offered by FNB, offering customers up to **50% back in eBucks** on selected products.

New affinity partnership

with Food Lover's Market, with food vouchers of up to R200 that can be earned by ClubCard customers.

New gamified ClubCard platform,

rewarding members with coins for participating in activities, which can be used to unlock partner rewards. Over the next 12 months, members will have access to more than R10 million in lifestyle vouchers.

More value. More choice. More reasons to **choose Clicks**



Group profile *continued*

UPD

UPD is South Africa's leading full-range pharmaceutical wholesaler and was acquired in 2003 to provide the distribution capability for the group's healthcare strategy.

Refer to the UPD business review on page 51.

UPD fulfils the pharmaceutical supply needs of Clicks, major private hospital groups and 1 129 independent pharmacies.

Clicks is UPD's single largest customer and accounted for 60.3% of wholesale turnover in the past year, with private hospital groups and medical consumables comprising 35.0% of turnover and independent pharmacies and other channels accounting for the remaining 4.7%. UPD also provides bulk distribution services to pharmaceutical manufacturers.

In the 2026 financial year UPD acquired a medical consumables business, Mr First Aid, to launch an additional offer to existing and new customers.

UPD owns distribution centres located in Roodepoort (Gauteng), Cape Town, Durban, Bloemfontein and Gqeberha, with all these facilities being certified to the global ISO9001:2015 and ISO13485 (medical devices) standards.

As part of the group's commitment to carbon neutrality, UPD operates 85 electric vehicles for wholesale deliveries, while solar panels and batteries have been fitted on existing delivery vehicles to power refrigeration, further reducing the carbon footprint.



5
distribution hubs

284m
units of medicine distributed

85
electric vehicles for wholesale deliveries

Market share



Private pharmaceutical fine wholesale market share

Turnover

R31.8bn
total managed turnover

Clicks accounts for

60.3%
of UPD's wholesale turnover

19
bulk distribution clients

Group profile *continued*

Commitment to ESG practices

The group's core business creates meaningful social impact through the provision of health products and improving access to reliable and affordable healthcare. This supports South Africa's national development goals by promoting healthy living and well-being for all ages.

Refer to the sustainability report on page 54.

Sustainability performance

67% black and
44% female directors

96% black and
62% female employees

Level 3 BBBEE rating

225 primary care clinics and
270 stores located in low-income areas account for 25.5% of retail turnover, improving accessibility to healthcare

Solar energy on the head office and all owned distribution centres, battery storage installed in two distribution centres and the head office, and 85 electric delivery vehicles in UPD, in support of the group's commitment to alternative energy supply and usage

Post the year-end, Clicks secured 30 heavy-duty electric trucks and its Cape Town distribution centre is the first retail distribution centre in Africa to operate a **100% electric truck fleet**

Sustainability strategy focus areas

1. **Building a trusted, accessible healthcare network**
2. **Empowering motivated, passionate people**
3. **Sourcing products that uphold the integrity of our brand**
4. **Minimising our environmental footprint**



We align our ESG practices with the United Nations Sustainable Development Goals (SDGs) to ensure that our activities support the global drive to achieve the specified targets by 2030.

The SDGs where we believe we can have the biggest impact are as follows:

- SDG 1 No poverty
- SDG 3 Good health and well-being
- SDG 4 Quality education
- SDG 5 Gender equality
- SDG 7 Affordable and clean energy
- SDG 8 Decent work and economic growth
- SDG 10 Reduced inequalities
- SDG 12 Responsible consumption and production
- SDG 13 Climate action

Business model

Clicks Group's strategy is delivered through a retail-led business model that combines a trusted customer proposition, an extensive store and pharmacy network, digital capabilities and an integrated supply chain to meet the evolving health, beauty and wellness needs of its predominantly female customer base. The business model is designed to create and sustain value for the group and its stakeholders, including shareholders and providers of financial capital, customers, employees, suppliers and regulators.

Inputs

Capital resources and relationships applied in the group's business activities to create value for stakeholders.

Financial capital

The financial resources received from providers of capital and deployed by the group

R6.8bn equity

R2.3bn cash resources

R2.8bn borrowing facilities

R652m working capital outflow

SHAREHOLDERS | REGULATORS | FUNDING INSTITUTIONS

Manufactured capital

The infrastructure used in the selling and distribution of merchandise, including stores, pharmacies, distribution centres, the group's head office and online store

1 303* stores trading in five countries

E-commerce capability

840 Clicks and UniCare pharmacies

225 clinics

8 distribution centres located in five major provinces

CUSTOMERS | SUPPLIERS | EMPLOYEES

* Includes 193 Sorbet franchise stores.

Intellectual capital

The collective knowledge and expertise across the business as well as the intellectual property of the group which provide a competitive advantage

Brand equity in well-established and market-leading brands, namely Clicks, The Body Shop, Sorbet, ARC Store and UPD

Extensive range of private label products

Clicks ClubCard is one of **South Africa's largest loyalty programmes**

EMPLOYEES

Natural capital

Environmental resources applied and utilised in the business. The group's operations have a low environmental impact and therefore use limited natural capital

R139m invested in alternative energy solutions to date

Electric vehicle delivery fleets for retail and pharmaceutical distribution

Sustainable materials used in products and packaging

Group-wide **recycling programme**

CUSTOMERS | EMPLOYEES | REGULATORS

Social and relationship capital

Relationships with stakeholders influencing the business, primarily customers, employees, suppliers, shareholders, government, organised labour and communities

13.1m Clicks ClubCard loyalty members

Awarded New Clicks Foundation bursaries totalling **R4.9m**

Community support through social investment programme and Helping Hand Trust

Listing portal for small and medium-sized suppliers

Small enterprise owner driver scheme contracted to UPD

SHAREHOLDERS | EMPLOYEES | CUSTOMERS | REGULATORS | SUPPLIERS

Human capital

The competency, capability and experience of the board, management and employees

21 216 permanent employees

96% black employees

62% female employees

Extensive investment in training and development

Company-funded healthcare cover available to all employees

EMPLOYEES | REGULATORS

Operating environment

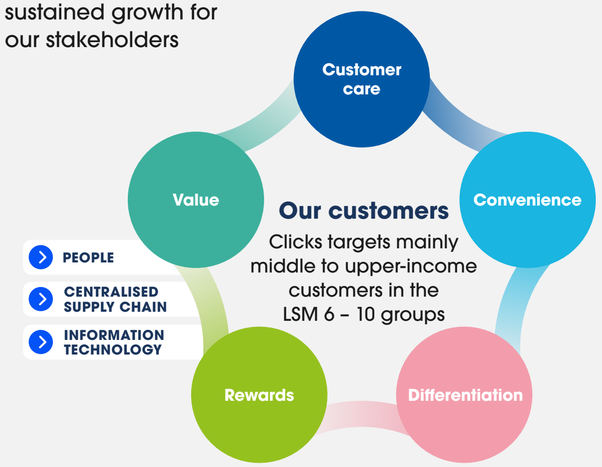
- Constrained consumer spending amid low economic growth
- Higher fuel costs and elevated interest rates placing pressure on household finances
- Political uncertainty surrounding local government elections in November 2026
- Highly competitive and promotionally driven retail environment
- Weak consumer confidence weighing on retail demand
- Persistently high unemployment and limited job creation
- Growing consumer awareness and demand for sustainable consumption and packaging



Business model *continued*

Our operating model

Strategic enablers to provide sustained growth for our stakeholders



CUSTOMER CARE

Customer care from engaging and knowledgeable staff in the front shop and pharmacy.

CONVENIENCE

An extensive store footprint and pharmacy network in convenient locations allows for easy access to customers, supported by an online store and national pharmacy delivery service.

DIFFERENTIATION

The product offering is differentiated through a wide range of private label and exclusive brands. Private label scheduled medicine ranges offer customers choice for quality generic medicine at a lower price.

REWARDS

ClubCard enables Clicks to personalise engagement and communication with customers, supporting the aim of the loyalty programme to increase basket size, value and frequency of shopping.

VALUE

Consistently good value-for-money products delivered through competitive prices and effective promotions.

Outcomes

The group's performance over the past year resulted in a net increase in the value of all capitals except for natural capital where value was eroded owing to the consumption of resources in the production, packaging, distribution and sale of merchandise.

Financial capital

- Diluted HEPS up 4.4%
- Dividend of 925 cents per share
- Return on equity 48.7%
- Cash generated by operations R6.3 billion
- R3.4 billion returned to shareholders in dividends and share buybacks
- Reinvested R1 166 million in capital expenditure

Manufactured capital

- Opened net 41 Clicks stores
- Opened net 60 pharmacies
- 54.2% of households live within 5.0 km of a Clicks store

Intellectual capital

- Retail pharmacy market share 24.7%
- Private pharmaceutical wholesale market share 25.4%
- Constituent of FTSE/JSE Top 40 Index
- Clicks private label sales account for 25.8% of total sales

Natural capital

- Total carbon emissions 158 459 tonnes CO_2e
- Electricity consumption non-renewable energy: Purchased electricity consumption 108 832 304 kWh
- Produced 5 469 MWh renewable energy
- Total municipal water consumed 67 998 kl
- Waste recovered for recycling 4 882 tonnes
- Electric delivery vehicles introduced for retail and pharmaceutical distribution

Social and relationship capital

- R976 million in cashback paid to ClubCard members
- R1 116 million paid in taxes in all countries of operation
- R44.8 billion paid to suppliers of goods and services, including landlords
- R143 million invested in enterprise and supplier development programmes
- R66 million paid to 18 small enterprise owner drivers contracted to UPD
- R34 million invested in socio-economic development programmes
- 78 bursaries awarded
- 2.9 million social media followers
- Level 3 BBBEE rating

Human capital

- R5.4 billion paid to employees
- 6 550 employees trained
- R275 million invested in employee training and development

Business model *continued*

Outputs

R50.4bn
group turnover

R38.7bn
cost of merchandise sales

R4.9bn
trading profit

158 459 tonnes CO_2e
carbon emissions



Material trade-offs of capitals

In delivering on the group's strategic objectives, management aims to balance and optimise the trade-offs between capitals to ensure long-term growth and sustainability.

While the commitment to investing in **manufactured**, **intellectual**, **human**, and **social and relationship capital** erodes **financial capital** in the short term. The long-term investment benefits are reflected in the group's industry-leading financial and operating metrics and sustained shareholder value creation.

Limiting the environmental impact of the operations to reduce the rate at which natural capital is depleted has a significant impact on financial capital in the short to medium term but should deliver the desired long-term benefits as the group ultimately moves towards carbon neutrality.

Constraints on capitals

Financial capital: The group has no financial capital constraints owing to the strong cash flows generated by the operations and access to borrowings. Should additional resources be required, the group's strong balance sheet will enable management to secure further loan funding or raise capital through the issue of shares.

Manufactured capital: The availability of retail trading space in the desired locations can limit the pace of new store openings, particularly in Clicks and UniCare.

Intellectual capital: The group continues to prioritise investment in training, technology, innovation and data protection while also protecting its intellectual property, so there are currently no immediate constraints on intellectual capital.

Natural capital: Water and electricity supply is constrained due to failing infrastructure.

Social and relationship capital: The weak economic environment and high energy, food and borrowing costs constrained consumer disposable income which negatively affected discretionary retail spending.

Human capital: Scarcity of skills is a constraint, especially in key areas where niche skills such as IT, healthcare and retail are in demand locally and internationally.



Material issues, risks and opportunities

Material issues for the year ahead

1. Increasing competition
2. Information technology and cybersecurity
3. Constrained consumer environment
4. Regulatory and compliance landscape
5. Supply chain resilience
6. Climate and environmental sustainability

Material issues are identified each year that could significantly affect the group's ability to create and sustain value for its stakeholders.

Each year the board and management review these issues by taking into account the group's business plans, budgets and strategy, group risks, sector and competitor dynamics, the trading environment, macroeconomic factors, capital resources and the regulatory environment.

The needs, expectations and concerns of stakeholder groups that are most likely to influence the group's ability to create sustainable value, notably customers, suppliers, regulators, staff, shareholders and providers of financial capital, are central to determining these material issues (refer page 19).

RISKS AND IMPACTS are outlined for each material issue to highlight the factors that could adversely affect the group and therefore require management attention.

MITIGATION ACTIONS AND OPPORTUNITIES describe the actions being taken to manage these risks and the opportunities to strengthen the group's ability to create value.

Material issues, risks and opportunities *continued*

1 Increasing competition



Why material?

Competition is intensifying across health, wellness, beauty, pharmacy and pharmaceutical distribution, with competitors investing in price, convenience, digital capability, service and customer loyalty. The group's ability to defend its market share while pursuing growth in existing and new segments is critical to revenue growth and profitability.

Risks and impacts

- Competitive pressure is evident through pricing, promotions, digital convenience, fast-delivery models, site access, franchise relationships and competing loyalty programmes.
- Failure to remain relevant to evolving customer needs could result in loss of market share, margin dilution, reduced customer loyalty and weaker growth across the retail, pharmacy and wholesale businesses.
- Private label and exclusive brands, pharmacy services and UPD's offering are exposed to increasingly aggressive price, product and service differentiation by competitors.
- Increased competition for attractive sites, customers and healthcare professionals could constrain the group's ability to expand its store, pharmacy and service footprint.

Mitigating actions and opportunities

- Strengthen the customer value proposition through differentiated ranges, competitive pricing, convenience, healthcare credentials and customer service.
- Leverage ClubCard insights to deepen personalised engagement and strengthen customer loyalty, while using the group's pharmacy expertise, front shop offering and store network as key differentiators.
- Revitalise the ClubCard offer with relevant affinity partners and instant rewards.
- Continue to strengthen omni-channel, digital and delivery capabilities in response to changing customer expectations.
- Maintain a robust store and pharmacy development pipeline, with disciplined site selection and investment.
- In UPD, protect and grow client relationships through service reliability, operational efficiency and competitive commercial models focused on profitable market segments.

2 Information technology and cybersecurity



Why material?

Reliable, resilient and secure technology infrastructure is critical to supporting the group's growth objectives and evolving customer and market demands, while protecting the security and confidentiality of data.

Risks and impacts

- Technology failures or disruption could affect customer experience, regulatory compliance, financial reporting, inventory management, supply chain continuity and the group's reputation.
- Legacy platforms, infrastructure constraints or limitations in recovery capabilities could affect the group's ability to transact, dispense, fulfil orders, service customers and operate efficient supply chains.
- Cybersecurity and data privacy risks are heightened by the volume and sensitivity of customer, patient, employee and operational data as well as the increasing scale and sophistication of cyberthreats, including those enabled by artificial intelligence (AI).
- A material cyber incident could result in data compromise, ransomware, operational disruption, remediation costs, regulatory sanctions and reputational damage.

Mitigating actions and opportunities

- A technology modernisation programme is under way, with key strategic systems in various stages of execution or planning.
- Technology enablement across the retail environment is focused on data management, analytics and systems integration to support personalised customer experience across channels.
- Cybersecurity capabilities include managed detection and response, security operations centre monitoring, vulnerability management, end-point controls and penetration testing.
- Identity and access controls, threat intelligence and targeted cyber training are being strengthened, with cyber-disruption scenarios incorporated into business continuity planning.
- AI is being investigated to strengthen threat detection, monitoring and automation, while improving operational efficiency.

Material issues, risks and opportunities *continued*

3 Constrained consumer environment



Why material?

Consumer spending remains sensitive to cost-of-living pressures, interest rates, fuel prices, unemployment and consumer confidence. These factors influence customers' purchasing behaviour, product mix and demand for discretionary products. While healthcare and pharmacy-related spending is relatively resilient, a sustained constrained trading environment could affect revenue growth, margins and the group's ability to achieve its strategic growth objectives.

Risks and impacts

- Sustained pressure on disposable income could impact volume growth, alter product mix, increase demand for value and place pressure on margins.
- Geopolitical events, currency volatility and changes in international investor sentiment towards South Africa may increase the cost of imported products and inputs, with limited ability to recover these costs from customers.
- A constrained trading environment can intensify competition as customers increasingly compare value, convenience, price, product availability, delivery and loyalty benefits.
- Capital and working capital pressures may require trade-offs between investment in growth initiatives, inventory availability, margin protection and financial returns.
- Crime, fraud and shrinkage may increase in a constrained environment, particularly in relation to high-value or scarce healthcare and other products.

Mitigating actions and opportunities

- Protect the customer value proposition through accessible price points, targeted promotional activity, private label ranges as well as the group's extensive and convenient store and pharmacy network.
- Use ClubCard customer insights to enable relevant, personalised engagement and targeted offers, supported by consistently high standards of customer service.
- Maintain disciplined working capital and inventory management while balancing capital allocation between growth, resilience, operational efficiency and shareholder returns.
- Continuously monitor fraud, and shrinkage and risks associated with high-value products.
- Manage foreign exchange exposure on imported products and source alternative products locally through the supplier development programme.

4 Regulatory and compliance landscape



Why material?

Clicks Group operates in a highly regulated environment in relation to healthcare, pharmacy, retail, labour, data privacy, safety and distribution.

Risks and impacts

- Licence, healthcare and compliance failures can have regulatory consequences such as fines, loss of licences or store closures, and reputational damage, as well as increased compliance requirements and costs.
- Current exposures include pharmacy licence constraints, healthcare regulatory changes, National Health Insurance uncertainty and single exit price-related risks.
- Regulatory change could affect turnover, margin, service models, pharmacy expansion, healthcare credibility as well as the ability to launch new products.

Mitigating actions and opportunities

- Strong regulatory engagement and governance controls are maintained over pharmacy licences, healthcare compliance, privacy, safety and distribution requirements.
- Controls over licence application processes, compliance monitoring and assurance over key regulatory obligations.
- Position the group to participate credibly in healthcare access opportunities as the regulatory landscape evolves, supported by store and pharmacy growth.

Material issues, risks and opportunities *continued*

5 Supply chain resilience



Why material?

A resilient, efficient and reliable supply chain is essential to maintaining product availability, serving customers and generating revenue across the group's retail, pharmacy, online and wholesale businesses.

Risks and impacts

- Disruptions across the supply chain, including distribution centre capacity, systems instability, inaccurate forecasting, supplier constraints and logistics disruptions may affect product availability and service levels.
- External factors, including infrastructure constraints, geopolitical events, supplier disruption, extreme weather or labour disruption, could interrupt the movement or availability of products.
- Poor product availability or fulfilment could lead to lost sales, customer dissatisfaction, customer attrition and reputational damage.
- Disruption to critical supply chain systems or infrastructure could affect the group's ability to replenish stores, supply customers and fulfil online orders.

Mitigating actions and opportunities

- Measures to strengthen distribution centre security, resilience and operational efficiency are being implemented.
- Forecasting, inventory management and stock allocation capabilities are being enhanced to improve product availability and optimise working capital.
- Supply chain and fulfilment capabilities are being enhanced across retail, pharmacy, online and UPD to improve service reliability.
- Supplier engagement and contingency planning support the continuity and resilience of product supply.

6 Climate and environmental sustainability



Why material?

The group's operations, supply chain, stores, distribution facilities and customers are exposed to the effects of climate change and other environmental pressures. Managing these risks, reducing the group's environmental impact and responding to customer and shareholder expectations are critical to ensuring long-term sustainability.

Risks and impacts

- Extreme weather events and changing climate patterns may disrupt operations, trading and supply chains, damage physical assets and increase operating costs.
- Adverse weather conditions may interrupt trading at affected locations, while changes in weather patterns may influence the timing and mix of seasonal product sales, resulting in lost revenue.
- Sustained periods of extreme temperatures may affect the distribution and storage of key medicines.
- Failure to respond to growing customer demand for environmentally responsible products and packaging may result in lost sales and reduced customer relevance.
- Failure to meet environmental commitments, targets or reporting requirements may increase compliance costs and result in pressure from investors and other stakeholders, which could affect the group's reputation.

Mitigating actions and opportunities

- Business continuity and response plans are regularly reviewed and updated to address potential climate-related disruptions, including extreme weather events.
- Alternative energy solutions are being implemented to reduce the group's carbon footprint and improve energy resilience, including solar installations and battery storage at the head office and distribution centres.
- Electric delivery vehicles have been deployed in UPD, while a fleet of heavy-duty electric trucks is being acquired for retail distribution.
- Packaging and waste reduction initiatives are being advanced, particularly in private label products and through the use of durable, recyclable shopping bags in stores as an alternative to single-use plastic bags.
- The group aligns its climate and environmental reporting with local and international frameworks, including the JSE Sustainability Disclosure Guidance.



Managing stakeholder engagement

Effective stakeholder engagement remains fundamental to the group's ability to operate responsibly, maintain high ethical standards and create sustainable value in an increasingly complex and dynamic operating environment. The group's stakeholder engagement approach is focused on the five key stakeholder groups identified as having the greatest influence on the achievement of its strategic objectives and its ability to create value over the short, medium, and long term.

The board continues to oversee management's approach to stakeholder engagement, ensuring the effective identification and management of reputational, regulatory and societal risks and opportunities. This includes monitoring proactive and ongoing engagement with shareholders and lenders, customers, employees, suppliers, and government and industry regulators to strengthen relationships, enhance transparency and support informed decision-making. Through these engagements, the group seeks to better understand stakeholder expectations, respond to emerging issues and maintain its social licence to operate while supporting the delivery of its strategy.

1 Shareholders and lending institutions

Management engages regularly with shareholders and lending institutions to maintain investor confidence and continued access to capital markets.

Shareholders
Local and international institutional and private investors as well as fund managers and analysts from the broader investment community.

Lending institutions
South African financial institutions provide funding and trade finance facilities to the group.

2 Customers

Customers allow us to drive revenue and long-term brand loyalty. Clicks primarily targets customers in the growing middle to upper-income markets (LSM 6 – 10).

UPD's customers include Clicks, major private hospital groups, pharmaceutical manufacturers and independent pharmacies.

3 Employees

Attracting, retaining and developing skilled talent across the workforce is essential to maintaining competitiveness, strengthening customer relationships and delivering quality service. We engage with all permanent and part-time employees across the group to understand their needs, expectations and concerns.

4 Suppliers

Suppliers play a critical role in maintaining consistent product availability and strengthening supply chain resilience. We engage with a broad supplier base, including local and international providers of products and services, as well as producers of exclusive brands and private label products.

5 Government and industry regulators

To ensure operational compliance with health, retail and tax regulations, we engage with the Department of Health, the South African Revenue Service, other relevant government departments, industry regulatory bodies and local authorities. As a listed entity, the JSE Limited remains the group's primary market regulator.

Managing stakeholder engagement *continued*

1 Shareholders and lending institutions

Stakeholder needs, expectations and concerns in 2026	How Clicks Group responded
Macroeconomic environment Concerns regarding the macroeconomic environment and outlook for South Africa. Key issues include persistently low economic growth, high unemployment and fiscal constraints, which all contribute to an uncertain investment environment and may impact long-term value creation.	The South African economy continues to experience muted growth, with limited job creation unable to address structural unemployment challenges. In addition, the impact of the war in the Middle East on fuel prices, transport costs and input costs has resulted in higher consumer price inflation, and the resumption of interest rate increases by the South African Reserve Bank, which has adversely impacted consumer disposable income. In this environment, value is key and promotional offers and private label products are an increasingly important element of the group's offering to customers.
Management succession Concerns around succession for the chief executive officer (CEO), who reaches retirement age this year, as well as the departure of key staff in the past year.	The CEO, Bertina Engelbrecht, has agreed to the board's request to extend her tenure by two years until August 2028. The board, through the nomination committee, has approved an external search agency to support it with the CEO (and broader enterprise) succession plan.
Competitor challenges for Clicks Key competitors have launched discount programmes and are planning to include pharmacy in their online offer. Investors are concerned that this will result in a loss of market share for Clicks, and margins will be compressed should Clicks need to respond aggressively.	Clicks has a competitive price offer on a wide basket of products relative to competitors, as well as a generous loyalty programme, a significant percentage of sales offered on promotion and a high level of private label products which offer additional value. The business recognises, though, that the value offer does need to be communicated more clearly to customers. The unequal support by certain suppliers of a key competitor resulted in disparity in the market, but this is being addressed and Clicks is receiving support from suppliers. The benefits of the ClubCard programme are being enhanced in partnership with existing affinity partners and with the addition of new affinity partners. The business has the largest pharmacy network in the country, including five 24-hour pharmacies that can deliver at all hours, as well as a central pharmacist call centre, and during the period launched an on-demand over-the-counter medication delivery offer initially from 23 Clicks pharmacies.

2 Customers

Stakeholder needs, expectations and concerns in 2026	How Clicks Group responded
Customer affordability and value Supporting customers facing ongoing cost-of-living pressures by delivering greater value, personalised rewards, and trusted health and beauty solutions.	Clicks continued to evolve the ClubCard loyalty programme to support customers in maximising their spend. By combining competitive prices, personalised offers and transactional rewards with experiential benefits delivered through strategic partners, the group created more ways for customers to save, earn and benefit both in-store and beyond Clicks. Partnerships with three leading financial institutions and other affinity partners enable customers to unlock additional rewards, including up to 30% back in banking rewards on qualifying purchases, creating a powerful combination of immediate savings and longer-term value. By integrating retail, financial and lifestyle benefits into a connected value network, Clicks continued to deliver meaningful customer outcomes to its 13.1 million active loyalty customers while reinforcing our position as one of South Africa's leading loyalty and rewards platforms.
Service and promotional execution Meeting customer expectations for consistent service quality and reliable promotional delivery across stores.	Clicks enhanced customer value through a combination of new lower prices, instant ClubCard savings and personalised rewards, ensuring customers could benefit from immediate discounts every time they shopped. ClubCard members received 10% discount on selected products while also accessing exclusive promotions tailored to their shopping needs. Through disciplined promotional execution and consistent delivery of customer promises, Clicks strengthened trust, improved the shopping experience and helped customers make their spend go further.
Meeting the needs of diverse customer segments Expanding access to health, beauty and wellness by delivering differentiated customer propositions across diverse market segments.	The group continued to expand access to health, beauty and wellness across a broader range of customer segments. Clicks developed a new retail format, KwaMakhi, designed to better serve value-conscious consumers, complementing its established Clicks retail offering and creating additional opportunities to meet the diverse and evolving needs of South African customers. The group also extended its investment in premium beauty brand retailer, ARC Store. These developments enable the group to deliver relevant propositions across multiple customer segments while maintaining its focus on quality, convenience and trusted healthcare solutions.

Managing stakeholder engagement *continued*

3 Employees

Stakeholder needs, expectations and concerns in 2026	How Clicks Group responded
Employee well-being Supporting employees' physical, mental and financial well-being amid continued cost-of-living pressures while promoting healthier lifestyles, resilience and preventative healthcare.	The group continued to strengthen its holistic employee wellness strategy, recognising that employee well-being is fundamental to engagement, productivity and sustainable business performance. Financial well-being was expanded through strategic partnerships with four major banks, providing employees with access to preferential banking, borrowing and savings rates. These benefits complement the group's existing in-store employee discount programme, collectively helping to alleviate financial pressures faced by employees in a challenging economic environment. The annual Movement Challenge demonstrated strong employee participation, with 1 839 employees taking part, an increase of 54% on the previous year. In addition, 15 wellness events were delivered across Clicks, UPD, Sorbet and UniCare, reaching more than 5 640 employees through preventative health screenings and wellness interventions.
Employee engagement, leadership and culture Strengthening leadership capability, fostering an inclusive culture and ensuring employees have meaningful opportunities to influence organisational improvement.	The group continued implementing the action plans arising from the 2025 Employee Engagement Survey, with leadership effectiveness identified as a strategic priority for enhancing employee engagement and organisational performance. During the year Clicks launched its inaugural Leadership Pulse Survey, achieving an 88.6% participation rate. The survey established a strong baseline, recording an Overall Leadership Index of 81% and a Direct Line Manager Leadership Index of 85%. The findings are informing targeted leadership development initiatives aimed at strengthening leadership consistency, accountability and employee experience across all levels of the organisation.
Labour relations and communication Maintaining constructive employee relations through transparent communication, meaningful consultation and collaborative engagement on workplace matters.	The group continued to foster constructive relationships with organised labour and employees through regular engagement, open communication and proactive consultation. Ongoing dialogue with recognised trade unions, including the South African Commercial Catering and Allied Workers Union (SACCAWU) and the National Union of Public Service and Allied Workers (NUPSAW), supported collaborative resolution of workplace matters, reinforced compliance with labour legislation and collective agreements, and contributed to a stable and productive employee relations environment.

4 Suppliers

Stakeholder needs, expectations and concerns in 2026	How Clicks Group responded
Clicks: Retail systems rollout Given the challenges experienced during the rollout of the new warehouse management system (WMS) at the Cape Town distribution centre in the first half of the year, shareholders sought reassurance that the remaining retail systems rollouts will be executed more effectively.	The rollout of the WMS at the second distribution centre in Durban in June 2026 was successfully completed after additional preparation was done to ensure the issues experienced at the Cape Town distribution centre were not repeated.
UPD: Loss of bulk distribution contracts Reasons for the loss of two bulk distribution contracts at the end of the 2025 financial year.	The global head offices of the principals of two of UPD's bulk distribution clients both transferred their contracts to a global distributor. UPD is on track to become one of a limited number of South African pharmaceutical distributors to comply with the global fire safety standard regulations in early 2027.
Enterprise and supplier development Promoting inclusive economic participation and strengthening supplier capabilities.	The group continues to advance inclusive economic growth through its enterprise and supplier development programmes. The UPD owner-driver programme, relaunched in February 2025, supports small business participation in the logistics value chain while improving service delivery and advancing inclusive growth. In 2026 UPD added 43 electric vehicles (EVs) and expanded to Bloemfontein, Gqeberha and Durban, with further opportunities extended in Johannesburg and Cape Town. The rollout also supported the introduction of EVs, charging infrastructure and battery storage solutions, contributing to reduced emissions, improved operational resilience and lower fuel cost exposure for participating entrepreneurs.

Managing stakeholder engagement *continued*

5

Government and industry regulators

Stakeholder needs, expectations and concerns in 2026	How Clicks Group responded
Responding to changes in the legal and regulatory framework.	The group remains committed to monitoring changes in the legal and regulatory landscape, and engaging proactively with relevant authorities to support operational readiness and contribute meaningfully to policy development. Engagement methods included formal written submissions, responses to regulatory information requests and ongoing direct engagement with pharmacy, medicines, revenue and customs, competition and healthcare regulators in South Africa and other markets in which it operates. These engagements enable the group to raise practical implementation considerations to regulators and prepare for potential regulatory changes.
Managing complaints and meeting expectations for product quality, ethical advertising and third-party service reliability.	Clicks Group is committed to earning and maintaining customer trust through every interaction. The group actively listens to customer feedback, resolves concerns promptly and uses customer insights to continuously improve products, services and experiences. Robust quality assurance, supplier governance and regulatory compliance processes underpin the group's commitment to product safety and integrity. During the year a precautionary recall of a private label product was undertaken in line with established safety procedures, reflecting Clicks' transparent and customer-first approach to managing potential risks.



Group strategy

Creating sustainable long-term shareholder value through a retail-led health, beauty and wellness offering.

Group strategic objectives

1. Increase customer appeal and access through the continued growth of the store, pharmacy and online presence.
2. Accelerate market share gains in pharmacy and core front shop categories.
3. Grow UPD's market share by strengthening its national pharmaceutical wholesale and distribution services.
4. Drive operational excellence through an efficient, centralised and scalable supply chain.
5. Build an inclusive and transformed business with a strong talent pipeline to support sustainable growth.
6. Promote sustainable value creation through disciplined cash and capital management and entrench robust environmental, social and governance practices.

Strategic drivers of longer-term organic growth

These strategic drivers of longer-term organic growth should ensure continued competitive advantage in the health and beauty markets in which the group operates.

Favourable market dynamics

- South Africa's healthcare sector is defensive and offers long-term growth opportunities.
- Improving living standards, urbanisation and increasing life expectancy are supporting demand for health and beauty products.
- The growing use of generic medicines is improving access to affordable healthcare.

Convenience

- Clicks aims to expand its store base to more than 1 200 outlets over the medium term, with a pharmacy in every store in South Africa.
- Accelerate the opening of new stores and pharmacies, including the rollout of the UniCare 24-hour specialist pharmacy and KwaMakhi township convenience formats.
- Target a long-term 30% market share in retail pharmacy.
- Expansion of the Clicks Baby store-in-store presence to capitalise on the growth in this strategic category.
- Extend customer access and convenience through the online store and national pharmacy delivery service.

Differentiation

- As a value retailer, maintain price competitiveness with national retail chains.
- Expand private label and exclusive brands to provide differentiated product ranges at higher margins, and strengthen customer loyalty.
- Leverage trust in the Clicks brand, with its proven ability to extend across product categories and markets.
- Exclusive franchise brands The Body Shop and Sorbet complement the Clicks private label health and beauty portfolio.
- Sorbet beauty salon franchise chain and an equity investment in premium beauty brand retailer ARC further differentiates the market offering.

Personalisation

- Clicks ClubCard is one of South Africa's largest and most established retail loyalty programmes, with 13.1 million active members.
- ClubCard provides customers with generous and convenient cashback rewards, together with an expanding range of benefits through reward partners.
- Leverage the ClubCard, online store and mobile app to deepen personalised digital engagement, strengthen customer relationships and increase customer lifetime value.

Growth opportunities for UPD

- Leverage UPD's efficient healthcare supply chain to support the growth of Clicks and expand its external customer base.
- Grow UPD's national wholesale business serving private hospitals and independent pharmacies, including Link pharmacies.
- Expand bulk distribution services to local and international pharmaceutical manufacturers, competing on price, quality control and speed to market.
- Target a long-term 35% market share in both the wholesale pharmaceutical and bulk distribution markets.

Investment case

Clicks Group offers a compelling investment opportunity for sustainable, long-term growth, supported by leading market positions, defensive exposure to healthcare and beauty markets, strong customer loyalty, robust cash generation and significant prospects for organic growth. These factors, together with established brands and an extensive store and pharmacy footprint, position the group favourably to extend market share.



30%
retail pharmacy market share target

Leading positions in attractive and resilient markets

- Clicks is South Africa's leading health, beauty and wellness retailer with 1 031 conveniently located stores.
- As the country's largest retail pharmacy network, Clicks has 835 in-store pharmacies, supported by a network of primary care clinics, providing customers with convenient access to primary healthcare services.
- The large format 24-hour pharmacy, UniCare, provides a dispensary, specialist clinic services and on-site doctors at operating hours not previously easily accessible or affordable.
- UPD is South Africa's leading full-line pharmaceutical wholesaler and provides the distribution capability for the group's healthcare strategy.

Differentiated product offering and growing private label

- Private label and exclusive brands offer product differentiation and competitive prices while strengthening customer loyalty and enhancing margins.
- Innovation is the key driver of growth across the private label portfolio, enabling Clicks to respond to changing consumer preferences while offering compelling value.
- Exclusive brands, including The Body Shop, Sorbet and Boots No. 7, further differentiate the Clicks offer.
- Private label sales exceeded R10 billion, accounting for 25.8% of retail sales.

Defensive categories with favourable long-term growth drivers

- The group operates predominantly in defensive healthcare categories supported by positive structural trends in health and wellness:
  - Growing demand for convenient, accessible and affordable healthcare
  - Increasing consumer focus on health and wellness
  - Growing need for primary healthcare
  - The genericisation of high-demand medicines like GLP-1s will make these more affordable, either through coverage from medical schemes or in self-funding
  - Favourable demographic trends, including improving living standards, urbanisation and increasing life expectancy.
- Clicks and KwaMakhi are expanding their presence in the lower-income segment, estimated at R900 billion annually and growing faster than the broader market as retail formalises.
- The acquisition of a controlling stake in ARC Store (subject to approval by the competition authorities) provides exposure to the growing premium beauty market, estimated at more than R6 billion annually, offering the widest selection of prestige beauty products in South Africa.

Investment case *continued*



13.1m
active Clicks ClubCard members

Customer loyalty and trusted brands

- ClubCard is one of South Africa's largest and most established retail loyalty programmes, with 13.1 million active members.
- ClubCard members account for 84.2% of Clicks sales, providing significant customer insight, high retention levels and targeted promotional capability.
- Trusted brands and high levels of customer engagement support continued market share gains.
- Strong relationships with rewards affinity partners extend customer reach and enhance the value proposition.

Strong cash generation and industry-leading return metrics

- Robust cash flows support continued capital investment in store and pharmacy expansion, supply chain infrastructure and information technology.
- A strong balance sheet and disciplined capital allocation underpin sustainable dividend growth and an earnings-accretive share buyback programme.
- A consistent focus on returns ensures capital is allocated to align with shareholder interests in creating long-term value.
- Return on equity significantly exceeds the average of South Africa's other listed food and drug retailers.
- Proven track record of growth in earnings and dividends.

Compelling long-term organic growth prospects

The group has a significant runway for sustainable growth through:

Store expansion

Expand the Clicks store base to at least 1 200 locations in the medium term, with a target of opening 40 – 50 stores annually.

Pharmacy expansion

Increase pharmacy penetration towards operating a pharmacy in every Clicks store in South Africa, targeting a retail pharmacy market share of 30.0% (2026: 24.7%).

Omni-channel growth

Accelerate online and omni-channel sales in both front shop and pharmacy through continued investment in digital platforms, fulfilment capabilities and customer convenience.

Private label

Expand the private label and exclusive brands portfolio, targeting to reach 35.0% of front shop retail sales (2026: 30.9%) and 18.0% of pharmacy sales (2026: 12.3%).

New pharmacy format

Roll out the UniCare specialised pharmacy format to 10 – 15 stores in the medium term.

New retail format

Expand the new KwaMakhi neighbourhood convenience brand.

Broaden customer reach

Expand further into areas and categories serving lower to middle-income customers, which currently account for 25.5% of Clicks sales.

ClubCard growth and engagement

Continue to grow the ClubCard customer base and affinity partnerships, and deepen engagement through personalised offers and rewards.

Efficient supply chain

The group's efficient, centralised supply chain supports product availability and service levels across front shop and healthcare. Further efficiency and environmental benefits are being realised through the rollout of electric vehicles for retail and pharmaceutical distribution.

Expansion of wholesale offer by UPD

UPD has acquired a medical consumables business to enable growth in the basket of existing customers and the opportunity to reach new markets at attractive margins.



02 Governance

Corporate governance practices continued to be recognised against global benchmarks, with inclusion in the FTSE4Good Index for the 10th consecutive year.

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32 Corporate governance report



Chairman's report

Global geopolitical uncertainty and domestic economic headwinds weighed on consumer spending in South Africa during the year. Rising fuel prices in the second half of the financial year, higher energy costs and ongoing pressure on household budgets constrained disposable income, while higher borrowing costs further limited consumers' spending capacity. Consumers became increasingly price-conscious, more responsive to promotions and discounts, and selective in their discretionary purchases.

These subdued trading conditions were compounded by aggressive competitor pricing and internal systems challenges that adversely affected the group's retail performance in the first half of the year. Against this backdrop, group turnover increased by 5.4% to R50.4 billion, while diluted headline earnings per share grew by 4.4%. The total dividend was increased by 4.4%, maintaining the dividend payout ratio at 65%.

The group continued to demonstrate strong cash generation, with cash inflows from operations of R6.3 billion. We returned R3.4 billion to shareholders through dividends and share buybacks, while reinvesting R1.2 billion in capital projects to support future growth. The group achieved a return on equity of 48.7%, reflecting the strength of its underlying business model and disciplined capital management.

Since the inception of the share buyback programme in 2006, the group has returned R25.7 billion to shareholders through dividends of R16.6 billion and share buybacks of R9.1 billion. The shares repurchased under the programme had a value of R33.4 billion based on the closing share price at year-end.

While difficult trading conditions and internal execution challenges constrained retail performance, we remain confident in the group's long-term investment case. Our extensive store and pharmacy network, leading market positions in retail and pharmaceutical wholesale, strong customer loyalty, cash-generative business model and attractive returns provide a solid foundation for sustainable growth. These strengths, together with favourable long-term market opportunities in health and beauty, position the group to continue creating value for shareholders.



The group has significant opportunities to extend its reach and deepen its participation across the health and beauty value chain. Priorities include expanding our store and pharmacy networks, accelerating online and omni-channel sales, growing ClubCard engagement and increasing private label penetration. The rollout of new retail formats, including UniCare and KwaMakhi, will further broaden our customer reach and create additional growth platforms. Together, these initiatives support our ambition to deliver sustainable growth and attractive long-term returns for shareholders.

CEO succession

Our chief executive officer (CEO), Bertina Engelbrecht, has agreed to the board's request to extend her tenure by two years and will retire from the group on 31 August 2028. This extension provides continuity of leadership during a period of challenging market conditions and allows the board sufficient time for a considered and structured transition.

The board recognises that CEO and executive succession is one of its key responsibilities and is committed to ensuring that the group has the leadership talent, depth and capabilities required to sustain its performance and deliver on its long-term strategic objectives. Through the nomination committee, the board is overseeing a structured succession process and has appointed an executive search consultancy to support the identification and assessment of potential candidates for the CEO position, as well as to inform and develop a broader executive succession plan.

The process will consider both internal and external candidates, balancing the development and retention of existing leadership talent with the benefits of broader market perspectives and experience. Our objective is to ensure a seamless leadership transition and continuity in the execution of the group's strategy.

Chairman's report *continued*



Board and governance developments

The group's corporate governance practices continued to be recognised against global benchmarks through its inclusion in the FTSE4Good Index for the 10th consecutive year. This inclusion reflects the outcome of FTSE Russell's assessment of the group's corporate governance practices as part of its broader environmental, social and governance (ESG) evaluation framework.

Our board is diverse, independent and engaged, with all non-executive directors having been appointed within the past six years and an average tenure of less than four years. We believe that diversity of experience, background and perspective is essential for effective governance and ensures that the interests of our diverse stakeholder groups are considered. Black directors comprise 67% of the board and women 44%, exceeding the voluntary representation targets of 50% and 33% as set out in the group's broader diversity policy.

We welcomed Bertie van Sittert as an independent non-executive director with effect from 1 February 2026, broadening the board's collective experience and expertise. Bertie brings extensive and current retail and consumer experience gained over more than two decades at Clicks Group and Pepkor, and we are already benefiting from his insights and expertise. At the forthcoming annual general meeting, Bertie will be proposed for election to the audit and risk committee.

Transition to King V

We welcomed the publication of the King V Report on Corporate Governance for South Africa, 2025 (King V) in October 2025, which replaces the King IV Report of 2016. King V builds on South Africa's established corporate governance framework, reflecting evolving local and global developments and taking account of recent amendments to the Companies Act.

The group has made good progress in transitioning to King V. The directors confirm that the group has voluntarily applied the principles and recommended practices of the code in all material respects, except for the specific exceptions set out in the Disclosure Framework available on the group's website. The board intends to complete the transition during the 2027 financial year.

Acknowledgements

On behalf of the board, I extend my sincere appreciation to our CEO, Bertina Engelbrecht, our CFO, Gordon Traill, and the group executive team, for their leadership and resilience in navigating volatile market conditions. I also commend our more than 21 200 employees across head office, stores, pharmacies and distribution centres for their dedication, teamwork and unwavering focus on serving our customers.

I thank my fellow non-executive directors for their active participation in board and committee deliberations, and for their continued commitment to high standards of governance and oversight.

Our relationships with external stakeholders are critical to the sustainability of the group, and I thank our customers, shareholders, lending institutions, suppliers and regulators, for their support, trust and constructive engagement.



Mfundiso Njeke
Independent non-executive chairman

6 November 2026

Board of directors

Board diversity

67% Black

33% White

44% Female directors

56% Male directors

Board composition

78% Independent non-executive directors

22% Executive directors

Board tenure

56% 1 – 5 years

44% >5 years

Board age

33% 50 – 59 years

67% 60 – 69 years

(A) Audit and risk committee
(N) Nomination committee
(R) Remuneration committee
(S) Social and ethics committee
● Chairman

Independent non-executive directors



Mfundiso "JJ" Njeke (67)

Non-executive chairman

BCOM, MCOMPT, CA (SA), H DIP TAX

(N)

Appointed to the board in 2020 and as chairman in January 2025

Directorship:

Motus Holdings (chairman).

Expertise and experience:

Accounting, finance, commercial and strategic planning. JJ is a chartered accountant by profession. After serving as an audit partner at PricewaterhouseCoopers for six years he co-founded Kagiso Trust Investments where he was group managing director from 1994 to 2010. He is a past chairman of the SA Institute of Chartered Accountants, and previously served as chairman of Momentum Metropolitan Holdings, Resilient REIT and ArcelorMittal South Africa, and non-executive director of Adcorp, Datatec, Delta Property Fund, MTN Group and Sasol.



Sango Ntsaluba (66)

Lead non-executive director

BCOM, BCOMPT (HONS), MCOM (DEVELOPMENT FINANCE), H DIP TAX LAW, CA (SA)

(R) (A) (N)

Appointed 2021

Directorship:

Thungela Resources (chairman).

Expertise and experience:

Accounting, finance, commercial and strategic planning. Sango was a founding partner of SizweNtsalubaGobodo (now SNG Grant Thornton), one of the largest auditing firms in South Africa. In 1997 he joined Transnet as general manager of group finance before being appointed as an executive director responsible for restructuring, a position he held until 2002. He served as executive chairman of NMT Capital from 2002 until 2020. He is the founding CEO of investment holding company, Aurelian Capital.



Richard Inskip (64)

Non-executive director

BCOM

(A) (R)

Appointed 2023

Directorships:

Hyprop Investments (lead independent director) and Mr Price Group.

Expertise and experience:

Retail, strategy, supply chain, technology, financial services and operations. Richard is an experienced senior executive and entrepreneur whose 40-year career in the retail sector included serving as chief operating officer for both Woolworths and Massmart. In his 17 years at Woolworths he held various senior roles, including operations and financial services director, and served as an executive director of Woolworths Holdings for seven years. He spent several years as an independent consultant and entrepreneur, including three years as a non-executive director of AVI. After consulting to Massmart, he joined the company as a full-time executive in 2017 and retired as chief operating officer in 2022.

Board of directors *continued*

Independent non-executive directors



Nomgando Matyumza (63)

Non-executive director

BCOM, BCOMPT (HONS), CA (SA), LLB

S A N

Appointed 2022

Directorships:

Standard Bank Group and Standard Bank South Africa.

Expertise and experience:

Accounting, finance and corporate governance. Nomgando is a chartered accountant who has held senior financial management and executive positions in the private and public sectors. Her past directorships include the Council for Medical Schemes (deputy chairperson), Hulamin, Sasol, Transnet, WBHO, Ithala Development Finance Corporation and Volkswagen (South Africa). She is an ordained minister of the African Methodist Episcopal Church and a member of its Presiding Elders Council.



Dr Penny Moumakwa (62)

Non-executive director

MBCHB, MAP (WITS), GMP (HARVARD)

S

Appointed 2021

Directorship:

RCL Foods.

Expertise and experience:

Healthcare and sustainability. Penny is a medical doctor with extensive senior executive experience in the private and public healthcare sectors. She was previously an executive director of Discovery Health and an executive committee member of Discovery Holdings, including serving on the sustainability committee of Discovery. She is the founding CEO of Mohau Equity Partners and a director of Growthpoint Healthcare Property Holdings, the Wits University Donald Gordon Medical Centre and the Witkoppen Health and Welfare Centre.



Christine Ramon (59)

Non-executive director

BCOMPT, BCOMPT (HONS), CA (SA), SEP (HARVARD)

A R

Appointed 2023

Directorships:

Discovery Limited, Remgro Limited and Vodafone plc.

Expertise and experience:

Accounting, finance, governance and strategy. Christine is an experienced corporate financial executive with extensive board expertise. She served as chief financial officer (CFO) and as an executive director of AngloGold Ashanti for eight years until June 2022, including a year as interim chief executive officer (CEO). Prior to that Christine was CFO of Sasol and CEO of Johnnic Holdings. Christine previously served as a member of the Presidential State-Owned Enterprises Council, and her past directorships include MTN Group, Lafarge SA, Johnnic Communications, Transnet, The World Gold Council, Rand Refinery, the International Council on Mining and Metals, and the International Federation of Accountants.



Bertie van Sittert (51)

Non-executive director

BCOM, BCOMPT (HONS), CA (SA), MBA

Appointed February 2026

Directorships:

Business Partners Limited, PEP Foundation and Fisantekraal Centre for Development.

Expertise and experience:

Accounting, finance and strategy. After starting his career in auditing where he was an associate director at PricewaterhouseCoopers, he embarked on a career in retail. Bertie spent six years with the Clicks Group, including serving as head of finance for Clicks. He joined Pepkor in 2014 where he was the chief executive: finance of PEP Stores for almost a decade. In 2025 Bertie founded Amber Tribe Consulting, which specialises in training in retail, finance and strategic management. He also provides consulting, executive mentoring and project management services to various retail groups.

Board of directors *continued*

Executive directors





Bertina Engelbrecht (63)

Chief executive officer

BPROC, LLM, ADMITTED ATTORNEY

(S)

Appointed as a director in 2008

Expertise and experience:

Strategy, corporate affairs, stakeholder engagement and human resources. Bertina was appointed as CEO in January 2022. She joined the group as human resources director in 2006 and her responsibilities were expanded in 2020 to include strategic stakeholder engagement. She was previously general manager for Shell SA Energy and regional human resources manager for Shell Oil Products Africa. Prior to this she was director of organisational effectiveness at Sea Harvest, managed her own consultancy practice and spent eight years with Transnet.

Gordon Traill (55)

Chief financial officer

BACC (HONS) WITH FRENCH, CA, AMP (HARVARD)

Appointed as a director in 2023

Expertise and experience:

Accounting, finance and support services, supply chain and technology. Gordon was head of support services at Clicks from 2019, with responsibility for supply chain, retail distribution centres, property and information technology, prior to being appointed as CFO in January 2023. He joined the group in 2006 as head of internal audit. He was appointed head of group finance the following year and head of finance for the retail business in 2014, and served as a member of the Clicks executive committee until his appointment as CFO. Prior to joining the group he held various financial positions with Alliance Boots in the United Kingdom.



Corporate governance report

Accountability, transparency, ethical management and fairness underpin the Clicks Group's governance and compliance frameworks.

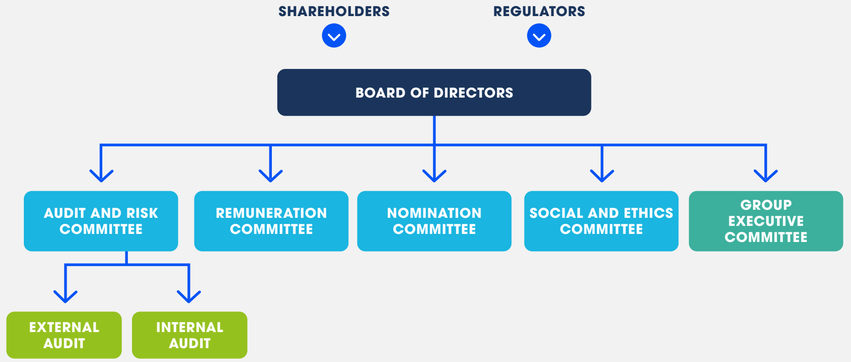
The board and executive management are accountable for the group's governance which is critical to executing its strategic objectives, ensuring sustainability and meeting stakeholder expectations. A consistent focus on corporate governance has supported the group's sustained strong performance which is reflected in the long-term equity outperformance.

The group's corporate governance standards are independently rated as aligning with global best practice.

In the past year, notable governance matters considered by the group included:

- reviewing the structure of the board and its committees to ensure that the governing body is structured to serve the needs of the group and efficiently discharge its responsibilities. This resulted in the reconstitution of the nomination committee, which is responsible for ensuring that the board has the appropriate skills, experience and diversity to govern effectively;
- under the guidance of the nomination committee, strengthened the focus on the chief executive officer (CEO) and executive leadership succession planning and organisational design;
- appointing Bertie van Sittert as an independent non-executive director to broaden the experience of the board and ensure that stakeholders continue to benefit from a diverse, multi-skilled and balanced board;
- reviewing and updating the board charter and committee terms of reference to align with King V principles and recommended practices; and
- undertaking an externally facilitated evaluation of the board, committees and the company secretary, and considering the recommendations from the evaluation for enhancing the board's governance maturity.

Governance structure



Transition to King V

King V applies to companies with financial years beginning on or after 1 January 2026. During the reporting period the group continued to apply the principles of King IV and following the publication of King V in October 2025, commenced the transition to the new code. The directors confirm that the group has in all material respects voluntarily applied the principles and recommended practices of the code, except for the specific exceptions noted in the Disclosure Framework.

The King V Disclosure Framework is published on the group's website at www.clicksgroup.co.za. The board intends to complete the transition in the 2027 financial year. The board is not aware of any material non-compliance by the company with the Companies Act, No. 71 of 2008 (as amended) (Companies Act), the JSE Listings Requirements or the memorandum of incorporation (MOI). The group also follows the JSE's June 2022 guidance on sustainability and climate change disclosures in its annual reporting.

Corporate governance report *continued*

Role of the board

Elected by the shareholders, the directors are responsible for the sustainability of the business within the triple context of the economy, society and the environment.

The board fulfils a range of legal duties and is the primary source of effective, ethical leadership for the group. In executing its mandate, the board is responsible for the following:

- approving strategic plans;
- monitoring operational performance;
- ensuring that risk management and internal controls are effective;
- monitoring regulatory compliance;
- promoting good governance;
- approving significant accounting policies and the annual financial statements;
- monitoring transformation and empowerment;
- managing the process of selection and appointment of directors;
- ensuring that the group's remuneration policies and practices are effective and fair; and
- appointment of key executive management.

Certain of these functions are delegated to board committees. The board and its committees' composition, authority, responsibilities and functioning are detailed in the MOI, the board charter and the committees' terms of reference.

Key issues addressed in 2026

In addition to the matters set out above, the board addressed the following key issues during the year:

- approved the group's three-year strategic plans and budgets, including capital investment in information technology (IT) systems and physical infrastructure;
- monitored the execution of projects and initiatives approved in preceding years, including specific focus on the warehouse management system and enterprise resource planning system replacement at UPD; and revising the group's organisational design to better equip it for sustained growth into the future which included the appointment of the chief information officer;
- considered the outcome of the independent assessment performed on the effectiveness of the board;
- entrenched ESG practices in the group's ways of working, including reviewing the group's environmental and climate change policy;
- considered the application of the amendments to the Companies Act;
- reviewed the group's broader board diversity policy;
- considered and satisfied itself as to the competence, qualifications and experience of both the chief financial officer and company secretary;
- considered succession plans for the CEO;
- considered and adopted the group's artificial intelligence (AI) policy;



- reviewed the group's remuneration policy, with specific focus on long-term incentives for senior executives and non-executive director remuneration, and monitored progress in the attainment of the minimum shareholding requirement for executives. The group's remuneration report is available on the website at **www.clicksgroup.co.za**; and
- reviewed talent and succession plans.

Board composition

The board consists of nine directors, with two salaried executive directors and seven independent non-executive directors. The age, tenure, experience and expertise of each director is briefly set out in the board of directors' report on page 29.

Independence of directors

All the directors understand their legal duty to act independently in the best interests of the company.

The board conducted an evaluation of the independence of the chairman and non-executive directors during the year. The factors contained in King V and the JSE Listings Requirements which could impact on their independence and performance were considered. Both long tenure and length of concurrent tenure between non-executive directors and executive directors are metrics that are considered when assessing independence, which the board monitors and the group discloses to stakeholders. In the opinion of the board there are no factors which prevent the directors from exercising objective, unfettered judgement or acting in an independent manner. All of the non-executive directors are therefore appropriately classified as being independent.

The company has no controlling shareholder or group of shareholders and there is no shareholder representation on the board.

Board diversity

The directors are diverse in terms of gender, race and professional backgrounds, contributing to strong decision-making and ensuring that a range of perspectives are brought to bear on matters under consideration by the board. The directors have extensive experience and specialist skills across a range of sectors, including retail, commercial, governance, human resources remuneration, accounting and finance, legal, healthcare and IT. The board's broader diversity policy contains voluntary targets for race and gender of 50% black and 33% female representation at board level. Currently 67% of the directors are black and 44% are female.

Corporate governance report *continued*

Board and committee meeting attendance

	Board	Audit and risk	Remuneration	Social and ethics	Nomination	AGM
Number of meetings	5#	4	3	2	1&	1
JJ Njeke	5/5+	4/4	(3/3)		1/1+	1/1
Bertina Engelbrecht	5/5	(4/4)	(3/3)	2/2	(1/1)	1/1
Richard Inskip	5/5	4/4	3/3			1/1
Nomgando Matyumza	4/5	4/4	(1/1)	2/2+	1/1	1/1
Penelope Moumakwa	5/5			2/2		1/1
Sango Ntsaluba	5/5	4/4	3/3+		1/1	1/1
Christine Ramon	5/5	4/4+	3/3			1/1
Gordon Traill	5/5	(4/4)	(3/3)			1/1
Bertie van Sittert[1]	2/2					
Meeting attendance 2026 (excluding attendance by invitees) (%)	**98**	**100**	**100**	**100**	**100**	**100**
Meeting attendance 2025 (excluding attendance by invitees) (%)	**100**	**95**	**100**	**100**	**N/A**	**100**

\# Includes a special board meeting held on 11 September 2025.
& Nomination committee reconstituted with effect from 29 January 2026.
1 Appointed 1 February 2026.
( ) Meetings attended as an invitee.
\+ Chair.

Director election

One-third of non-executive directors are required to resign at each annual general meeting (AGM) and executive directors are required to resign on the third anniversary of their appointment or most recent re-election to the board. This provides shareholders with an opportunity to hold directors to account and to appoint directors to the board who shareholders believe will add value to the business. Richard Inskip, Christine Ramon and Bertina Engelbrecht will retire in terms of the rotation of directors provisions in the MOI, and are all recommended for re-election to the board. Bertie van Sittert, who was appointed as a non-executive director by the board after the 2026 AGM, will also retire voluntarily at the 2027 AGM and will be recommended by the board for election by shareholders. Richard Inskip, Christine Ramon, Bertie van Sittert and Nomgando Matyumza will be recommended for election to the audit and risk committee. Nomgando Matyumza, Dr Penny Moumakwa and Bertina Engelbrecht will be recommended for election to the social and ethics committee.

Annual performance evaluation

An independent external evaluation of the board, its committees and the company secretary was conducted in 2026. The review was undertaken through in-depth director interviews, online survey, governance document review and analysis of board dynamics. Based on the review the board was assessed as a strong effective board that is engaged and well regarded. The board exercises sound oversight and holds management to account effectively while protecting shareholder value. The evaluation identified opportunities for further strengthening long-term strategic alignment, anticipating risk and partnering with management to drive sustained growth and superior shareholder returns, areas which the board will be looking to incorporate into its governance practices.

Board and executive relationship

The roles of the chairman and the CEO are formalised, separate and clearly defined. This division of responsibilities at the helm of the company ensures a balance of authority and power, with no individual having unrestricted decision-making powers. The chairman leads the board and the CEO is responsible for the executive management of the group. The CEO's notice period is 12 months and there are no special conditions related to termination. While the board and executive management collectively determine the strategic objectives of the group, the board is responsible for approving the group's strategy, and the executive is responsible for executing this strategy and for the ongoing management of the business. Regular reporting by the executive on progress made in executing its mandate allows the board to monitor implementation of strategy and to assess the effectiveness thereof. Non-executive directors have direct access to management and may meet with management independently of the executive directors.

Board oversight

The board discharges its oversight function both directly and through its four committees. This allows the board to allocate sufficient time and attention to matters reserved for decision-making. The board and its committees are each chaired by independent non-executive directors. Each board sub-committee has a clear mandate and terms of reference that are regularly reviewed. The composition of the committees conformed to regulatory requirements and King IV and V for the reporting period.

Risk governance

While the board recognises that certain risks are necessary to ensure sustainable growth and competitive returns, the directors acknowledge that the group and its stakeholders should be protected from avoidable risks. Risk management and governance processes are therefore aimed at creating an appropriate balance between risk and reward. The risk landscape is managed through ongoing improvement of internal controls, including risk identification, assessment, mitigation and monitoring. This is achieved through collaborative efforts between the various business units and internal audit.

Corporate governance report *continued*

The audit and risk committee is responsible for overseeing risk management for the board, with particular focus on combined assurance arrangements, ensuring that the group has implemented an effective policy and mitigation plan for risk, and that disclosure of these risks and mitigation plans is comprehensive, timely and relevant. The committee is tasked with ensuring that the combined assurance model provides a co-ordinated approach to assurance activities and that the combined assurance received addresses all significant risks facing the group. The group and business unit risk registers are regularly reviewed and updated, containing current and emerging risks as well as risks associated with future strategic initiatives and identifying mitigating measures to address specific risks. Risk registers are updated as the nature of the risk changes over time or as mitigation measures take effect. Major group risks are detailed in the material issues, risks and opportunities report on pages 15 to 18.

Group internal audit monitors the progress of the group and business units in managing risks and reports its findings to the audit and risk committee. Any significant weaknesses in the design, implementation or execution of the group's internal financial controls which could result in material financial loss, fraud, corruption or error, are reported to the audit and risk committee and disclosed in the audit and risk committee report. No material issues were brought to the attention of the committee during the reporting period.

Data, information and technology governance

IT is a fundamental enabler within the group and essential to the effectiveness and sustainability of the group's growth ambitions. The group relies on technology to drive growth, improve efficiency and enhance customer experience. The group's IT strategy is developed to guide IT investments, strategic project enhancements and the maturity of IT processes. The board is ultimately responsible for the governance of data, information and technology. The accountability is formally delegated to the audit and risk committee. The group has adopted an AI policy and is in the early stage of the implementation of innovative and disruptive technologies, including AI. As the group's adoption matures and the evolving risk landscape increases, the board recognises that significant risk management and governance oversight will be required. This will receive significant focus in 2027.

Ethics and values

The group subscribes to high ethical standards of business practice. A set of values and a behavioural code of conduct require staff to display integrity, mutual respect and openness. Members of staff have an obligation to challenge others who are not adhering to these values. The social and ethics committee is responsible for monitoring ethical practices. The group has various documented policies which require all employees to adhere to ethical business practices in their relationships with one another, suppliers, intermediaries, shareholders and investors. These policies also set stringent standards relating to the acceptance of gifts from third parties and declarations of potential conflicts of interests. A fraud prevention policy ensures that a firm stance is taken against fraud and the prosecution of offenders.



Anti-competitive conduct

Oversight, governance and risk management processes are in place to promote compliance with statutory prescripts relating to competition, and the effectiveness of these processes is borne out by the fact that the group has not been sanctioned for anti-competitive conduct.

The group has market-leading positions in South Africa in healthcare retailing and supply. This emphasises the need for the group to remain vigilant in guarding against engaging in anti-competitive practices.

Governance focus areas in 2027

Succession planning for the CEO remains a key focus for the board, recognising the importance of leadership continuity and the sustainable execution of the group's strategy. Under the guidance of the nomination committee, the board is developing a robust CEO succession plan. This will include the consideration of internal and external succession candidates, development of appropriate leadership talent and ensuring that the organisation has the capabilities required to support a seamless transition when required.

The board, supported by the audit and risk committee, will continue to monitor the strategic alignment, risk management and responsible adoption of AI and emerging technologies, with specific regard to the King V-recommended practices.

Following the external evaluation of the board and its committees, the directors will consider the recommendations arising from the evaluation and implement appropriate actions to further strengthen the board's governance practices and effectiveness.

03

Performance

2026 saw the group make progress in accelerating its strategy, developing new growth platforms and extending its presence across the health and beauty value chain.

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Chief executive officer's report

In a trading environment characterised by subdued consumer demand, constrained spending, heightened competition and aggressive discounting, the group increased turnover by 5.4% to exceed R50 billion for the first time.

This was the most challenging year faced by the current management team, severely testing the resilience of our business model and the quality of our execution.

Systems implementation challenges adversely impacted retail performance in the first half of the year. Delays in implementing the warehouse management system (WMS) at the Clicks distribution centre in Cape Town limited product availability and weighed on turnover, particularly during the critical festive trading period. Lessons learnt informed tighter controls which enabled the WMS rollout at the Durban distribution centre in June to be completed seamlessly.

Despite these challenges, 2026 saw the group make pleasing progress in accelerating its growth strategy. We launched KwaMakhi, our new township convenience retail brand, increased our shareholding in ARC Store to strengthen our position in the premium beauty market and completed the acquisition of Mr First Aid, a leading distributor of medical devices and consumables that will expand UPD's offering to hospital groups and provide access to new markets. These initiatives demonstrate our continued commitment to building new growth platforms and extending our presence across the health and beauty value chain.

Delivering on our retail strategy

Our retail growth strategy, supported by favourable market dynamics, positions the group to capitalise on organic growth opportunities, deepen customer relationships and sustain our competitive advantage in the health and beauty markets in which we operate.

Clicks continued to expand its store footprint towards its medium-term target of 1 200 stores, increasing the footprint to 1 031 following the opening of a net 41 stores. Convenience-format stores account for 77% of the portfolio. We also accelerated our expansion into lower-income communities, with 270 stores now located in these areas, contributing 25.5% of turnover, up from 23.7% in the prior year.



Our healthcare strategy is focused on evolving Clicks from the country's leading pharmacy retailer into an interconnected healthcare platform that extends access beyond our store network. During the year we expanded our network to 835 Clicks pharmacies and five UniCare specialist pharmacies. More than 54% of South African households now live within five kilometres of a Clicks store, reinforcing our position as the country's most accessible healthcare retailer.

We are extending our healthcare proposition beyond the store, trialling our on-demand pharmacy offering and developing UniCare's 24-hour medicine delivery capabilities in key metropolitan markets. We are also laying the foundations for growth in higher-value specialist healthcare segments, including oncology. In parallel, we are strengthening our private label healthcare portfolio, with the planned introduction of a generic GLP-1 product, which is awaiting regulatory approval. These initiatives will enable us to participate more broadly across the healthcare value chain, improve access to healthcare services and create new avenues for sustainable growth.

UniCare is a key enabler of this strategy. Its five specialist pharmacies provide 24-hour access to medicines, healthcare advice and specialised services, while creating a platform for 24/7 medicine delivery. We see significant potential to expand the UniCare footprint to between 10 and 15 sites over time, in line with the growing demand for specialist healthcare.

Our revitalised ClubCard programme remains a significant competitive advantage, reinforcing the value of shopping at Clicks. Active membership grew to 13.1 million, with ClubCard members accounting for 84.2% of sales. Members received R976 million in cashback rewards during the year, taking total rewards paid since the programme's inception to R8.5 billion.

Chief executive officer's report *continued*

The ClubCard programme was enhanced with the launch of the Pay Even Less campaign in August, offering members an additional 10% discount on more than 3 000 products. Together with an expanded network of banking, fuel and lifestyle partners, these benefits strengthen our customer value proposition at a time when consumers remain under financial pressure. Banking partnerships were broadened through the addition of Standard Bank and Absa, alongside significantly enhanced benefits from our existing affinity partner, First National Bank. This enables customers to access rewards regardless of their banking preference. Following year-end, the national grocery retailer Food Lover's Market was added as a further partner, extending ClubCard's reach and relevance.

Our private label strategy continues to strengthen customer choice and affordability through a broad portfolio of trusted, high-quality products that offer compelling value and alternatives to national brands. One in every three products sold in the Clicks front shop is now a Clicks-branded or exclusive-brand product. Private label sales exceeded R10 billion for the first time, contributing 25.8% of total retail sales. The quality and innovation supporting our portfolio were recognised at the 2026 SA Product of the Year Awards, where 17 private label products won their respective categories. Private label remains an important driver of customer loyalty, differentiation and long-term margin support.

Clicks also secured the exclusive rights to the iconic Boots No. 7 skincare range, further enhancing our differentiated beauty proposition. The agreement reflects the strength of our relationship with Boots and creates opportunities to introduce additional Boots ranges over time.

The group's financial performance is covered in the chief financial officer's report on page 42. The trading performance of Clicks is covered on page 48.

Extending presence in premium beauty market

During the year the group increased its equity stake in premium beauty retailer ARC Store from 22.7% to 25.7%. Shortly after the year-end, the group further increased its shareholding to 61.0%, reflecting our confidence in ARC Store's long-term growth prospects and its strategic fit within the group. The transaction remains subject to approval by the competition authorities.

A controlling stake in ARC will enable the group to capture a greater share of South Africa's growing premium beauty market and extend its participation across the beauty value chain. ARC Store is an important part of the group's broader beauty strategy, rather than a standalone investment. By bringing together the complementary strengths of ARC Store, Sorbet Group and Clicks' existing beauty businesses, we aim to build a more comprehensive beauty offering that serves a wider range of customer needs, occasions and spending categories, while creating opportunities for sustainable long-term growth.

Launch of KwaMakhi convenience format

The launch of KwaMakhi in August 2026 marks an important step in our strategy to extend the group's reach into new customer segments and generate additional growth opportunities. Designed to serve underserved communities, this neighbourhood convenience format offers trusted brands, smaller pack sizes, everyday low prices and essential health, beauty and household products in a compact, accessible store format.

KwaMakhi enables us to access a broader convenience market, extend the reach of our private label offering and serve communities where the traditional Clicks store format may not be the most appropriate model. The concept is being piloted in four stores, with plans to expand to 10 stores by the end of 2026. We are encouraged by the early customer response and see potential for KwaMakhi to become a complementary growth platform for the group over time.



Positioning UPD for growth

UPD provides the distribution capability for the group's healthcare strategy. It is the country's leading full-range pharmaceutical wholesaler, complemented by a significant bulk distribution agency business.

Total managed turnover across its wholesale and bulk distribution businesses increased by 4.1% to R31.8 billion. Clicks, UniCare and private hospital groups account for over 95% of UPD's wholesale turnover, providing a strong customer base that supports the long-term sustainability of this business.

UPD's performance was constrained by the exceptionally low single exit price (SEP) adjustment of up to 1.47%, compared to 5.25% in the prior year.

Chief executive officer's report *continued*

We therefore welcomed the second annual SEP adjustment of 2.88%, effective 1 October 2026, which is expected to benefit UPD's performance in the new financial year. Further detail on UPD's trading performance is covered on page 51.

The acquisition of Mr First Aid accelerated UPD's entry into the commodity medical consumables market, estimated at R8 billion. This is a natural adjacency to UPD's network and strengthens its positioning as a broader healthcare partner. It also creates opportunities to expand beyond the private hospital sector and participate in a larger addressable market at a higher margin relative to regulated, price-controlled medicines.

Advancing our green transition

We continued to advance our green transition, guided by our belief that doing right for business is right for people, the planet and profit. As responsible stewards for future generations, we are committed to reducing our carbon footprint through practical and cost-effective solutions that deliver both environmental and financial benefits.

The group has invested R139 million to date in alternative energy solutions, including solar power, battery storage and charging infrastructure. All group-owned distribution centres are now supported by solar energy solutions, helping to mitigate the impact of rising electricity costs and reducing our reliance on scarce energy resources.

We are also making significant progress in transitioning to lower-emission transport. Our Cape Town retail distribution centre operates an entirely electric truck fleet, a first for a distribution facility in Africa. UPD has expanded its fleet of pharmaceutical-compliant electric vehicles to 85, now accounting for 86% of the wholesale fleet. In addition, we have purchased our first electric scooters for pharmacy and online deliveries in high-density areas.

These investments are delivering tangible operational benefits through fuel savings, reduced exposure to rising energy costs and lower transport-related emissions. By embedding sustainability into our operations, we aim to create lasting value for our customers and shareholders while contributing to a lower-carbon future.

Strategy and outlook

The group operates in the defensive health and beauty sectors, supported by attractive long-term growth drivers and leading market positions across retail, wholesale and distribution. As we continue to build scale in our core businesses, we see significant opportunities to drive profitable growth through store expansion, pharmacy, private label, digital and ClubCard.

In the short term, we continue to manage the immediate consumer and competitive pressures. The retail environment is expected to remain highly competitive in the year ahead, with sustained discounting, rising fuel prices and higher interest rates continuing to constrain household spending. Low selling price inflation is also expected to persist.

Clicks plans to open 40 to 50 new stores in the new year, progressing towards its medium-term target of 1 200 stores. The group also plans to roll out 10 to 15 UniCare specialised pharmacies over the medium term and expand KwaMakhi's presence in South Africa's township market.

Private label remains the primary driver of the group's differentiation strategy. We aim to sustain the growth momentum in private label and exclusive brands, targeting a contribution of 35% to front shop sales and 18% of pharmacy sales in the medium term.

We will continue to leverage our investments in Sorbet, ARC Store, UniCare, KwaMakhi, Mr First Aid, the LEAP retail pharmacy system and our omni-channel capabilities to accelerate growth and strengthen our competitive position. These strategic growth drivers extend the group's participation in attractive adjacent markets and create additional opportunities for sustainable, long-term earnings growth.

Our extensive store network and integrated supply chain provide competitive advantages which we aim to reinforce through capital investment of approximately R1.5 billion to R1.8 billion annually over the next three years.

The group's leading positions in the health and beauty, attractive organic growth opportunities and increasing scale, underpinned by strong cash generation and a robust balance sheet, provide a solid foundation for continued growth. We remain confident that these strengths will enable us to deliver on our medium-term financial targets and create sustainable long-term value for shareholders.

Appreciation

The heart of our business is our people and on behalf of the board, I extend my sincere thanks to colleagues across the group for their commitment and contribution during a particularly challenging year. I also express my personal appreciation to my group executive colleagues for their leadership in navigating these demanding conditions.

Many of the external pressures experienced in 2026 are likely to persist into the year ahead. However, we enter 2027 focused on building on the progress made, addressing the challenges and delivering an improved performance. I look forward to the continued commitment and support of our people as we work together to meet and exceed the expectations of all our stakeholders.



Bertina Engelbrecht
Chief executive officer

6 November 2026



Executive management





Bertina Engelbrecht (63)

Chief executive officer

BPROC, LLM, ADMITTED ATTORNEY

Joined the group as group human resources director in 2006
Appointed as chief executive officer in 2022

Expertise and experience:

- Previously general manager for Shell SA Energy and regional human resources manager for Shell Oil Products Africa.
- Prior to this she was director of organisational effectiveness at Sea Harvest, managed her own consultancy practice and spent eight years with Transnet.

Gordon Traill (55)

Chief financial officer

BACC (HONS) WITH FRENCH, CA, AMP (HARVARD)

Joined the group in 2006
Appointed as chief financial officer in 2023

Expertise and experience:

- Served as head of support services at Clicks from 2019 to 2022, responsible for supply chain, retail distribution centres, property and information technology.
- Joined the group as head of internal audit, appointed head of group finance the following year and head of finance for the retail business in 2014.
- Prior to joining the group, he held various financial positions with Alliance Boots in the United Kingdom.

Executive management *continued*



Mahomed Shaik (52)

Chief information officer

BCOM (INFORMATION SYSTEMS), PGDIP (GENERAL MANAGEMENT), MBA

Joined the group in July 2026

Expertise and experience:

- Previously group chief technology and information officer at Blu Label Unlimited telecommunications group from 2022 to 2026.
- Prior to that served as chief information officer of a retail and manufacturing business for three years.
- Spent a large part of his career at Accenture at senior management level and also worked at Oracle, led the SAP retail practice at EOH and served as a technology executive at JD Group.



Bridget Makhura (41)

Chief people officer

MSC (CHEMISTRY), MBA, MDP

Joined the group in 2025

Expertise and experience:

- Previously held leadership roles at AB InBev Africa for over 10 years, including vice president of people, as well as regional commercial director and country managing director for Eswatini.
- Earlier in her career, she worked as a consultant at McKinsey & Company and held supply chain roles at Nando's South Africa and South African Breweries.



Bongiwe Ntuli (49)

Managing executive: Health and beauty

BCOM (HONS ACC), CA (SA), AMP (HARVARD)

Joined the group in 2025

Expertise and experience:

- Previously chief financial officer and executive director of The Foschini Group from 2019 to 2023.
- Held senior executive positions in the shipping, freight and logistics, mining and financial services sectors, both locally and internationally, including serving as chief executive officer and executive director of Grindrod's largest division, freight services, for over 10 years.
- Served on the boards of other listed and non-listed companies, including Adapt IT, Old Mutual Investment Group and SBV Services.



Dhevan Pillay (50)

Managing executive: Retail business development

BPHARM, MBA

Joined the group in 2011

Expertise and experience:

- Previously head of store and pharmacy operations for Clicks, having joined the group as good pharmacy practice manager.
- Prior to joining Clicks, was pharmacy manager at MedicX Pharmacy and district manager at Lloyds Pharmacy in the United Kingdom.



Trevor McCoy (57)

Managing executive: UPD

BSC, PGDMM, MBA

Joined the group in 2021

Expertise and experience:

- Previously head of public affairs for Sanofi South Africa.
- 25 years' experience in the pharmaceutical sector.
- Previous roles include serving as business unit head at Sanofi, Pfizer and Alcon.



Chief financial officer's report

Clicks Group maintained strong cash flows and capital ratios despite constrained consumer spending and aggressive competitor discounting in the retail business, while achieving or exceeding all its medium-term financial targets in the 2026 financial year.

Diluted headline earnings per share increased by 4.4% to 1 422 cents. The total dividend was increased by 4.4% to 925 cents per share (interim dividend 258 cents per share and final dividend 667 cents per share), based on a 65% dividend payout ratio. The final cash dividend totalling R1.5 billion will be paid to shareholders in January 2027.

Despite the challenging trading environment, the group remained highly cash generative, with cash inflows from operations totalling R6.3 billion. The group returned R3.4 billion to shareholders in dividends of R2.1 billion and share buybacks of R1.3 billion, while reinvesting almost R1.2 billion in capital projects. At the financial year-end, the group held cash of R2.3 billion on the balance sheet.

The return on equity (ROE) of 48.7% (2025: 49.2%) remains industry leading, exceeding the average ROE of the other listed food and drug retailers in South Africa.

Financial performance

The analysis of the group's financial performance for the year ended 31 August 2026 covers the key line items of the statements of comprehensive income and financial position which management consider material to shareholders' understanding of the group's performance.

The following review should be read together with the annual financial statements as well as the summary statements of comprehensive income and financial position, and the five-year analysis of financial performance on pages 45 and 46, respectively.

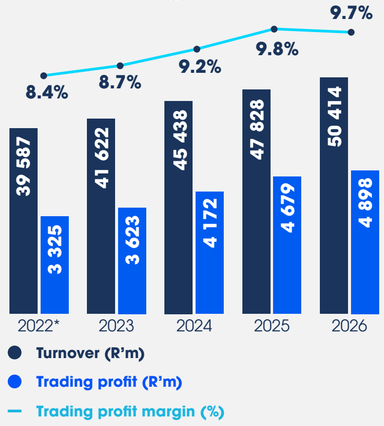
Statement of comprehensive income

Turnover

Group turnover increased by 5.4% to R50.4 billion as both the retail and distribution businesses experienced slower sales growth in the second half of the year.

Retail turnover, which includes Clicks, UniCare, The Body Shop, Sorbet corporate stores and now KwaMakhi, increased by 4.2%. Turnover was constrained by low selling price inflation, increased promotional activity and delays in implementing the warehouse management system at the Cape Town distribution centre in the first half of the year.

Growth in turnover, trading profit and margin



* FY2022 trading profit and margin adjusted for impact of civil unrest.

Comparable store turnover grew by 1.8%, with selling price inflation of 1.5% and volume growth of 0.3%. Inflation slowed as the year progressed, reducing from 2.3% in the first half to 1.2% in the second half.

Growth in store and pharmacy trading space accounted for 2.4% of the retail turnover growth, with the net opening of 41 new stores and 60 pharmacies.

Distribution turnover grew by 9.2%, mainly driven by a 19.3% increase in revenue from preferred bulk contracts.

The trading performances of Clicks and UPD are covered in the business review on pages 48 to 52.

Total income

Total income grew by 5.1% to R15.6 billion. The retail margin improved by 90 basis points despite the increasingly competitive trading environment, with the margin expansion primarily due to improved supply chain efficiencies. The distribution margin declined by 90 basis points, impacted by the lower single exit price (SEP) adjustment relative to the prior year (1.47% in 2026 compared to 5.25% in 2025) and the non-renewal of two bulk distribution contracts.

The 6.8% growth in retail total income was off-set by the lower UPD total income, resulting in the group's total income margin declining by 10 basis points to 31.0%.

Trading expenditure

Retail costs grew by 5.6%, with the higher depreciation from investment in the business being off-set by tightly managed employment costs. Comparable retail costs grew by 3.6%. Distribution costs were well controlled and increased by 4.1%, with cost growth of 6.8% in the first half slowing to 1.5% in the second half.

Chief financial officer's report *continued*

Trading profit

Group trading profit increased by 4.7% to R4.9 billion and the group's trading margin was 10 basis points lower at 9.7%.

Retail trading profit increased by 9.9% due to strong growth in other income and efficient cost management, and the margin increased to 11.0% from a normalised 10.8% in the prior year. UPD's trading profit declined by 10.4% due to the lower SEP adjustment and loss of distribution contracts, with the margin 60 basis points lower at 2.7%.

Statement of financial position

The ratio of shareholders' interest to total assets was 28.2% (2025: 30.4%). The ratio of current assets to current liabilities at year-end was consistent with the prior year at 1.1 times, confirming that working capital remains adequately funded.

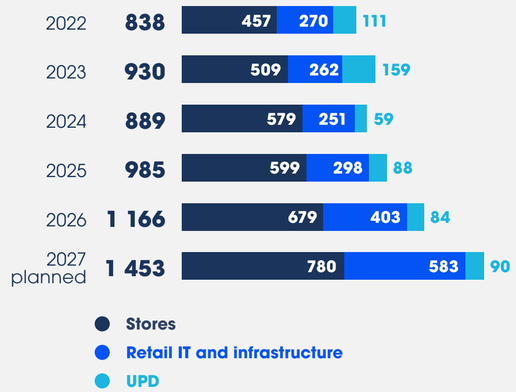
The group continues to hedge direct exposures to foreign exchange rate fluctuations which impact approximately 8.1% of the cost of sales in the retail business. Further detail on the respective hedges and risk management is contained in note 28 in the annual financial statements on the group's website.

Working capital

Inventory increased by 11.1% and group inventory days were four days higher at 82 days. Retail inventory growth reflects the expansion of the store and pharmacy network while UPD held higher inventory to support the new medical consumables range, GLP-1 products and new product launches as well as strategic buy-ins.

The group's working capital was well managed and net working capital days improved from 34 to 33 days.

Capital expenditure (R'm)



Cash and capital management

Cash generated by operations totalled R6.3 billion (2025: R6.6 billion).

The group's capital management strategy remains focused on investing in the organic growth of the business and returning surplus funds to shareholders through dividends and share buybacks:

- Capital expenditure of R1 166 million (2025: R985 million) was reinvested across the group. This included R679 million for new stores, pharmacies and store refurbishments. A further R332 million was invested in information technology (IT) and other retail infrastructure, and R155 million on distribution centres.
- The group returned R3.4 billion to shareholders through dividend payments of R2.1 billion and share buybacks of R1.3 billion.

At the financial year-end, the group held cash resources of R2.3 billion.

Information technology

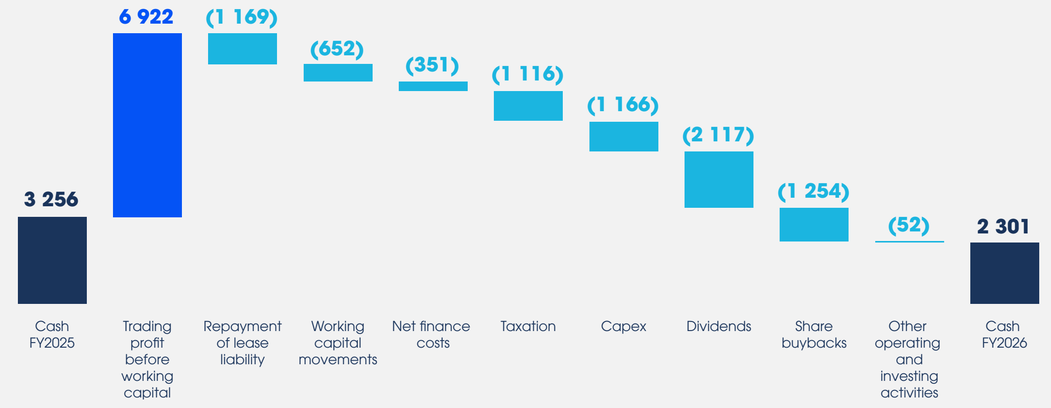
IT management aims to ensure systems and infrastructure are well maintained, secure and remain relevant to the future needs of the business. During the year the group invested R146 million (2025: R158 million) in computer hardware and R244 million (2025: R135 million) in computer software.

The group strengthened customer and patient-facing capabilities through the modernisation of pharmacy operations, digital commerce and fulfilment. The new pharmacy management platform is now available across the Clicks retail pharmacy network, supported by a pharmacy call centre. A major upgrade of the group's e-commerce platform was also completed, together with the introduction of business-to-consumer delivery tracking. These developments enable more connected customer experiences across physical and digital channels. A new warehouse management solution was implemented at the Cape Town and Durban distribution centres. At UPD, implementation of the new enterprise resource planning and warehouse management platform across the majority of distribution clients has been successfully migrated. The remaining client implementation is scheduled for January 2027.

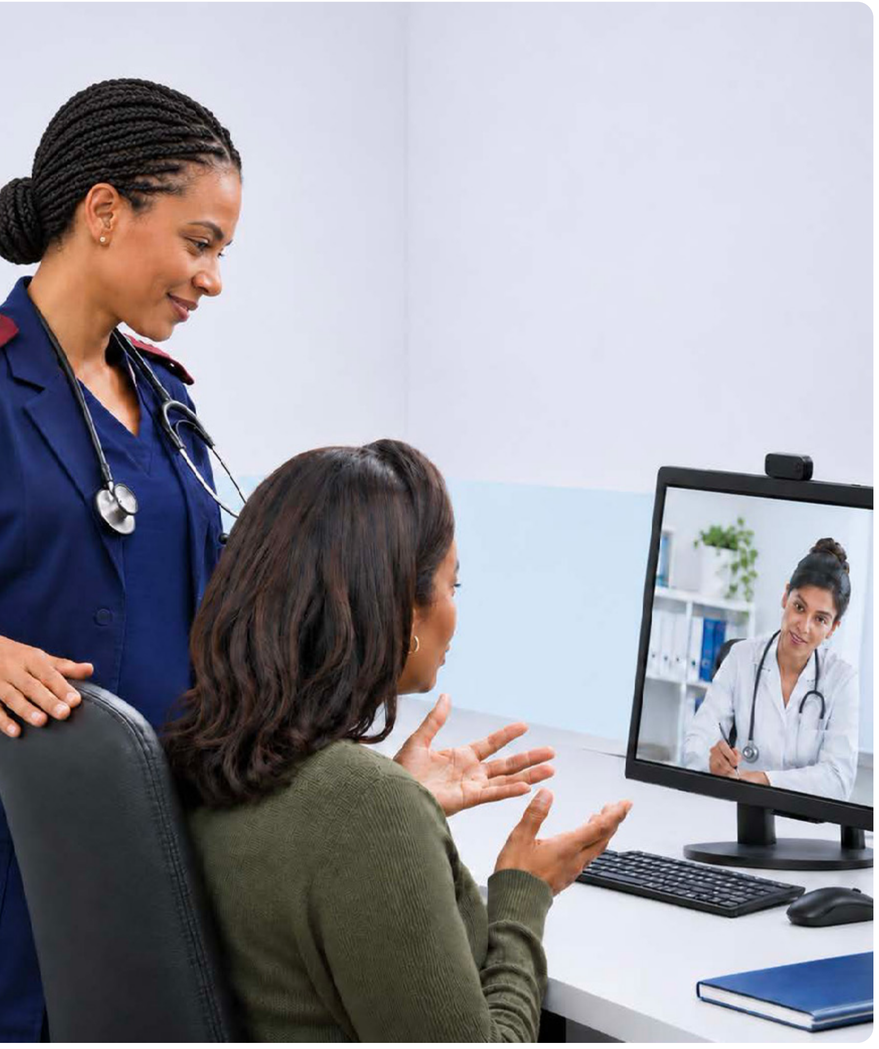
Operational resilience and cybersecurity remained key priorities. The group maintained its targeted cybersecurity maturity level following an independent assessment by PricewaterhouseCoopers.

The group also advanced its enterprise data and intelligence capabilities. The legacy analytics environment was migrated to a modern data platform, while initiatives to strengthen master data quality, governance and accountability across Clicks and UPD commenced. More than 400 suppliers transitioned to the group's supplier insight platform, expanding access to data and insights. These developments strengthen the foundations for trusted reporting, improved analytics and more informed commercial and operational decision-making.

Cash management (R'm)



Chief financial officer's report *continued*



The group continued to evaluate the responsible application of artificial intelligence (AI). A customer-data AI proof of concept was completed and conversational analytics capabilities were demonstrated. Governance progressed alongside these developments, with an AI policy to guide responsible AI adoption across the group.

Looking ahead, the group will continue to prioritise the resilience and security of its technology environment, modernise core business platforms and strengthen enterprise data, digital and AI capabilities. Greater emphasis will be placed on simplifying and integrating the technology landscape and ensuring that technology investment delivers measurable business value through improved customer and patient experiences, greater operational efficiency, reduced operating risk and support for the group's long-term growth ambitions.

Financial plans for 2027

Capital expenditure of R1 453 million is planned for the 2027 financial year, to be utilised as follows:

- R780 million will be invested in the store portfolio, mainly on new Clicks stores and pharmacies, and other retail formats. As part of the ongoing store refurbishment programme 70 to 80 stores will be modernised to remain appealing and relevant to customers.
- R673 million for supply chain, IT and infrastructure. This includes R583 million on retail systems and infrastructure, including the implementation of the warehouse management system at the Centurion distribution centre in April 2027. R90 million will be spent on UPD IT systems and warehouse equipment.

Retail trading space is expected to increase by approximately 5.8% in 2027.

Medium-term targets

	Achieved in 2026	Medium-term target
Return on equity (%)	48.7	**40 – 50**
Return on invested capital (excluding IFRS 16) (%)	49.5	**40 – 50**
Return on invested capital (%)	31.2	**20 – 30**
Return on assets (%)	14.2	**11 – 15**
Net working capital days	33	**30 – 35**
Group trading margin (%)	9.7	**9.0 – 10.0**
Retail	11.0	**10.0 – 11.0**
Distribution	2.7	**2.8 – 3.3**
Dividend payout ratio (%)	65	**60 – 65**

Medium-term financial targets

Financial targets are disclosed to guide shareholders on the group's medium-term performance expectations. These targets are reviewed annually to take account of the group's current performance and the medium-term outlook for trading. While all the targets were achieved in 2026, management will not be revising any of the targets for the year ahead.

Appreciation

I thank the investment community for its active engagement with management over the past year, and our local and international shareholders for their continued support of the group. My sincere appreciation goes to our group and divisional finance teams for their dedication and commitment to maintaining high standards of financial management and reporting. I also thank our professional service providers for their valued support throughout the year.



Gordon Traill
Chief financial officer

6 November 2026

Chief financial officer's report *continued*

Summary statement of comprehensive income (R'million)	2026	% of turnover	2025	% of turnover	% change
Turnover	**50 414**		47 828		5.4
Retail	**39 126**	77.6	37 554	78.5	4.2
Distribution	**20 377**	22.4	18 658	21.5	9.2
Intragroup	**(9 089)**		(8 384)		
Total income	**15 614**	31.0	14 861	31.1	5.1
Trading expenses	**(10 716)**	21.3	(10 182)	21.3	5.2
Retail	**(9 839)**		(9 321)		5.6
Distribution	**(1 268)**		(1 218)		4.1
Intragroup	**391**		357		
Trading profit	**4 898**	9.7	4 679	9.8	4.7
Retail	**4 320**	11.0	3 932	10.5	9.9
Distribution	**560**	2.7	625	3.3	(10.4)
Intragroup	**18**		122		
(Loss)/Profit on disposal of property, plant and equipment	**(6)**		2		
Net financing expense	**(368)**		(243)		51.5
Share of profit/(loss) of associate	**–**		(5)		
Income tax	**(1 203)**		(1 197)		0.5
Profit for the year	**3 321**		3 236		2.6

Summary statement of financial position (R'million)	2026	2025	% change
Non-current assets	**9 166**	8 351	9.8
Property, plant and equipment	**3 329**	3 088	7.8
Right-of-use assets	**4 062**	3 685	10.2
Other non-current assets	**1 775**	1 578	12.5
Current assets	**14 960**	14 241	5.0
Inventories	**8 690**	7 819	11.1
Trade and other receivables	**3 947**	3 140	25.7
Other current assets	**2 323**	3 282	(29.2)
Total assets	**24 126**	22 592	6.8
Total equity	**6 806**	6 857	(0.7)
Non-current liabilities	**3 234**	2 923	10.6
Current liabilities	**14 086**	12 812	9.9
Trade and other payables	**12 109**	10 913	11.0
Other current liabilities	**1 977**	1 899	4.1
Total equity and liabilities	**24 126**	22 592	6.8

Five-year performance review

for the year ended
31 August

		5-year compound growth	2026	2025	2024	2023	2022
Statements of comprehensive income							
Turnover	Rm	6.2%	**50 414**	47 828	45 438	41 622	39 587
Operating expenses	Rm	8.9%	**(10 716)**	(10 182)	(9 543)	(8 537)	(7 649)
Trading profit	Rm	11.1%	**4 898**	4 679	4 172	3 623	3 650
Profit before tax	Rm	11.4%	**4 524**	4 433	3 894	3 471	3 639
Headline earnings	Rm	11.1%	**3 323**	3 234	2 845	2 543	2 523
Statements of financial position							
Right-of-use assets	Rm	9.3%	**4 062**	3 685	3 505	2 999	2 828
Other non-current assets	Rm	8.9%	**5 103**	4 666	4 425	4 202	3 663
Trade and other receivables	Rm	2.6%	**3 947**	3 140	3 057	3 019	3 047
Inventories	Rm	9.8%	**8 690**	7 819	7 063	6 310	6 164
Other current assets	Rm	(27.4%)	**22**	27	62	50	147
Cash and cash equivalents	Rm	0.8%	**2 301**	3 256	2 705	2 455	2 015
Total assets	Rm	7.0%	**24 126**	22 592	20 817	19 035	17 864
Total equity	Rm	7.2%	**6 806**	6 857	6 285	5 965	5 699
Non-current lease liabilities	Rm	8.8%	**3 012**	2 708	2 537	2 152	2 088
Other non-current liabilities	Rm	2.4%	**222**	214	165	118	151
Current lease liabilities	Rm	9.3%	**1 477**	1 334	1 250	1 086	1 012
Other current liabilities	Rm	6.4%	**12 609**	11 479	10 580	9 714	8 914
Total equity and liabilities	Rm	7.0%	**24 126**	22 592	20 817	19 035	17 864
Statements of cash flows							
Cash inflow from operating activities before dividends paid	Rm	4.9%	**4 804**	5 241	4 682	4 873	3 204
Dividends paid	Rm	7.6%	**2 117**	1 911	1 676	1 563	1 287
Capital expenditure	Rm	11.1%	**1 166**	985	891	930	838
Returns and margin performance		5-year average					
Total income margin	%	30.0	**31.0**	31.1	30.2	29.2	28.5
Trading margin	%	9.3	**9.7**	9.8	9.2	8.7	9.2
Return on assets	%	14.3	**14.2**	14.9	14.3	13.8	14.4
Return on shareholders' interest	%	47.2	**48.7**	49.2	46.4	43.6	48.0
Return on invested capital	%	29.9	**31.2**	30.7	29.7	28.4	29.6
Inventory days	days	75	**82**	78	74	71	72
Asset turnover	times	2.2	**2.1**	2.1	2.2	2.2	2.2
Return on net assets	%	93.0	**86.8**	104.6	93.6	85.2	94.7
Shareholders' interest to total assets	%	30.4	**28.2**	30.4	30.2	31.3	31.9
Share performance		5-year compound growth					
Headline earnings per share – basic	cents per share	12.4%	**1 421.7**	1 361.7	1 193.5	1 044.5	1 032.7
Headline earnings per share – diluted	cents per share	12.4%	**1 421.7**	1 361.7	1 193.5	1 044.5	1 032.7
Net asset value per share	cents per share	8.4%	**2 933.0**	2 907.0	2 640.0	2 473.0	2 336.0
Dividends declared	cents per share	13.6%	**925.0**	886.0	776.0	679.0	637.0
Weighted average diluted number of shares in issue	'000		**233 738**	237 512	238 346	243 460	244 306
Shares repurchased	Rm		**1 254**	751	835	704	446
Shares repurchased	'000		**4 221**	2 131	3 099	2 809	1 587

A comprehensive five-year review is available on the website at **www.clicksgroup.co.za.**

04

Business review

Our strategy continues to be supported by favourable market dynamics, positioning the group to sustain its competitive advantage across the health and beauty markets in which we trade.

48 Clicks business review
51 UPD business review

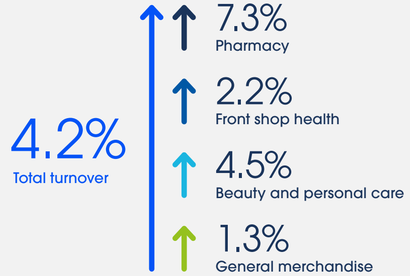


Clicks business review

Clicks continued to expand its retail footprint and reached significant milestones with the opening of its 1 000th store and 800th pharmacy, following the opening of a net 41 stores and 60 pharmacies during the year.



Retail sales growth



2026 sales contribution

CLICKS

Retail turnover was constrained by subdued consumer demand, low selling price inflation, increased competitor promotional activity and delays in implementing the warehouse management system (WMS) at the Cape Town distribution centre in the first half of the year.

Sales performance

Pharmacy sales increased by 7.3%, driven by strong growth in GLP-1 and diabetes medicines, partially off-set by another muted cold and flu season. Sales growth, together with the continued expansion of the pharmacy network, supported a 60 basis point increase in retail pharmacy market share to 24.7%.

Front shop health sales grew by 2.2%. Performance was adversely affected by WMS challenges during the peak festive trading period as well as intensified competitor pressure. Clicks retained its leadership position in front shop health, although market share was 50 basis points lower at 32.6%.

Within the baby category, good growth in baby foods and infant formula was off-set by deflation in the key diaper sub-category and aggressive competitor promotions.

Beauty and personal care, the largest category at 32.6% of sales, grew by 4.5%. Personal care benefited from stronger growth in private label, luxury bath, suncare and oral health. Beauty sales were supported by pharmacy skincare and the continued rollout of elevated beauty halls, although growth was constrained by competitor discounting and weaker facial skincare sales.

Personal care increased market share by 50 basis points to 23.1%. Skincare and haircare retained their leading category positions, despite both recording a decline in market share.

Clicks business review *continued*

Market shares (%)	2026	2025
Health		
Retail pharmacy*	**24.7**	24.1
Front shop health**	**32.6**	33.1
Baby**	**23.0**	23.1
Beauty		
Skincare**	**42.3**	43.3
Haircare**	**32.6**	32.7
Personal care**	**23.1**	22.6
General merchandise		
Small electrical appliances**	**19.7**	18.7

* IQVIA (Private Retail Pharmacy S1-6; restated).
** NielsenIQ (restated).

Health and beauty markets remain highly promotion-driven, with promotional sales increasing marginally to 47.1% of turnover.

General merchandise sales grew by 1.3%. Despite subdued category growth, Clicks increased its market share in small electrical appliances by 100 basis points to 19.7%.

Extending convenient access

Clicks expanded its footprint to 1 031 stores with the opening of a net 41 new stores. The brand continues to focus on convenience format stores which comprise 77% of the portfolio, with the balance being destination stores. The Clicks footprint includes 64 stores in neighbouring Namibia (30 stores), Botswana (25 stores), Eswatini (7 stores) and Lesotho (2 stores).

Clicks continues to accelerate its presence in lower-income areas and now has 270 stores (26.1% of the total store base) located in areas serving lower-income customers, accounting for 25.5% of retail turnover.

The national Clicks pharmacy presence was extended to 835 following the opening of a net 60 pharmacies. The commitment to delivering affordable and accessible healthcare through a convenient pharmacy network is demonstrated by 54.2% of households now living within five kilometres of a Clicks store.

The healthcare footprint was extended with the opening of four additional UniCare 24-hour specialist pharmacies, bringing the total to five sites across three provinces. UniCare provides access to prescriptions, over-the-counter medication and advice at all hours, with specialised services including wound care, diabetes, travel and intravenous clinics, supported by after-hours doctor consultations.

Convenience is being expanded through on-demand pharmacy delivery which has been trialled with over-the-counter medication in 23 Clicks stores and will be extended to 50 stores in December 2026 with an expanded offer including acute scripts.

The Clicks online store enhances customer convenience, with online sales increasing by 15.0% over the year. Click & collect accounted for 30.3% of online sales, reinforcing the link between digital shopping and store visits. The relaunch of the Clicks mobile app, together with continued growth in downloads to 7.3 million, strengthens customer engagement across both digital and in-store channels.

Revitalised Clicks ClubCard programme

ClubCard drives customer retention, shopping frequency and basket growth while strengthening engagement with affinity partners. The programme creates multiple opportunities for customers to earn rewards and save across healthcare, beauty, fuel, banking, retail and lifestyle partners.

Active ClubCard membership grew to 13.1 million, with members accounting for 84.2% of Clicks sales. Members received R976 million in cashback rewards during the year, bringing the total cashback paid over the past five years to R3.8 billion.

The programme was revitalised to strengthen its customer value proposition, with members benefiting from an additional 10% discount on a range of more than 3 000 products. A joint campaign with Engen and FNB/RMB, aimed at helping members mitigate rising fuel costs, generated strong customer engagement.

Standard Bank and Absa were introduced as new affinity partners, while the benefits offered to First National Bank members were enhanced. National grocery retailer Food Lover's Market was added as a further partner after year-end, extending the programme's reach and relevance.

ClubCard also caters to specific customer segments through its Baby Club and Seniors Club offerings. Baby Club membership reached 823 200 and the Seniors Club exceeded 1.6 million members. Baby Club and Seniors qualify for 4% cashback on all purchases while other members receive a 2% cashback.

Differentiating the product offer

Private label and exclusive brands differentiate the Clicks product offer across all merchandise categories, providing customers with quality products at competitive prices while expanding customer choice and supporting margin.

Strong demand for private label products drove sales to more than R10 billion, representing 25.8% of total sales. Private label accounted for 30.9% of front shop sales and 12.3% of pharmacy sales.

Consumer trust in Clicks' own-brand products reflects the sustained focus on quality and efficacy. This was affirmed by 17 private label brands being voted SA Product of the Year in their respective categories.

The iconic Boots No. 7 skincare brand was launched exclusively in Clicks, alongside selected ranges from Boots, further enhancing the differentiated product offering.

Plans for 2027

Clicks plans to open 40 to 50 stores in the new financial year and remains committed to expanding its store footprint to 1 200 in the medium term.

Capital investment of R780 million is planned for new stores and pharmacies, while a further 70 to 80 stores will be refurbished or expanded to maintain an appealing, modern store environment and enhance the customer experience. An additional R583 million will be invested in systems, omni-channel capabilities and the supply chain to support operational efficiency and future growth.

Clicks targets an increase in the contribution of private label and exclusive brands to front shop sales to 31.3% in 2027 (2026: 30.9%), as it continues to innovate and differentiate its product offering.

The active ClubCard membership base is targeted to increase to 14 million as the revitalised offer strengthens loyalty and supports customer retention.

Clicks business review *continued*

Performance against objectives in 2026 and plans for 2027

Deliver a competitive and differentiated front shop product offer

ACHIEVED IN 2026	TARGETS FOR 2027
Front shop private label and exclusive brands 30.9% of total sales 2026 target: 31.0%	→ Increase front shop private label and exclusive brand sales to 31.3%

Create a great customer experience

ACHIEVED IN 2026	TARGETS FOR 2027
375 private label medicines 2026 target: 330 medicines	→ Expand private label medicines range to 385 products
54% of scripts now on repeat prescription service 2026 target: 54%	→ Repeat prescription service at 55% of repeat scripts

Drive customer loyalty through personalisation and rewards

ACHIEVED IN 2026	TARGETS FOR 2027
13.1 million members 2026 target: 13.0 million	→ Increase membership to 14.0 million
823 200 Baby Club members 2026 target: 850 000	→ Grow Baby Club to 875 000 members
1.65 million Seniors Club members 2026 target: 1.65 million	→ Grow Seniors Club to 1.8 million members

Maintain a motivated and skilled workforce

ACHIEVED IN 2026	TARGETS FOR 2027
292 pharmacy assistants enrolled 2026 target: 600	→ 600 pharmacy assistants to be enrolled
86 pharmacy bursary students 2026 target: 100 pharmacy bursary students	→ 100 pharmacy bursary students
172 pharmacy internships 2026 target: 130	→ 150 pharmacy internships

Grow the retail footprint to enhance convenience

ACHIEVED IN 2026	TARGETS FOR 2027
Net 41 stores opened; 1 031 Clicks stores at year-end 2026 target: 40 – 50 stores	→ Open 40 – 50 new Clicks stores
80 stores expanded or refurbished 2026 target: 70 – 80 stores	→ 70 – 80 stores to be expanded or refurbished
Net 60 pharmacies opened; 840 pharmacies at year-end 2026 target: 40 – 50 new Clicks pharmacies Open four UniCare pharmacies	→ Expand Clicks pharmacy network as well as open five UniCare pharmacies



UPD business review

UPD turnover grew by 9.2%, driven primarily by a 19.3% increase in revenue from preferred bulk distribution contracts.



Wholesale turnover by channel

60.3%
Clicks and UniCare (+9.1%)

35.0%
Private hospitals and medical consumables (+2.4%)

4.7%
Independent pharmacies and other channels (-8.3%)

UPD
WE DELIVER HEALTHCARE

The acquisition of Mr First Aid, a distributor of medical consumables and devices across southern Africa, broadened UPD's product offering and expanded its addressable market.

Performance was constrained by the exceptionally low single exit price (SEP) adjustment of a maximum of 1.47%, compared to 5.25% in the prior year, as well as the full-year impact of losing two bulk distribution contracts following global alignment decisions by principals in the previous financial year.

Operating expenses were well managed to an increase of only 4.1%, supported by UPD's early investment in solar energy, battery storage and electric vehicles (EVs). UPD operates South Africa's first fleet of zero-emission, pharmaceutical-compliant electric delivery vehicles. The fleet was expanded by a further 43 vehicles to 85, comprising 86% of the UPD wholesale fleet.

UPD's fine wholesale turnover, which excludes bulk distribution and preferred bulk contracts, increased by 5.7%, despite another subdued cold and flu season and the low SEP adjustment.

Service excellence and quality remain core strengths of UPD. The customer infill rate improved to 99.2%, while the on-time infill delivery performance at 96.3% was only marginally below the prior year despite road closures in coastal areas caused by adverse weather conditions.

Sales to Clicks and UniCare pharmacies grew by 9.1%, accounting for 60.3% of wholesale turnover.

UPD business review *continued*

Clicks maintained purchasing compliance in line with the group target of 98%, while UniCare's purchasing compliance improved significantly to within the targeted range.

Sales to private hospitals and in medical consumables, which together account for 35.0% of sales, grew by 2.4%. Increasing genericisation in the hospital channel was the main factor constraining value growth.

Export sales increased by 11.4%, supported by growth in new customer accounts. The continued consolidation in the independent pharmacy market contributed to an 8.3% decline in sales in this channel.

UPD's wholesale market share declined from 26.2% to 25.4%, primarily due to the contraction in the hospital channel.

Stock levels were increased to support the new medical consumables range, new product launches and strategic purchases, while ensuring product availability, particularly for GLP-1 products.

Total managed turnover across UPD's wholesale and bulk distribution businesses increased by 4.1% to R31.8 billion. Generic medicines accounted for 77.8% of sales volume and 58.5% of sales value. At year-end UPD had 19 bulk distribution clients.

UPD owns distribution centres in Roodepoort (Gauteng), Cape Town, Durban, Bloemfontein and Gqeberha. All facilities are certified to the international ISO9001:2015 and ISO13485 (medical devices) quality management standards.

The acquisition of Mr First Aid accelerated UPD's entry into the medical consumables market, estimated at R8 billion. The business was successfully integrated and the medical consumables product portfolio is being marketed to private hospitals. The acquisition provides a platform for expansion beyond the private hospital sector, enabling UPD to access a broader addressable market and pursue higher-margin opportunities relative to regulated, price-controlled medicines.

Growth plans for 2027

UPD aims to recover wholesale market share by growing sales to Clicks and UniCare pharmacies, supported by the ongoing expansion of the pharmacy network. Further growth will be pursued through increased sales to private hospital groups and by building sales momentum in medical consumables.

Capital expenditure of R90 million is planned for warehouse equipment and information technology to support growth in the year ahead.

A second SEP adjustment of 2.88%, effective from 1 October 2026, is expected to support UPD's performance in the new financial year.

Performance against objectives in 2026 and plans for 2027

Growing market share

ACHIEVED IN 2026	TARGETS FOR 2027
Market share declined to 25.4% Target 2026: Recover market share	→ Recover market share
Sales to hospital groups increased by 2.4% Target 2026: Grow private hospital sales by 14.2%	→ Grow private hospital sales by 10.6%
Clicks' buying levels from UPD at 98.0% Target 2026: 99.0%	→ Clicks' buying levels from UPD at 98.0%

Optimising efficiency

ACHIEVED IN 2026	TARGETS FOR 2027
96.2% on-time deliveries Target 2026: 99.0% on-time deliveries	→ Target 98.0% on-time deliveries
Order fulfilment of 98.6% achieved Target 2026: 99.0%	→ Order fulfilment 99.0%
Stock availability increased by 1.0% Target 2026: Improve stock availability by 1.0%	→ Improve stock availability by 0.8%

Protecting income

ACHIEVED IN 2026	TARGETS FOR 2027
Focused on profitable distribution contracts; 19 distribution clients managed at year-end Target 2026: Focus on and ensure renewal of profitable distribution and bulk contracts	→ Focus on and ensure renewal of profitable distribution and bulk contracts
Renewed and maintained regulatory licences and ISO certifications Target 2026: Renew and maintain regulatory licences and ISO certifications (ISO 9001:2015 and 13485) and ISAE3402	→ Renew and maintain regulatory licences and ISO certifications (ISO9001:2015 and 13485) and ISAE3402

Building capacity

ACHIEVED IN 2026	TARGETS FOR 2027
System implemented for bulk distribution clients Target 2026: System to be rolled out for bulk distribution clients	→ System to be rolled out to the remaining client in H1 of the 2027 financial year
Employee turnover 9.6% Target 2026: Below 13.0%	→ Employee turnover below 13.0%
Maintained Transported Asset Protection Association (TAPA) level 1 accreditation Target 2026: Maintain accreditation	→ Maintain TAPA level 1 accreditation
25 learners enrolled Target 2026: Enrol 90 new learners	→ Enrol 43 new learners

05

Sustainability

As responsible stewards for future generations, we are committed to reducing our carbon footprint through practical, cost-effective solutions that deliver environmental and financial benefits.

54 The year in review
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The year in review

Building a trusted, accessible healthcare network

5th
UniCare 24/7 pharmacy opened

557 156 lives
positively affected through the Clicks Helping Hand Trust (CHHT) over five years

Empowering motivated, passionate people

3 874
total employee new hires

R275m
invested in learning and development

88.6%
participation in the Inaugural Leadership Pulse Survey

R96m
contributed towards supplier development

Sourcing products that uphold the integrity of our brand

Private label received the **"Going Above and Beyond" Award** at the Polyco 2026 Strategic Overview Member Event in recognition of **exceptional commitment, proactive contribution and dedication** to achieving shared objectives on supporting a circular economy

55%
of private label suppliers assessed against sustainability criteria in 2026

Minimising our environmental footprint

30
new heavy-duty electric trucks at the Clicks distribution centres in Cape Town and Centurion, and 43 vans at UPD, bringing the total to 115 electric vehicles across the group

24.4%
reduction in overall Scope 1 and Scope 2 emissions intensity per gross leasable area 2026: 0.13 tCO_2e/m^2 (2025: 0.172 tCO_2e/m^2)

Ratings and awards

The Clicks Group benchmarks its ESG performance against industry peers by submitting disclosures to recognised ESG rating agencies, supporting external assessment, transparency and continuous improvement.

FTSE4Good

Maintained leadership position in the FTSE4Good Index for the 10th consecutive year

MSCI

Attained MSCI's top-tier AAA rating

CDP

A- Climate Change
A- Supplier Engagement

AlexForbes Paragon Impact Awards 2026

First place in two categories:

1. Governance, Ethics, Impact Integration and Accountability
2. Basic Human Needs and Social Outcomes

Sustainability commitment and objectives

Sustainability is a strategic imperative for the group, underpinning responsible growth and long-term value creation. Building on foundations established in recent years, the group continued to embed ESG principles in its operations, governance structures and decision-making. Environmental stewardship, social responsibility and ethical governance inform how the business operates and measures success. The initiatives described in this report demonstrate progress, while the remaining data, assurance and target-setting gaps require continued attention.

During the reporting year the group advanced initiatives across its four sustainability pillars to support access to trusted, affordable healthcare, wellness and beauty products and services. The following highlights link these initiatives to growth, operational resilience and stakeholder value creation:

- **Expanding access to healthcare and pharmacy services:** The group continued to grow its healthcare network, including the opening of its 1 000th Clicks store, additional pharmacies and the fifth UniCare 24/7 pharmacy in Gqeberha. Digital and virtual healthcare services, including tele-health consultations and pharmacy chat, further improved convenience and access for customers and patients.
- **Strengthening affordability and customer value:** Clicks ClubCard continued to support affordability through loyalty rewards, promotional value and access to healthcare solutions such as Flexicare, helping customers manage cost pressures while maintaining access to trusted products and services.
- **Investing in people, transformation and capability:** The group maintained its level 3 BBBEE status, continued investment in learning and development, strengthened employee engagement through the inaugural Leadership Pulse Survey and advanced inclusive workplace practices aligned with its people strategy.
- **Enhancing responsible sourcing and product integrity:** The group progressed ESG engagement and due diligence with its private label suppliers, alongside supplier development initiatives. These activities support product quality, supply chain transparency and responsible sourcing across private label products, exclusive brands and broader procurement activities.
- **Reducing environmental impact:** Environmental initiatives included the expansion of UPD's EV fleet, continued renewable energy generation, energy-efficiency measures, waste recycling and progress toward emissions-intensity reduction. These actions support the group's transition to lower-carbon, more resource-efficient operations.
- **Maintaining strong ESG recognition:** The group remained listed in the FTSE4Good Index for the 10th consecutive year and achieved strong ESG ratings. It also received external recognition in governance, ethics, impact integration, accountability and social outcomes.

While the group made meaningful progress during the year, several areas require continued focus. These include improving the completeness and assurance of ESG data, finalising quantitative sustainability targets, strengthening supplier ESG due diligence, managing regulatory complexity and maintaining best practice in line with evolving and emerging ESG frameworks and standards.

The full sustainability report provides a more detailed account of the actions, progress and outcomes achieved in advancing the group's ESG commitments and creating enduring value for all stakeholders.



Looking ahead, Clicks Group will advance its access-led sustainability agenda by expanding its healthcare network, strengthening affordable and integrated healthcare services, investing in its people, deepening responsible sourcing and reducing its environmental footprint. Reporting priorities are improved data quality, alignment with IFRS Sustainability Disclosure Standards and enhanced assurance of material sustainability key performance indicators (KPIs). The group will also focus on validating credible ESG targets and demonstrating measurable, time-bound progress across its four sustainability pillars. Together, these priorities are intended to strengthen organisational resilience, build stakeholder confidence and support sustainable long-term value creation.

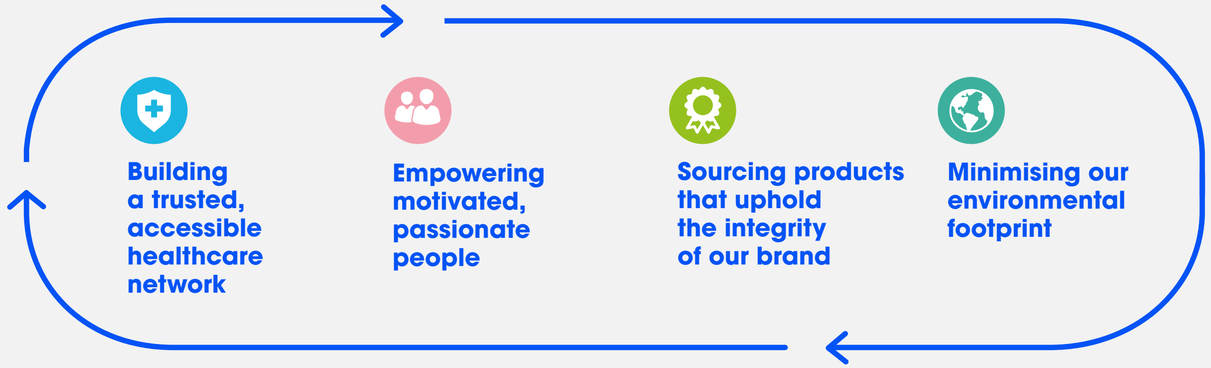
Strategic pillars and focus areas

Clicks Group's sustainability strategy is embedded in its broader business strategy and is centred on creating access, strengthening resilience and delivering long-term stakeholder value. The strategy is guided by four pillars: building a trusted and accessible healthcare network, empowering motivated and passionate people, sourcing products that uphold the integrity of the brand, and minimising the group's environmental footprint. Together, these pillars connect the group's commercial growth ambitions with its social and environmental responsibilities, enabling Clicks to manage ESG risks, unlock opportunities for innovation and growth, and demonstrate measurable progress on the material issues that matter most to stakeholders.

Our sustainability strategy supports the following United Nations (UN) Sustainable Development Goals (SDGs) priorities:



The table below summarises the focus areas and reported activities under each sustainability pillar. Quantitative performance indicators and comparative results are presented in the summary of sustainability performance.



	Building a trusted, accessible healthcare network	Empowering motivated, passionate people	Sourcing products that uphold the integrity of our brand	Minimising our environmental footprint
KEY FOCUS AREAS	• Affordable healthcare access • Product quality and safety • Customer health and well-being	• Employee well-being and development • Diversity, equity, inclusion and belonging • Community investment and training	• Responsible sourcing • Human rights and labour standards • Local supplier and enterprise development	• Renewable energy • Climate risk management • Waste reduction and recycling
HOW WE CREATED VALUE THIS YEAR	• Opened net 41 Clicks stores and net 60 in-store pharmacies • 132 829 (2025: 131 855) clinic services delivered, supported by a R16 million investment from the CHHT	• Maintained level 3 BBBEE status for the group • Maintained a workforce profile of approximately 96% black employees and 62% female employees • R30.4 billion Procurement spend from all empowering suppliers • Recognised as a Top Employer for the 16th consecutive year	• Private label and exclusive brands accounted for 30.9% of total Clicks front shop sales • Expanded supplier ESG assessments and support for local manufacturers	• Reduced total carbon emissions intensity by 31.6% from 2015 baseline • Generated 5 469 MWh of renewable energy • Recycled 77% of waste and increased renewable energy to 5% of electricity consumption • R10.5 million saved* from using renewable electricity, R35.0 million cumulatively since 2022

* These figures have not been verified by an external party.

Governance and oversight of material issues

The board retains overall accountability for oversight of the group's material sustainability issues. The social and ethics committee monitors the response to sustainability-related risks, opportunities and impacts. The audit and risk committee oversees climate risk and related internal controls, while the remuneration committee considers internal equity, responsible reward frameworks and the alignment of incentives with strategic delivery.

The group executive committee is accountable for implementation and performance, supported by a cross-functional sustainability steering committee that sets standards, provides shared services, monitors progress and consolidates ESG data for disclosure. ESG-related KPIs are integrated into executive scorecards and business unit objectives. The board committees receive quarterly reports. Each operational head is responsible for their department's ESG performance and provides periodic updates to the sustainability team for group consolidation.

Selected ESG metrics are verified by independent third parties. Sustainability-related policies, including the environmental and climate change policy, are integrated into the business and used to guide operations.

Sustainability governance

Board of directors

The board and its committees oversee the development and execution of sustainability-related strategies. While each committee contributes to the overall sustainability effort, key roles are performed by the social and ethics committee, which has oversight of sustainability matters.

- BOARD COMMITTEES
- SOCIAL AND ETHICS COMMITTEE
- AUDIT AND RISK COMMITTEE
- REMUNERATION COMMITTEE

Group executive committee

Our executive leadership team has primary responsibility for management of sustainability matters.

Sustainability forum

The forum is responsible for co-ordination and implementation of sustainability-related initiatives. It consists of executive management and sustainability-related professionals. The team establishes group sustainability-related standards and guidelines, provides shared services to all departments, monitors performance and collates ESG data for disclosure.

Third-party verification

Verify selected ESG-related data.

Sustainability-related policies

The board approved the group's environmental and climate change policy in 2022. This guides the group's carbon emission reduction plan and disclosure as well as environmental best practices.

Management approach

The group implements its sustainability approach through board-approved policies, delegated oversight structures, executive scorecards and business unit objectives. The sustainability steering committee co-ordinates implementation, monitors progress and consolidates ESG data for reporting. The approach draws on the UN SDGs, JSE Sustainability and Climate Change Disclosure Guidance, IFRS S1 and IFRS S2, GRI, the UN Global Compact and CDP. Operating controls include quarterly board committee reporting, ESG risk and opportunity reviews, data-owner accountability, sustainability KPI tracking, policy-based procedures, supplier due diligence, climate and emissions management processes, and independent assurance over selected ESG metrics.

Key board discussions

This year, the board considered climate-related risks and opportunities affecting the group, alongside electricity supply risks in certain regions of South Africa. Discussions on intermittent electricity supply centred on its potential operational, financial and service delivery implications, as well as the measures required to strengthen business continuity and operational resilience.

The severe flooding experienced in the north-eastern parts of South Africa in early 2026 highlighted the group's exposure to extreme weather events and potential disruption to its operations and value chain. These events prompted board discussions on climate resilience, including the adequacy of existing mitigation measures and opportunities to strengthen supply chain resilience, reduce disruption and improve preparedness for future climate-related incidents.

In support of the group's decarbonisation strategy and commitment to reducing greenhouse gas (GHG) emissions, the board approved the deployment of additional EVs within UPD's fleet during the year. The board also reviewed plans to expand the use of EVs at the Clicks distribution centre. The status of vehicles deployed and those remaining in the pipeline is described in the environmental performance review. These initiatives form part of the group's broader efforts to transition to lower-carbon operations, improve energy efficiency and support its long-term sustainability objectives.

Governance and oversight of material issues *continued*



Remuneration-linked ESG

The group links remuneration outcomes to the delivery of strategic and sustainability priorities by incorporating ESG measures into executive incentive scorecards. Both short-term and long-term incentive arrangements include sustainability-related performance metrics, supporting accountability for progress against the group's ESG commitments and reinforcing responsible long-term value creation.

Where ESG performance thresholds are not achieved, incentive outcomes may be adjusted downwards by up to 15%, ensuring that reward outcomes remain aligned with the quality and sustainability of business performance. Further detail is provided in the remuneration report. In addition, following the data breach incident at UPD during the year, incentive outcomes will be reduced accordingly to reflect the impact of the event and reinforce management accountability for risk management, operational resilience and sustainable business performance. Further detail is provided in the remuneration report.

Our approach to determining sustainability material topics

Since 2024 the group has applied a double materiality approach, considering both its impacts on people and the environment and sustainability-related risks and opportunities that may affect long-term value creation. Stakeholder engagement informs the identification and prioritisation of material topics, which are integrated into strategy, risk management and reporting. This broader assessment also informs the group's work on IFRS S1 and IFRS S2; it does not, by itself, establish compliance with those standards. During the year the group refreshed its materiality review to reflect its operating context and emerging governance expectations, including King V principles. A comprehensive reassessment is planned for 2027 and every two years thereafter, to maintain relevance to stakeholder expectations and business priorities.

Key findings

The assessment identified sustainability-related risks and opportunities that could influence Clicks Group's long-term value creation and strategy. Key opportunities include improving access to affordable healthcare through medicines, primary healthcare services and digital health solutions. Other material topics include climate change, workforce well-being, fair remuneration, diversity and inclusion, data privacy and cybersecurity, waste management, water stewardship, biodiversity, sustainable sourcing, regulatory requirements, health and safety, and supply chain resilience. As the group expands its digital and omni-channel healthcare offerings, data privacy and cybersecurity remain critical priorities. The UPD data breach reported during the year underscores the importance of these risks and the need for transparent reporting on the response and remediation.

Emerging risks and opportunities

The emerging sustainability-related risks and opportunities assessment highlights an operating environment influenced by climate change, resource constraints, evolving regulation, healthcare affordability pressures, rising ESG disclosure expectations and accelerating adoption of digital technologies and artificial intelligence. These trends create challenges for supply chain resilience, compliance, data governance and service delivery. They also create opportunities to expand affordable healthcare access, improve responsible sourcing and strengthen sustainability reporting. The group's response to these developments is intended to support operational resilience, sustainable growth and long-term value creation as a trusted healthcare partner.

Performance review

Building a trusted, accessible healthcare network

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Network expansion

Clicks achieved the significant milestone of opening its

1 000th

store

Community health investment

650 640

patients

2025: 697 000

accessed free healthcare services through the Transnet Phelophepa Health Trains partnership

Pharmacy and clinic services

835

5 UniCare pharmacies
225 clinics

Affordability and trust

13.1m

2025: 12.6m

ClubCard members

R976m

in cashback rewards to members

2025: R855m

Access to healthcare remains a strategic growth driver for Clicks Group, supported by an integrated healthcare ecosystem that combines its retail, pharmacy, clinic and digital health offerings. Through a focus on affordability, accessibility and convenience, the group continues to expand access to trusted healthcare and wellness services while contributing to improved health outcomes and community well-being.

During the year Clicks reached a significant milestone with the opening of its 1 000th store and continued to expand its pharmacy and clinic footprint, strengthening access to primary healthcare across South Africa. The group's network of pharmacies, clinics, digital health platforms and medicine distribution channels enables customers to access healthcare services in convenient and trusted locations, including underserved communities. As of 2026, more than half of the South African population lives within a five-kilometre radius of a Clicks store.

The year's healthcare priorities connected three areas of delivery: access through physical and digital channels, affordability initiatives and customer engagement through the ClubCard loyalty programme. Together, these priorities support customer loyalty, long-term growth and positive social impact.

The group continued to invest in preventative and primary healthcare services through its clinic network, digital healthcare solutions and partnerships that improve medicine access and healthcare delivery. The UniCare model, Link Pharmacy network and virtual healthcare services extend the channels through which these services are offered.

Beyond its commercial operations, the group extended healthcare access through targeted CSI programmes focused on healthcare, education and community well-being. Key initiatives included free clinic services for underserved communities, support for the Students on the Go programme, partnerships with the Transnet Phelophepa health trains and funding of community health and well-being projects. These initiatives contribute to improved healthcare access, health awareness and social development in vulnerable communities.



Performance review *continued*

Healthcare affordability remains a central component of the group's value proposition. Through responsible pricing, private label healthcare products, generic medicines, the Pay Even Less campaign and ClubCard cashback rewards, Clicks continues to help reduce the cost of healthcare and wellness products for millions of customers.

While affordability pressures, regulatory complexity and healthcare access gaps remain key challenges, the group is well positioned to create long-term value through continued investment in pharmacy, clinic and digital health services.

Looking ahead, Clicks will focus on expanding affordable healthcare access, enhancing customer-centred healthcare solutions and strengthening the measurement of healthcare outcomes to demonstrate its contribution to healthier and more resilient communities.

CASE STUDY

KwaMakhi: Advancing access and inclusive growth

KwaMakhi extends Clicks Group's access-led growth strategy into communities underserved by formal retail, bringing affordable, quality everyday essentials closer to households. Launched on 27 August 2026 in Tembisa, Gauteng, followed by stores in Khayelitsha and Cravenby in the Western Cape, the neighbourhood format aligns commercial expansion with inclusive economic participation.

Addressing the poverty premium

Lower-income households face a potential poverty premium through higher unit prices, transport costs and limited capacity to purchase economical pack sizes. KwaMakhi addresses these barriers through everyday low prices, neighbourhood locations, and product and pack-size choices aligned with household needs and cash flow constraints.

The approximately 300 m^2 format, compared with traditional Clicks stores of approximately 550 m^2 – 1 500 m^2, provides flexibility in high-density communities. The range combines private label products and recognised supplier brands across baby care, personal care, beauty, front shop health products, toiletries, cleaning products and household necessities. KwaMakhi operates as a convenience retailer, not a pharmacy or healthcare clinic.

Alignment with sustainability priorities

KwaMakhi supports the strategic intent of Clicks Group's four sustainability priorities:

- Building a trusted, accessible healthcare network: broadening access to everyday health, hygiene and personal care products, with potential education and referral partnerships.
- Empowering motivated, passionate people: supporting local recruitment, retail skills and career development. Initial public reporting indicates intended staffing of approximately six people per outlet, recruited from surrounding communities.
- Sourcing products that uphold brand integrity: combining quality, affordability and reliable availability, with opportunities to develop qualifying local manufacturers and small suppliers.
- Minimising the environmental footprint: evaluating efficient lighting and distribution, responsible waste management, recyclable packaging and refill solutions. Any environmental benefits remain subject to measurement and verification.

Measuring commercial and community value

The initial ten-store pilot planned for 2026 provides an opportunity to assess sustainable commercial returns alongside independently measurable community outcomes.



Performance review *continued*

Empowering motivated, passionate people

Headcount
21 216
2025: 20 102

62%
female
2025: 62%

38%
male
2025: 38%

Women in top management
45%
2025: 44%

Employment equity employees
20 275
permanent
2025: 19 200

Employees with disabilities
433
permanent
2025: 437

BBBEE
level 3
Group

level 2
UPD

Access to opportunities is central to Clicks Group's people strategy, enabling employees and young professionals to enter, develop and progress within the organisation. Through skills development, employment equity, inclusive workplace practices and fair remuneration, the group continues to build a diverse, engaged and future-ready workforce that supports long-term business growth and transformation.

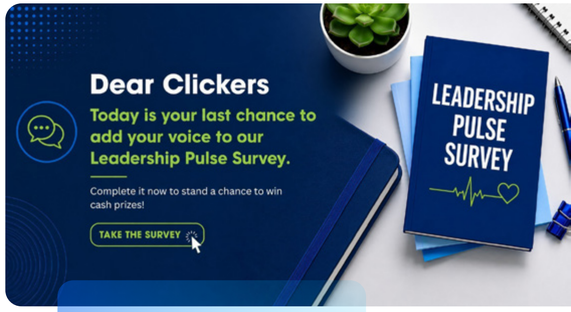
During the year Clicks advanced its transformation and people agenda through a new employment equity plan, remuneration transparency initiatives and the launch of its Group-wide CROP (Care, Results, Order and Purpose) culture framework. Participation in the inaugural Leadership Pulse Survey was 88.6%. Participation measures engagement with the survey process; it does not, on its own, establish the level of employee engagement.

Investment in learning and development continued to create meaningful career pathways across the group. Through bursaries, learnerships, internships, leadership programmes and accredited training, Clicks strengthened its talent pipeline while supporting youth employability, leadership succession and critical healthcare skills development. Programmes such as the Youth Employment Programme, Store Operations Development Programme and pharmacy bursaries help employees and young people gain practical experience, qualifications and long-term career opportunities.

The group remains committed to equitable remuneration and inclusive growth. A 1:1 gender pay ratio for comparable roles was maintained, while ESG-linked remuneration reinforces accountability for sustainability outcomes across the organisation. Employee well-being, health and safety, and leadership development continue to support workforce resilience, productivity and retention.

Clicks also contributes to broader economic inclusion through its BBBEE strategy, supplier development initiatives, entrepreneurship programmes and support for women and black-owned businesses. Partnerships with organisations such as Taking Care of Business create opportunities for entrepreneurship, job creation and sustainable economic participation.

Looking ahead, the group will focus on accelerating transformation, strengthening fair-pay practices, expanding career development opportunities and enhancing leadership effectiveness to ensure employees remain empowered to deliver trusted customer service and sustainable long-term value.



The survey achieved a record participation rate of
88.6%,
the highest for any group-wide survey to date.

Performance review *continued*

Analysis of BBBEE scorecard elements

Element	Progress to date	Performance				
Equity ownership Target: **12.00** 2026: 14.60 2025: 20.01 2024: 20.44	The group's ability to directly improve the ownership performance is impacted by its 44.6% offshore shareholding and no active share ownership vehicles.	The group continued to benefit from the residual recognition of its seven-year Employee Share Ownership Programme, although this recognition has reduced by half, with the remaining 50% set to fall away from March 2026. The Public Investment Corporation remains the group's largest shareholder and the material contributor to the equity ownership element of the scorecard.				
Management control Target: **16.76** 2026: 16.69 2025: 16.25 2024: 15.33	The group continued to make steady progress on its employment equity plan towards a workforce that aligns to the economically active population of South Africa. The progress is enabled through its comprehensive monitoring and engagement processes.	Employees with disabilities: 433 2025: 437 2024: 473	The group's black employee representation is as follows:	Senior management: ↓ 63% 2025: 64% 2024: 59%	Middle management: ↑ 77% 2025: 75% 2024: 73%	Junior management: ↑ 92% 2025: 91% 2024: 89%
Skills development Target: **21.00** 2026: 20.98 2025: 17.27 2024: 17.26	The group continued to leverage its accreditation as a registered training provider and training site, as well as its relationships with external bodies such as the Sector Education and Training Authorities (SETAs) and other strategic partners, to advance employee development. These initiatives play a critical role in strengthening the talent pipeline and enabling the group's long-term growth strategy.	Learnership and internship opportunities: 3 397 2025: 2 165 2024: 2 337	Pharmacy interns: 172 2025: 83 2024: 42	Pharmacy assistant learnerships: 292 2025: 668 2024: 928	Recognised skills development spend on black people: R257m 2025: R155m 2024: R132m	
Enterprise and supplier development Target: **36.00** 2026: 37.18 2025: 35.89 2024: 34.55	The group's enterprise development programme, implemented in partnership with Taking Care of Business (TCB), supports unemployed beneficiaries in establishing and managing their own successful small businesses. In addition, the Sorbet-Preneur initiative provides Sorbet employees with the opportunity to own and operate their own Sorbet salon.	TCB beneficiaries: 215 2025: 360 2024: 161	R143m enterprise and supplier development contributions 2025: R133.3m 2024: R118.5m			
	Supplier development initiatives are designed to enhance the sustainability and competitiveness of participating businesses. Support includes mentoring and coaching, marketing assistance, access to financial services such as interest-free loans, accelerated payment terms, shelf-readiness consulting, favourable trading conditions and initiatives to expand market access.	R95.7m supplier development contribution 2025: R81m 2024: R78m	44 supplier development beneficiaries 2025: 40 2024: 40			
Preferential procurement Target: **19.00** 2026: 20.18 2025: 18.89 2024: 17.55	The group maintained its focus on driving preferential procurement practices, including local sourcing, procurement from designated suppliers and support for black women-owned enterprises.	R30.4bn total empowerment spend 2025: R26.3bn 2024: R24.3bn	R18.6bn total >51% black-owned spend 2025: R15.9bn 2024: R13.8bn	R16.9bn total >30% black women-owned spend 2025: R14.3bn 2024: R15.5bn	R1.7bn total spend on exempted micro enterprises (EMEs) and qualifying small enterprises (QSEs) 2025: R1.4bn 2024: R1.3bn	R1.7bn total spend on designated group suppliers 2025: R1.6bn 2024: R570.2m
Socio-economic development Target: **5.00** 2026: 5.00 2025: 5.00 2024: 5.00	The group's socio-economic development (SED) initiatives focus on health, well-being and education. Delivered primarily through its non-profit organisations, the CHHT and the Clicks Foundation Bursary Fund, these initiatives continued to extend their reach and impact during the financial year.	R34.2m invested In SED projects 2025: R33.0m 2024: R28.6m	R4.9m* invested by the Clicks Foundation Bursary Scheme 2025: R7.3m* 2024: R2.3m	78* bursaries funded by the scheme 2025: 145* 2024: 35*		
BBBEE level 2026: 3 2025: 3 2024: 3	The group engaged EmpowerLogic, an independent accredited rating agency, to conduct a review of the group's BBBEE status for the 2026 financial year. The group maintained its BBBEE level 3 rating.					

* Reflects the total bursaries awarded aligned to the group's financial year rather than the academic calendar year.

Sourcing products that uphold the integrity of our brand

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

180
private label suppliers representing
406
factories across
12
countries

47
private label factories linked on Supplier Ethical Data Exchange (Sedex)

50
private label suppliers pending Sedex connection

70
factories Sedex Members Ethical Trade Audit (SMETA) audited

119
factories with Business Social Compliance Initiative (BSCI) certificates

24
independent private label supplier audits completed this year

1
voluntary product recall for private label

Access to trusted products remains the cornerstone of the group's purpose and customer value proposition. The group is committed to responsible sourcing, product quality and supply chain integrity, ensuring that products are manufactured and supplied in a manner that respects human rights, labour standards, product safety requirements and environmental responsibility.

Through its responsible sourcing framework, Supplier Code of Ethics, Human Rights Commitment and Technical Standards of Operation, Clicks works closely with suppliers to strengthen ethical business practices, improve product traceability and enhance supply chain transparency. A risk-based approach to supplier due diligence, including supplier assessments, audits and participation in recognised platforms such as Supplier Sedex, supports the identification and management of social, environmental and governance risks across the value chain.



The group continues to expand sustainable product offerings and improve packaging sustainability while supporting local procurement and supplier development. Its private label portfolio provides a significant opportunity to influence product design, sourcing practices, packaging innovation and sustainability performance, enabling Clicks to offer affordable, trusted and responsibly sourced products to customers.

Product quality, customer safety and regulatory compliance remain key priorities, supported by robust supplier oversight, quality assurance processes and product traceability controls. These measures help protect customer trust, strengthen brand reputation and reduce supply chain risks.

Looking ahead, the group will focus on strengthening supplier ESG performance, enhancing traceability and transparency, expanding sustainable product and packaging solutions, and increasing sourcing from responsible and local suppliers to further reinforce customer trust and supply chain resilience.

Minimising our environmental footprint

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

GHG emissions breakdown

Scope 1
5 498 tCO_2e
2025: 4 182 tCO_2e

Scope 2 (location-based)
101 852 tCO_2e
2025: 99 032 tCO_2e

Scope 2 (market-based[1])
98 837 tCO_2e

Scope 3
50 662 tCO_2e
2025: 33 064 tCO_2e

Outside of scope
447 tCO_2e
2025: 100 tCO_2e

847
stores with electricity meters
2025: 826 meters

2026 target for renewable energy generation 4 500 MWh

5 469 MWh
generated, slightly down 2% from last year

5%
of total electricity consumption for 2026

The group purchased
3 141 MWh[1]
of RE through RECs[2]

R35 021 203
saved[3] from using RE since 2022

R10 461 259
in 2026

Sustainable transport

115 EVs
across the group (85 UPD, 30 Clicks)

R5 327 529
saved by UPD in first year after deploying EVs

67 998 kl
of municipal water consumed
2025: 69 762 kl

77%
of waste diverted from landfills

Environmental management supports Clicks Group's long-term business resilience and sustainable value creation by reducing risks, improving operational efficiency and responding to evolving stakeholder expectations. The group's priorities are climate action, renewable energy, resource efficiency, waste reduction and sustainable logistics, with a focus on lowering its environmental footprint across its operations and value chain.

During the year the group continued to advance its carbon neutrality ambition for 2050 through investments in renewable energy, energy efficiency and emissions management. A large part of this focus is strengthening sustainable logistics operations through a comprehensive programme centred on fleet electrification and operational efficiency. Across its distribution centre network, the business is demonstrating how large-scale logistics operations can reduce environmental impacts while improving operational resilience and efficiency.

This year, the group expanded its carbon footprint calculations. Scope 2 emissions were calculated using both location-based and market-based methodologies, with the latter reflecting the group's procurement of RECs. The increase in Scope 3 emissions is attributed to the inclusion of accommodation-related emissions for business travel, the inclusion of well-to-tank emissions and a revised employee commuting assessment. These changes in coverage and methodology affect comparability with the previous year.

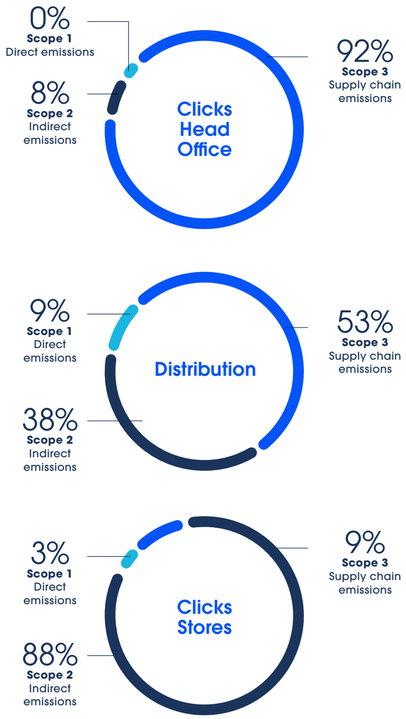


[1] Clicks purchased RECs for the first time in FY2026. 3 141 MWh 100% RECs from the onshore Msenge Wind Farm project in South Africa were purchased and redeemed. The REC redemption statements were reviewed to confirm compliance with the GHGP Scope 2 Quality Criteria.
[2] Renewable Energy Certificates. The group has partnered with Ampli Energy to procure renewable electricity for its distribution centres and head office facilities through a virtual wheeling arrangement.
[3] These figures have not been verified by an external party.

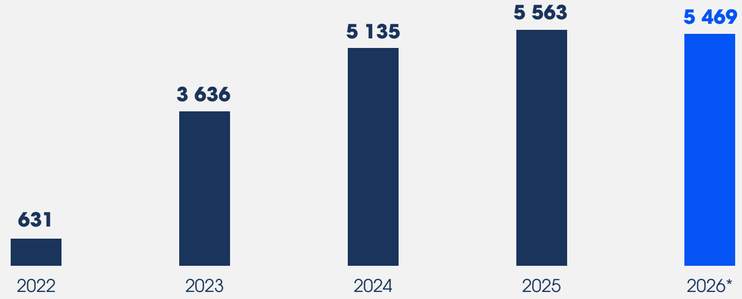
Performance review *continued*

The group improved its GHG accounting and environmental data quality, including its coverage of Scope 3 emissions, to support climate governance and disclosure. Renewable energy generation, virtual wheeling arrangements and fleet electrification initiatives contributed to the group's decarbonisation efforts and reduced reliance on carbon-intensive energy sources.

Absolute emissions by company (% breakdown)



Gross generation of renewable energy produced (MWh)



* The marginal decrease in renewable energy output was primarily attributable to external factors, including grid instability and poor weather conditions.

The group also made progress in embedding circular economy principles across its operations through sustainable packaging initiatives, participation in the South African Plastics Pact, waste reduction programmes and recycling initiatives. Water efficiency remains a priority, supported by investments in rainwater harvesting, alternative water sources, water-efficiency technologies and improved monitoring systems to strengthen water resilience in a water-stressed environment.

Recognising that many climate, water and biodiversity impacts occur within the value chain, Clicks continues to engage suppliers and partners to improve environmental performance, strengthen responsible sourcing and enhance visibility of Scope 3 impacts. Biodiversity and nature-related considerations are increasingly being integrated into procurement, packaging and sustainability decision-making following the group's biodiversity readiness assessment.

Looking ahead, Clicks will focus on accelerating renewable energy adoption, reducing emissions intensity, improving resource efficiency, strengthening climate and nature-related disclosures, and enhancing supply chain resilience. These initiatives support the group's ambition to build a lower-carbon, more resource-efficient and resilient business while creating long-term value for stakeholders.

CASE STUDY

Charging ahead with low-carbon logistics

Clicks Group is reducing logistics emissions through heavy-duty electric trucks powered by solar photovoltaic (PV) energy, battery storage and charging infrastructure. In 2026 the group deployed 30 SANY electric trucks at its Cape Town and Centurion distribution centres, with Cape Town becoming Africa's first retail distribution centre with a fully electric truck fleet by the end of October 2026.

The transition supports Clicks' 2050 carbon neutrality ambition, reduces exposure to diesel price volatility and is expected to improve life cycle operating costs over time.

Value created

- Expected annual avoidance of approximately 780 000 litres of diesel and 2 000 tonnes of tailpipe CO_2 emissions.
- R65 million+ invested in solar PV, battery storage and charging infrastructure to enable lower-carbon logistics.
- Lower fuel and maintenance costs are expected to improve life cycle economics, including estimated maintenance savings of R2 – R3 million.



Each truck has an 11.5-tonne payload and a 380 – 400 km range per charge, supporting reliable distribution while lowering tailpipe emissions. Although the shift requires higher upfront investment, Clicks expects lower fuel and maintenance costs, reduced exposure to diesel price volatility and improved long-term operational and systems resilience.

The rollout will be scaled using a disciplined blueprint from Montague Gardens, aligning fleet deployment with renewable energy readiness, charging infrastructure, route performance and service-level thresholds. KwaZulu-Natal is targeted by September 2027, with the group aiming for more than 90% of its truck fleet to operate on electric power by September 2028.

Performance review *continued*

Summary of sustainability performance

Strategic focus area	Key performance indicator	Progress	Unit	2026	2025	2024
Building a trusted, accessible healthcare network	Clicks stores offering pharmacy services	Up	Number	**835**	780	720
	UniCare 24-hour offering	Up	Number	**5**	1	1
	Clicks pharmacies offering clinic services	No change	Number	**225**	225	206
	Investment in pharmacy bursaries	Down	R million	**4.9**	7.3	2.3
	Number of pharmacy interns trained	Up	Number	**172**	83	42
	Number of people using free clinic services	Up	Number	**132 829**	131 855	128 955
Empowering, motivated, passionate people	Black representation on the board	Down	Percentage	**67**	75	67
	Female representation on the board	Down	Percentage	**44**	50	44
	Black employees	Up	Percentage	**96**	95	95
	Female employees	No change	Percentage	**62**	62	62
	Investment in training/skills development	Up	R million	**275**	230	185
	Utilisation of employee health and wellness programme	Up	Percentage	**74.7**	57.0	43.0
	Total empowerment spend	Up	R billion	**30.4**	26.3	24.3
Sourcing products that uphold the integrity of the brand	Private label suppliers assessed against sustainability criteria	–	Percentage	**55**	Not reported	Not reported
	Clicks private label factories with BSCI certificates	–	Number	**119**	Not reported	Not reported
	Independent private label supplier audits completed	–	Number	**24**	Not reported	Not reported
Minimising our environmental footprint	Total Scope 1 emissions	Up	tCO_2e	**5 498**	4 182	5 135
	Total Scope 2 emissions (location-based)	Up	tCO_2e	**101 852**	99 032	106 944
	Total Scope 2 emissions (market-based)	–	tCO_2e	**98 837**	Not reported	Not reported
	Total Scope 3 emissions	Up	tCO_2e	**50 662**	33 064	38 158
	Outside of the scope (refrigerants gas – R22)	Up	tCO_2e	**447**	100	291
	Purchased electricity	Up	MWh	**108 832**	110 409	107 934
	On-site electricity generation (solar PV)	Down	MWh	**5 469**	5 563	5 135
	Water consumption	Up	Kilolitres	**67 998**	69 762	95 028
	General waste generated	Down	Tonnes	**1 374**	1 801	1 611
	Medical waste generated	Down	Tonnes	**78**	131	214
	Waste recovered for recycling	Up	Tonnes	**4 882**	4 434	4 179

06

Shareholder information

Over the past 20 years, the group has returned R25.7 billion to shareholders through dividends and share buybacks.

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69 Shareholders' diary



Analysis of shareholders

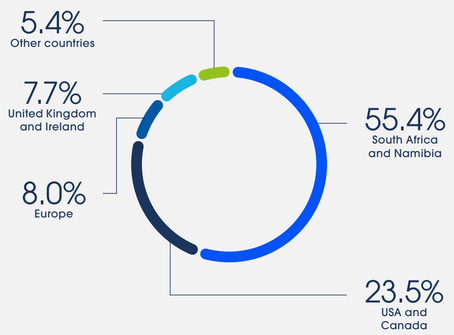
at 31 August

	Number of shares	Percentage of shares
Public and non-public shareholders		
Public shareholders	**231 541 084**	**99.9**
Non-public shareholders		
Shares held by directors	**169 181**	**0.1**
Total non-public shareholders	**169 181**	**0.1**
Total shareholders	**231 710 265**	**100.0**

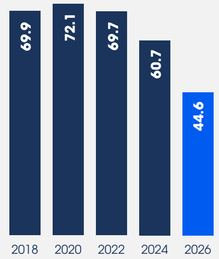
According to the company's register of shareholders, read in conjunction with the company's register of disclosure of beneficial interests made by registered shareholders acting in a nominee capacity, the following fund managers managed 3% or more of the issued share capital at 31 August 2026:

	Percentage of shares	
	August 2026	August 2025
Major fund managers managing 3% or more:		
Public Investment Corporation (SA)	**18.4**	19.1
BlackRock (US and UK)	**6.6**	4.9
The Vanguard Group (US)	**4.4**	4.2
Old Mutual (SA)	**3.4**	2.6
Lazard Asset Management (US and UK)	**3.2**	2.7
JPMorgan Asset Management (US and UK)	**3.1**	3.5
Funds no longer managing 3% or more:		
GIC Asset Management (Singapore)	**1.1**	4.5
RBC Global Asset Management (UK)	**0.2**	3.8

Geographic distribution of shareholders



Offshore shareholding (%)





Corporate information

Clicks Group Limited

Incorporated in the
Republic of South Africa
Registration number 1996/000645/06
Income tax number
9061/745/71/8

JSE share code: CLS
ISIN: ZAE000134854
ADR ticker symbol: CLCGY
ADR CUSIP code: 18682W205

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Annalize Barnard, CA (SA)
E-mail: companysecretary@clicksgroup.co.za

Auditors

KPMG Inc.

Principal bankers

FirstRand Bank Limited

JSE sponsor

Investec Bank Limited

Transfer secretaries

Computershare Investor Services
Proprietary Limited
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Saxonwold 2132
Telephone: +27 (0)11 370 5000

Investor relations consultants

Tier 1 Investor Relations
E-mail: ir@tier1ir.co.za

Shareholders' diary

Annual general meeting	**28 January 2027**
Preliminary results announcements	
Interim results to February 2027	on or about 22 April 2027
Final results to August 2027	on or about 21 October 2027
Publication of 2027 integrated report	**November 2027**
Ordinary share dividend	
2026 final dividend	
Last day to trade with dividend included	19 January 2027
Date of dividend payment	25 January 2027

For more information, please visit our website at **www.clicksgroup.co.za.**

Forward-looking statements

The integrated report includes forward-looking statements which relate to the possible future financial position and results of the group's operations. These statements by their nature involve risk and uncertainty as they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not statements of fact, but statements by the group's management based on its current estimates, expectations and assumptions regarding future performance.

The group does not undertake to update or revise any of these forward-looking statements publicly, whether to reflect new information or future events, other than to comply with the JSE Listings Requirements. The forward-looking statements have not been reviewed or reported on by the group's independent auditor.

Forward-looking statements made by the group at the time of releasing its 2026 financial results were informed by the group's business plans, financial and economic forecasts at October 2026.

