Pick n Pay Stores Limited
Incorporated in the Republic of South Africa
Registration number: 1968/008034/06
ISIN: ZAE000005443
JSE share code: PIK
("Pick n Pay" or "the Group")

REVIEWED PRELIMINARY CONDENSED CONSOLIDATED RESULTS FOR THE 52 WEEKS ENDED 1 MARCH 2020

This short-form announcement is the responsibility of the directors and is only an abridged summary of the information contained
in the Group's full FY20 result announcement.
Any investment decision should be based on the full announcement published on the Group's website at www.picknpayinvestor.co.za
and on the JSE website using the link https://senspdf.jse.co.za/documents/2020/jse/isse/PIK/FY20.pdf.
Copies of the full announcement are available for inspection at, or may also be requested from, the Group's registered office or
the office of our sponsor, at no charge, during office hours. To request a copy of the full announcement, contact our Company
Secretary, Debra Muller at demuller@pnp.co.za.
The preliminary condensed consolidated annual financial statements have been reviewed by the Group's independent external auditors,
Ernst & Young Inc. and their unmodified review report is available for inspection at the Company's registered office.

FEEDING THE NATION IN CHALLENGING TIMES: COVID-19 UPDATE AND FY20 FINANCIAL RESULTS

The Pick n Pay Group is publishing its FY20 financial results in the unprecedented circumstances of the COVID-19 pandemic, with
the country operating under a State of Disaster and subject to an extended nationwide lockdown. We embrace our responsibility to
help feed the nation as an essential service provider. Our Pick n Pay and Boxer teams are working tirelessly with our suppliers
and partners to maintain an effective supply chain and to ensure our stores are well-stocked with food and groceries.
In fulfilling this role, the safety and well-being of our colleagues and customers is our top priority. True to our values, we
have also provided over 5 million meals to the most vulnerable in our communities across the country, through our Feed the Nation
campaign.

Please refer to our full FY20 result announcement for:

A. A review of our performance over the FY20 financial year - which ended on 1 March 2020. This was four days before the first confirmed COVID-19 case in South Africa, and the result was not impacted by the pandemic

B. A summary of our actions in response to the COVID-19 outbreak, up to the time of publication of this report

C. A comment on current trading conditions and the uncertain outlook for the remainder of our FY21 financial year

D. An update on progress in delivering our long-term plan, which has strengthened our ability to play a crucial role in the current crisis, and in the years to follow

FY20 FINANCIAL RESULT: SOUTH AFRICAN OPERATIONS DELIVER IN A CHALLENGING ECONOMY

Key financial indicators	52 weeks to 1 March 2020	Pro-forma 53 weeks to 3 March 2019*	52 weeks to 24 February 2019*	Pro-forma % change
Turnover - comparable #	R89.2 billion	R87.2 billion	R85.2 billion	4.7
Turnover - reported #	R89.3 billion	R88.3 billion	R86.3 billion	3.5
Gross profit margin	19.7%	19.1%	19.1%	
Trading profit	R3 148.0 million	R3 054.9 million	R2 915.9 million	8.0
Trading profit margin	3.5%	3.5%	3.4%	
Comparable profit before tax and capital items (Comparable PBT) **	R1 870.7 million	R1 883.0 million	R1 756.4 million	6.5
Comparable PBT margin	2.1%	2.1%	2.0%	
Comparable PBT - South Africa	R1 780.6 million	R1 658.8 million	R1 545.2 million	15.2
Comparable PBT margin - South Africa	2.1%	2.0%	1.9%	
Profit for the period, after tax	R1 194.7 million	R1 444.6 million	R1 349.7 million	(11.5)
Reported HEPS ^	287.89 cents	300.58 cents	280.60 cents	2.6
Reported diluted HEPS (DHEPS) ^	286.39 cents	296.83 cents	277.11 cents	3.3
Comparable HEPS ^	278.81 cents	300.58 cents	280.60 cents	(0.6)

Comparable DHEPS ^	277.36 cents	296.83 cents	277.11 cents	0.1

* IFRS 16 Restatement - the financial information presented for the prior period is on a restated basis, with the full retrospective adoption of IFRS 16 Leases (IFRS 16). Refer to note 15 of the reviewed preliminary condensed consolidated annual financial statements for further information.

Comparable Turnover - following a strategic change in arrangements with cellular airtime and data providers this year, the Group now only transacts airtime and data on an agency basis. Relevant sales and related purchases previously recognised on a gross basis within turnover and cost of sales are now recognised on a net basis within other income. Comparable Turnover information is provided, with relevant airtime and data sales excluded, to allow for an accurate assessment of year-on-year performance. Refer to Appendix 2 of the reviewed preliminary condensed consolidated annual financial statements for further information.

** Comparable Profit before Tax and Capital Items (Comparable PBT) - excludes a net monetary hyperinflation gain recognised in the current year in respect of the Group's investment in its associate, TM Supermarkets in Zimbabwe, under the requirements of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29). Comparable PBT therefore excludes the impact of hyperinflation accounting.

^ Reported Headline Earnings (HEPS) and Reported Diluted Headline Earnings per share (DHEPS) include a net monetary hyperinflation gain recognised in the current year in respect of the Group's investment in its associate, TM Supermarkets in Zimbabwe, under the requirements of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29). Comparable Headline Earnings and Comparable Diluted Headline Earnings per share exclude the impact of hyperinflation accounting. Refer to our "Review of Financial Performance" and the appendices provided of the reviewed preliminary condensed consolidated annual financial statements for further information.

The Group traded in difficult economic conditions throughout the year, with low growth, high unemployment, rising household costs and constrained consumer spending in all regions.

Group Comparable Turnover growth of 4.7% (South Africa: 5.1%) was delivered against a strong base in the previous year, and
reflects deteriorating economic conditions throughout the year, and a final quarter disrupted by lengthy power outages
(load shedding) in South Africa, alongside some supply chain labour disruption. Viewed over a two-year period, the Group has
delivered comparable compound annual sales growth of 6%, ahead of the South African retail market.

The Group restricted its selling price inflation to 2.6% year-on-year, below general food inflation of 3.6%. Net new stores added
3.2% to sales growth, with notable growth in new Boxer supermarkets and Pick n Pay clothing stores. We are particularly pleased
with the progress and performance of our Boxer business, together with our Pick n Pay stores serving lower- and middle-income
customers. Exceptional quality and value are driving positive volume growth for the Group in this important section of the
market.

The Group again demonstrated tight gross profit margin management, unlocking further value across its supply chain, and lifting
its gross profit margin by 0.6% to 19.7%, notwithstanding sustained price investment, and the margin impact of supply chain
labour disruption in the last quarter of the year.

Trading expenses grew 6.3% year-on-year with like-for-like expense growth contained at 4.0%. The trading expense margin grew
from 17.5% to 17.9% of turnover, as operating costs continue to grow ahead of turnover. However, the Group responded effectively
to an escalating trend in costs in the second half of the year by restricting the growth in trading expenses in these six months
to just 2.9%.

Operations in Zambia and Zimbabwe impacted the result, reducing Group earnings by 8.7% pts year-on-year. However, the Group's
result was protected by a resilient performance from the core South African business, which lifted its Comparable Profit before
Tax by 15.2% this year, enabling the Group to deliver headline earnings in line with last year.

The Group's Comparable PBT was up 6.5% year-on-year to R1.9 billion, with Comparable PBT margin improving from 2.0% last year
to 2.1% of turnover. Comparable PBT from our South African segment increased 15.2% year-on-year, with an improvement in its
Comparable PBT margin from 1.9% to 2.1% of segmental turnover.

Group earnings have been impacted by the increase in the tax rate from 24.3% last year to 31.2% this year, driven by losses in certain jurisdictions outside South Africa, hyperinflation in Zimbabwe and the reversal of related deferred tax assets.

Comparable Headline Earnings per Share, which excludes the impact of hyperinflation accounting in Zimbabwe, at 278.81 cents per share is in line with last year on a comparable 52-week basis.

The stability of the Group's balance sheet reflects the effective execution of long-term strategy, with seven consecutive years of sales and profit growth, alongside sustainable returns from a measured and targeted capital investment programme. The Group has followed a prudent gearing strategy, financing its growth and refurbishment initiatives through internally generated cash flow, and focusing its capital investment on lower-risk domestic opportunities, with potential for long-term sustainable returns. The Group has maintained its position of low debt over the past 12 months. It has no long-term structured debt, and has actively managed its working capital needs through short-term cost effective facilities.

FY20 DIVIDEND

In light of the current economic upheaval from the COVID-19 pandemic, the Board has decided that it would be prudent not to declare a dividend at this time but rather to preserve cash. It is anticipated that a formal dividend declaration will be considered and communicated once the full impact of the COVID-19 pandemic on the Group's operations can reasonably be known and assessed. But for the pandemic, the Board would have declared a final dividend of 173.06 cents per share, maintaining the Group's dividend cover of 1.3 times Comparable Headline Earning per Share on a 52-week basis. Further communication in this regard will follow at the time of the Group's FY21 interim result publication.

CONCLUSION

We are proud of our role as an essential service in the COVID-19 crisis. We are determined to fulfil with distinction our responsibility to help feed the nation. We extend our thanks to our Pick n Pay and Boxer teams, particularly those on the front line, who have worked with urgency and determination to put rigorous health and hygiene measures in place to protect staff and customers, and to keep our shelves stocked at a time when our customers need us the most.

We are a much stronger, more flexible and more effective business than we were seven years ago, and are confident that we will
be able to respond and adapt to whatever is required of us in the coming months. Our greater strength and dexterity reflects the
progress we have made through our long-term plan. We know there is more to do on this journey, and will ensure that we make
further progress to deliver on the expectations of customers, colleagues, shareholders and other stakeholders - not just in the
current crisis but in the better years that will follow it.

Gareth Ackerman Richard Brasher
Chairman Chief Executive Officer
11 May 2020

ABOUT PICK N PAY STORES LIMITED
The Pick n Pay Stores Limited Group is a leading South African grocery, clothing, pharmaceuticals, liquor and general
merchandise retailer, employing over 80 000 people through its owned and franchise operations, across its Pick n Pay and Boxer
brands. The Group is managed through its South Africa and Rest of Africa divisions and owns a 49% share of a Zimbabwean
supermarket business, TM Supermarkets. For further information on Pick n Pay and its underlying businesses, please visit
www.picknpayinvestor.co.za.

DIRECTORS OF PICK N PAY STORES LIMITED

Executive
Richard Brasher (CEO), Lerena Olivier (CFO), Richard van Rensburg (CIO), Suzanne Ackerman-Berman, Jonathan Ackerman

Non-executive
Gareth Ackerman (Chairman), Aboubakar Jakoet, David Robins

Independent non-executive
David Friedland, Hugh Herman, Alex Mathole, Audrey Mothupi, Jeff van Rooyen

CORPORATE INFORMATION
Registered office
101 Rosmead Avenue, Kenilworth, Cape Town 7708

Investor relations
Penny Gerber

Email address: PennyGerber@pnp.co.za

Sponsor
Investec Bank Limited

Transfer secretaries
Computershare Investor Services Proprietary Limited