

Clicks Group Limited
(Incorporated in the Republic of South Africa)
Registration number: 1996/000645/06
JSE share code: CLS
ISIN: ZAE000134854
CUSIP: 18682W205
LEI: 378900E967958A677472
("the group")

TRADING UPDATE FOR 20 WEEKS TO 14 JANUARY 2024

- Retail turnover up 11.8%
- UPD total managed turnover down 6.3%
- Group turnover up 8.0%

The group's retail sales, which includes Clicks, The Body Shop and Sorbet, increased by 11.8% in the first 20 weeks of the 2024 financial year to 14 January 2024 ("the period") compared to the corresponding 20 weeks in the previous financial year.

Sales in comparable stores increased by 8.4%, with selling price inflation averaging 7.5% (2023: 6.8%) for the period.

Chief executive Bertina Engelbrecht said growth in Clicks was driven by strong festive season trading, with Clicks achieving its highest ever daily sales on Friday 22 December 2023. The week preceding Christmas was a record trading week for the chain.

Clicks reported robust growth over the period in personal care, beauty and everyday essentials such as confectionery and cleaning products, supported by strong sales of private label and exclusive brands. This sales performance translated into market share gains across all core product categories in Clicks in the first quarter of the financial year.

Sorbet, the beauty salon chain acquired by the group in June 2023, increased franchise and corporate sales by 12.3% over the comparable period (Sorbet franchise sales are not reported as part of Clicks' sales).

UPD's total managed turnover, combining wholesale turnover and turnover managed on behalf of bulk distribution clients, declined by 6.3%. Wholesale turnover was 0.8% lower owing mainly to the impact of the systems transition at UPD's main distribution centre in the early stages of the 2024 financial year. Wholesale turnover has improved as the systems have stabilised, increasing by 6.9% for the six weeks to 14 January 2024.

Engelbrecht said UPD's stated strategy of rationalising its bulk distribution portfolio to focus on profitable clients has adversely impacted turnover through the non-renewal of two contracts. "However, this strategy is expected to benefit margin and support the acquisition of profitable new clients in the year ahead."

Group turnover for the period increased by 8.0% (2023: 2.9%) to R16.8 billion.

The financial information in this trading update is the responsibility of the directors and has not been reviewed or reported on by the group's independent auditor.

The group's interim results for the six months to 29 February 2024 are expected to be released on SENS on or about 25 April 2024.

Cape Town
23 January 2024

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