PEPKOR
Holdings Limited

Reviewed annual results

for the year ended
30 September 2024

Consistent performance drives market share gains at improved margin while strategic execution in fintech yields tangible results

Performance highlights[1]

+7.8% **R85.1 billion** revenue

+9.2% normalised and comparable[2]

+13.5% **R32.6 billion** gross profit, **+190 bps** gross profit margin expansion

+8.4% **R9.8 billion** operating profit

+17.4% normalised and comparable[2]

(0.4%) **140.2 cents** HEPS

+10.3% normalised and comparable[2]

R11.9 billion cash generated

22.3% return on net assets

48.5 cents dividend declared

3 million customers added on A+, FoneYam and Abacus – meeting customer needs for affordability, connectivity and insurance

4 143 learnerships provided – the most of all SA retailers[3]

9.4MWp total solar capacity installed

1 Continuing operations
2 Normalised and comparable results reflect performance excluding non-recurring items in the prior year, and exclude the impact of the 53rd week of trading in the prior year. Refer to the pro forma financial information for further detail.
3 Based on available public information

Group performance – continuing operations

Overview

Pepkor's strategy to meet customer needs delivered a commendable performance in FY24, with strategic execution delivering tangible results.

The group captured additional market share and increased gross profit margin through improved full-price sales.

Pepkor's customer acquisition capability in its retail operations enabled rapid growth in fintech. Strategic execution in financial services and cellular connectivity added three million customers to the group's A+ retail credit base, FoneYam and Abacus.

The group's participation and reach in the dynamic informal market through the Flash business further bolstered growth.

Operating environment showing signs of potential improvement

This performance was achieved despite a challenging operating environment, marked by high unemployment, financially constrained consumers and supply chain complexities. Lower inflation towards the end of the year, particularly in food prices, is expected to provide some relief to customers, while the suspension of electricity load shedding will enhance customers' ability to earn an income.

Pepkor again provided the highest number of learnership opportunities in the country this year, at 4 143, and strengthened operational resilience by further expanding solar capacity to 9.4 MWp, reducing its environmental impact.

Consistent and sustainable performance with margin expansion

For the year ended 30 September 2024 (FY24), group revenue increased by 7.8% to R85.1 billion. The prior year (FY23) included an additional 53rd trading week for South Africa-based clothing and general merchandise brands. On a comparable 52-week basis, group revenue increased by 9.2%.

Group gross profit margin increased by 190 basis points to 38.3%, benefiting from improved full-price sales and growth in fintech.

Ongoing revenue earned from mobile network operators increased by 4.1% to R2.0 billion.

Operating expenses (excluding debtors' costs, depreciation and amortisation, foreign exchange losses and IFRS 16 gains) increased by 8.4% and were well controlled in context of additional costs incurred to enable strategic execution. Excluding the Avenida business in Brazil, operating expenses increased by 7.1%.

Debtors' costs increased by 49.6% to R2.5 billion, driven by strategic execution in credit interoperability and connectivity.

Normalised and comparable operating profit (before capital items) increased by 17.4% to R9.8 billion.

Net finance costs increased by 16.3% to R3.2 billion due to high interest rates during the year.

Inventory levels increased by 3.2% to R17.5 billion. When excluding The Building Company, inventory increased by 14.3% as a result of growth in cellular and measures taken to buffer product inflows to compensate for supply chain disruption.

Strong and flexible balance sheet, continued cash generation and healthy returns

Gearing levels remain low with net debt (excluding IFRS 16 lease liabilities) decreasing to R7.3 billion (FY23: R7.6 billion), in line with the targeted range of between 0.5 times and 1 times net debt-to-EBITDA.

Cash generated from operations amounted to R11.9 billion and return on net assets, which excludes, among others, the impact of goodwill and intangibles, amounted to 22.3%.

HEPS increased by 10.3% to 140.2 cents on a normalised and comparable basis, reflecting a decrease of 0.4% on a statutory basis.

Normalised results[1]

Normalised results exclude the following non-recurring items in the FY23 and FY24 results:

Non-recurring IFRS 16 lease modification gain pertaining to termination of lease – FY23

The termination of the PEP distribution centre lease in the KwaZulu-Natal province and commissioning of the newly constructed distribution centre in Hammarsdale (which is owner-occupied) resulted in a lease modification gain of R392 million. This non-recurring gain contributed c. 8 cents per share to earnings and headline earnings per share in FY23.

Non-recurring insurance recovery of capital items – FY23

Earnings benefited from insurance proceeds recovered for the damage sustained to fixture and fittings as a result of the KwaZulu-Natal floods reported in April 2022. Damaged fixtures and fittings were written off at net book value, after accumulated depreciation, while the full replacement value was recovered from insurance. These recoveries are included as capital items and benefited earnings per share by c.1 cent in FY23. Headline earnings, by definition, exclude capital items and are therefore not impacted by this insurance recovery.

Impairment of goodwill and trade and brand name intangible assets included as part of capital items – FY24 and FY23

Earnings were negatively impacted by the impairment of goodwill and the trade and brand names intangible assets. These impairments are included as capital items and impacted earnings negatively per share by c.69 cents (FY23: c.178 cents) for the goodwill impairment and c.4 cents (FY23: c.2 cents) for the trade and brand names intangible asset impairment. Headline earnings, by definition, exclude capital items and are therefore not impacted by these impairments.

Comparable 52-week basis

Comparable results exclude the impact of the 53rd week of trading in the prior year.

[1] The normalised and comparable results constitute pro forma financial information in terms of the JSE Limited Listings Requirements. For a full appreciation of this, please refer to pages 27 to 30.

Traditional Retail segments

FinTech segment

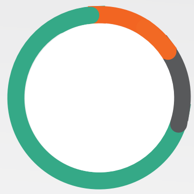
Clothing and general merchandise segment

PEP
ACKERMANS
PEPKOR Speciality
PEP | Africa
AVENIDA

Furniture, appliances and electronics segment

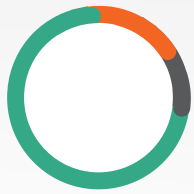
Russells
Bradlows
ROCHESTER
Sleepmasters The Bed Experts
incredible
HiFiCorp

Group revenue



CGM	72%
FAE	13%
FinTech	15%

Group operating profit



CGM	79%
FAE	7%
FinTech	14%

Financial services

A+
CONNECT
FoneYam Quick | Simple | Connected
capfin
abacus

Informal market

flash

Traditional Retail

The Clothing and general merchandise segment (CGM) increased revenue by 5.2% to R61.4 billion (7.0% on a 52-week basis) and the Furniture, appliances and electronics segment (FAE) increased revenue by 4.5% to R11.0 billion.

Group merchandise sales (sales) increased by 4.8% for the year (6.4% on a 52-week basis). Group like-for-like sales increased by 4.1%.

PEP and Ackermans delivered a stronger trading performance in the second half of the year, notwithstanding the late arrival of winter. Additionally, supply chain disruption affected product availability, negatively impacting performance in some clothing brands.

On a 52-week basis group cash sales increased by 2% and credit sales increased by 34%, driven by the implementation of the group's credit interoperability strategy which added 1.2 million A+ accounts in the South Africa-based CGM retail brands. The overall group credit sales mix increased to 14% from 11% in the prior year.

Retail selling price inflation in PEP, Ackermans and Speciality (in aggregate) amounted to 6.2% for the year.

Retail space increased by 2.0% during the year and included 256 new store openings (119 net), expanding the total store footprint to 5 899 stores.

Gross profit margin in CGM expanded by 218 basis points to 38.1% and contracted to 28.4% in FAE. CGM operating profit increased by 12.0% (on a normalised and comparable basis) to R7.7 billion and FAE operating profit increased by 22.2% to R649 million.

Market share was expanded with the latest independent South African data* showing that Pepkor accounts for:

- nearly two out of every three baby wear sales;
- one out of every two kids' wear sales;
- more than three out of four school wear sales; and
- 7.5 out of 10 prepaid cellular handsets – an improvement from seven out of 10 in the previous year.

This underscores Pepkor's role in clothing families, improving people's homes, and connecting the South African nation.

PEP maintained its Best Price Leadership and expanded market share with a positive trajectory in like-for-like sales growth delivered throughout the year. Higher full-price sales improved gross profit margin.

Ackermans showed good progress in recovering like-for-like sales at substantially improved gross profit margins driven by higher full-price sales. Market share gains were achieved in the Babies, Kids and

* Retailers' Liaison Committee (RLC) 12mma and Growth from Knowledge (GfK) September 2024 data

School categories. The transition to the new Hagley distribution centre in Cape Town was completed seamlessly and the Ackermans team was further enhanced with additions in key functions to strengthen execution.

Speciality's clothing brands delivered consistent performance and expanded market share. Dunns performed well and Refinery reached record annual sales of R1 billion, expanding its store base to 154 stores with 36 new stores opened. The launch of Refinery Junior extended the Refinery brand's winning formula into the kids' wear market. The development of a new standalone women's retail format was completed and is set for launch in FY25. Speciality's footwear brands faced challenges due to a highly competitive footwear market.

The Avenida business accelerated expansion during the year, opening 42 new stores and a second distribution centre. Performance weakened in the second half, impacted by a late and unusually short winter season.

Pepkor Lifestyle (previously JD Group) completed its rebranding and delivered a strong performance in Home. Performance in Tech had to contend with a high base in the prior year in addition to significant promotional activity by competitors in key categories. As announced on 3 September 2024, Pepkor has entered into an agreement to acquire Shoprite's furniture business, which operates more than 400 stores. Pepkor's Lifestyle business has developed strong capabilities in supply chain, logistics, and financial services, supported by scalable integrated systems and data-driven insights. By combining Shoprite Furniture with Pepkor Lifestyle, key synergies and efficiencies will be realised through improved scale.

Sales growth %	FY24 Total sales growth %	FY24 Total sales growth 52 weeks %	FY24 Like-for-like sales growth %
Traditional Retail segments	4.8	6.4	4.1
Clothing and general merchandise segment	4.9	6.8	4.2
PEP	4.2	6.0	4.7
Ackermans	4.8	6.8	4.5
Speciality	5.7	8.1	3.6
PEP Africa^	19.5	22.5	19.7
Avenida^	20.1	20.1	5.5
Furniture, appliances and electronics segment Lifestyle	4.3	4.3	3.6

^ Constant currency sales growth is reported for PEP Africa and Avenida.

FinTech

The FinTech segment increased revenue by 26.8% to R12.7 billion. Gross profit margin expanded by 129 basis points to 48.0%. Operating profit increased by 55.2% to R1.4 billion.

FINANCIAL SERVICES

Revenue from financial services increased by 40.3% to R4.6 billion, driven by the group's credit interoperability and connectivity strategies.

Credit interoperability

The A+ credit base was expanded to 2.8 million accounts with a record 1.2 million new accounts opened during the year, benefiting sales through cross-shopping across the group's retail brands.

The group maintained its conservative approach to credit granting and collections, and non-performing loans and provision levels remain well within tolerable levels across all credit books. Approval rates decreased to 30% from 36% in the prior year, underscoring the reduced creditworthiness of consumers and the group's prudent credit granting approach.

Compared to peers, Pepkor's credit granting methodology is more conservative, and customers are not allowed to make further purchases when one payment is missed. Under this definition, 74% (FY23: 75%) of customers were able to make purchases at the end of September 2024.

The gross A+ credit book increased to R6.6 billion (FY23: R4.5 billion) and provision levels reduced to 19% (FY23: 21%) with stable non-performing loans.

Connectivity

The group sold 11.5 million cellular handsets this year, expanding market share to make the group the seller of 7.5 out of 10 prepaid smartphones in South Africa (GfK). Smartphones contributed 60% to handset sales and the active sim card base, underpinning ongoing revenue, increased to 29 million.

FoneYam, the newly developed cellular handset rental product designed to make smartphones affordable, has been highly successful, surpassing one million customers by November 2024, with monthly activations exceeding 120 000 by the end of September 2024. The FoneYam cellular rental book amounts to R932 million (gross) with an initial provision level of 20%.

Lending

Capfin's loan base reached 320 000 loans during the year and the gross unsecured credit loan book increased to R3.3 billion (FY23: R2.5 billion). Provisioning decreased to 17% (FY23: 18%) and non-performing loans reduced to 8% (FY23: 9%).

Insurance

The group leveraged its in-house insurance capability, rolling out Abacus insurance products across Capfin, PEP, Ackermans, Dunns, PAXI and most recently, FoneYam. As a result, more than one million customers were added through policies sold during the year.

INFORMAL MARKET

Flash increased revenue by 20.2% to R8.0 billion with operating profit increasing by 38.0% to R617 million – reflecting a seven-year CAGR of 22%.

Total throughput (virtual turnover based on face value of products sold) increased by 30.0% to R50 billion for the year. The average throughput across the informal market trader base of 165 000 increased by 21.7%. 1Voucher sales reached R15.7 billion for the year, growing by 36.8%.

OMNICHANNEL

The +more customer value platform was launched in March 2024 and now includes more than five million members. +more focuses on the creation of an engaging rewards programme and converting digital attention into a commercial relationship.

Outlook

An optimistic consumer outlook is supported by lower food inflation, the suspension of electricity load shedding and the two-pot retirement system reform. These factors should contribute to improved consumer confidence, lower indebtedness and enhanced spending power. Measures have also been put in place to improve stock inflows and supply chain resilience.

The seven weeks up to 16 November 2024 showed a strong improvement in sales. Sales in the CGM segment increased by 16%. In the FAE segment, sales increased by 6% with the Home division increasing sales by 12%.

Pepkor remains focused on delivering value to customers by expanding affordable product ranges and leveraging data-driven insights to enhance customer engagement. Plans are in place to open between 250 and 300 new stores in FY25.

As demonstrated by this year's results, fintech, financial services, connectivity solutions, and the informal market present valuable opportunities for expansion, while mergers and acquisitions continue to be considered to diversify and strengthen the group's portfolio.

Pepkor is well-positioned to capture additional market share with a robust foundation for continued growth across the retail and fintech sectors.

Dividend declaration

The board declared a cash dividend of 48.50525 cents per ordinary share payable to shareholders on Monday, 20 January 2025. The dividend has been declared out of income reserves.

The salient dates of the dividend declaration are:

Last date to trade cum dividend	**Tuesday, 14 January 2025**
Date trading commences ex-dividend	**Wednesday, 15 January 2025**
Record date	**Friday, 17 January 2025**
Payment date	**Monday, 20 January 2025**

Share certificates may not be dematerialised or rematerialised between Wednesday, 15 January 2025 and Friday, 17 January 2025, both days inclusive. The maximum local dividend tax rate is 20%. The net local dividend amounts to 38.80420 cents per share for shareholders liable to pay dividend tax at the maximum rate. The issued ordinary share capital of Pepkor Holdings Limited as at the date of this declaration is 3 684 million ordinary shares. Pepkor Holdings Limited's tax reference number is IT9542320180.

Investment case

1 Defensive, cash-generative group with a track record of healthy returns

2 Closest to customers with unparalleled scale and capabilities

3 Significant growth opportunities

Appreciation

The Pepkor board and management team appreciate the continued support from investors, customers, employees and suppliers and value their loyalty to the Pepkor group of businesses.

Wendy Luhabe
Independent non-executive chair

Pieter Erasmus
Chief executive officer

Riaan Hanekom
Chief financial officer

25 November 2024

Independent auditor's review report

on condensed consolidated financial statements

To the shareholders of Pepkor Holdings Limited

We have reviewed the condensed consolidated financial statements of Pepkor Holdings Limited, set out on pages 9 to 26, which comprise the condensed consolidated statement of financial position as at 30 September 2024 and the related condensed consolidated income statement and condensed consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

Directors' responsibility for the condensed consolidated financial statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the basis of preparation paragraph to the financial statements, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on these condensed consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical financial information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of condensed consolidated financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Pepkor Holdings Limited for the year ended 30 September 2024 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the basis of preparation paragraph to the financial statements, and the requirements of the Companies Act of South Africa.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: D de Jager
Registered Auditor
Stellenbosch, South Africa
25 November 2024

Independent auditor's assurance report

on the compilation of pro forma financial information for the period ended 30 September 2024 included in the Pepkor reviewed annual results for the year ended 30 September 2024

To the directors of Pepkor Holdings Limited

We have completed our assurance engagement to report on the compilation of the pro forma financial information of Pepkor Holdings Limited (Pepkor or the company) and its subsidiaries (together the group) by the directors. The pro forma financial information, as set out on pages 27 to 30 of Pepkor's reviewed annual results for the year ended 30 September 2024 (the document), consists of non-IFRS measures/constant currency information/week 52/53 impact (the pro forma financial information). The applicable criteria on the basis of which the directors have compiled the pro forma financial information are specified in the Listings Requirements of the JSE Limited (the JSE Listings Requirements), including Guidance Letter: *Presentation of constant currency information* dated 16 August 2012 and described in the pro forma financial information section of the pro forma financial information (the applicable criteria).

The pro forma financial information has been compiled by the directors solely to illustrate the impact of removing the results of week 53 from the 30 September 2023 revenue and trading profit, the impact of constant currency disclosure and the impact of the goodwill and trade and brand name asset impairment as required by IFRS Accounting Standards on the 30 September 2024 results.

As part of this process, information about the group's consolidated financial position and financial performance has been extracted by the directors from the group's reviewed annual results for the year ended 30 September 2024, on which a review opinion was issued on 25 November 2024.

Directors' responsibility for the pro forma financial information

The directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria.

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors,* issued by the Independent Regulatory Board for Auditors' (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

The firm applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements,* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express an opinion, as required by the JSE Listings Requirements, about whether the pro forma financial information has been compiled, in all material respects, by the directors, on the basis of the applicable criteria, based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the applicable criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of the pro forma financial information included in the document is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the events, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the group, the events in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: D de Jager
Registered Auditor
Stellenbosch, South Africa
25 November 2024

Condensed consolidated financial statements

for the year ended 30 September 2024

Condensed consolidated income statement

	Notes	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Restated[1] Reviewed Rm	% change
Revenue	2	**85 136**	78 960	7.8
Retail revenue		**80 714**	75 788	6.5
Financial services revenue		**3 957**	2 801	41.3
Insurance revenue		**465**	371	25.3
Cost of sales		**(52 527)**	(50 226)	(4.6)
Cost of merchandise sold		**(52 527)**	(50 277)	(4.5)
Insurance claim recovery – floods		**–**	51	(100.0)
Gross profit		**32 609**	28 734	13.5
Other income		**1 034**	1 176	(12.1)
Other income excluding insurance claim recovery – floods		**1 034**	906	14.1
Insurance claim recovery – floods		**–**	270	(100.0)
Operating expenses		**(16 718)**	(14 810)	(12.9)
Debtors' costs		**(2 527)**	(1 689)	(49.6)
Operating profit before depreciation, amortisation and capital items		**14 398**	13 411	7.4
Depreciation and amortisation		**(4 596)**	(4 367)	(5.2)
Operating profit before capital items		**9 802**	9 044	8.4
Capital items	3	**(2 908)**	(6 828)	57.4
Capital items excluding insurance claim recovery – floods		**(2 908)**	(6 865)	57.6
Insurance claim recovery – floods		**–**	37	(100.0)
Operating profit		**6 894**	2 216	211.1
Finance costs	4	**(3 447)**	(2 997)	(15.0)
Finance income		**279**	272	2.6
Profit/(loss) before associated income		**3 726**	(509)	832.0
Share of net profit of associate		**–**	7	(100.0)
Profit/(loss) before taxation		**3 726**	(502)	842.2
Taxation	5	**(1 386)**	(1 083)	(28.0)
Profit/(loss) for the period from continuing operations		**2 340**	(1 585)	247.6
(Loss)/profit for the period from discontinued operations	7	**(257)**	295	(187.1)
Profit/(loss) for the year		**2 083**	(1 290)	261.5
Profit/(loss) attributable to:				
Equity holders of the parent		**2 072**	(1 298)	259.6
Non-controlling interests		**11**	8	37.5
Profit/(loss) for the year		**2 083**	(1 290)	261.5
Earnings per share (cents)				
Basic earnings per share from continuing operations		**63.4**	(43.4)	246.1
Basic earnings per share from discontinued operations		**(7.0)**	8.0	(187.5)
Total basic earnings per share	6	**56.4**	(35.4)	259.3
Diluted earnings per share from continuing operations		**62.7**	(42.8)	246.5
Diluted earnings per share from discontinued operations		**(6.9)**	7.9	(187.3)
Total diluted earnings per share	6	**55.8**	(34.9)	259.9

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.

Condensed consolidated statement of comprehensive income

	Notes	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Restated[1] Reviewed Rm
Profit/(loss) from continuing operations		**2 340**	(1 585)
(Loss)/profit from discontinued operations		**(257)**	295
Profit/(loss) for the year		**2 083**	(1 290)
Other comprehensive (loss)/income from continuing operations			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(794)**	188
Net fair value (loss)/gain on cash flow hedges		**(340)**	666
Deferred taxation on cash flow hedges		**82**	61
Foreign currency translation reserve released to profit or loss on liquidation of foreign subsidiaries	3	**(6)**	(3)
Other comprehensive (loss)/income for the year, net of taxation		**(1 058)**	912
Other comprehensive income/(loss) from discontinued operations			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**–**	(34)
Foreign currency translation reserve released to profit or loss on sale of foreign subsidiary		**7**	32
Other comprehensive income/(loss) for the year, net of taxation		**7**	(2)
Total comprehensive income/(loss) for the year		**1 032**	(380)
Total comprehensive income/(loss) attributable to:			
Equity holders of the parent		**1 021**	(388)
Non-controlling interests		**11**	8
Total comprehensive income/(loss) for the year		**1 032**	(380)
Total comprehensive income/(loss) for the year attributable to equity holders of the parent arises from:			
Continuing operations		**1 271**	(681)
Discontinued operations		**(250)**	293
Total comprehensive income/(loss) for the year attributable to the equity holders of the parent		**1 021**	(388)

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.

Condensed consolidated statement of changes in equity

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
Balance at beginning of the year	**59 053**	62 945
Changes in reserves		
Total comprehensive income for the year attributable to owners of the parent	**1 021**	(388)
Profit/(loss) for the year	**2 072**	(1 298)
Recognised in other comprehensive income from total operations	**(1 051)**	910
Shares issued under Pepkor Executive Share Rights Scheme	**247**	226
Share buy-back and cancellation	**(29)**	(511)
Treasury shares purchased by a subsidiary company of the group	**(65)**	(8)
Treasury shares disposed of by a subsidiary company of the group	**8**	–
Dividends paid	**(1 763)**	(2 025)
Net movement in share-based payment reserve	**(51)**	(5)
Transfers to retained earnings	**26**	(20)
Transfers from other reserves	**(6)**	–
Transfer to retained earnings due to ultimate holding company loss of control	**–**	(11 755)
Transfer from common control reserve due to ultimate holding company loss of control	**–**	11 755
Net fair value loss on cash flow hedges transferred to inventory	**(295)**	(1 007)
Movement in put option reserve	**589**	(183)
Changes in non-controlling interests		
Transfer from other reserves on disposal of subsidiary	**2**	–
Total comprehensive income for the year attributable to non-controlling interests	**11**	8
Exchange differences on consolidation of foreign subsidiaries	**1**	21
Balance at end of the year	**58 749**	59 053
Comprising		
Ordinary stated capital	**67 161**	66 943
Treasury shares	**(74)**	(17)
Retained earnings	**(7 471)**	(7 806)
Share-based payment reserve	**353**	404
Hedging reserve	**(287)**	266
Foreign currency translation reserve	**(977)**	(184)
Put option reserve	**(200)**	(789)
Other reserves	**18**	24
Non-controlling interests	**226**	212
	58 749	59 053

Condensed consolidated statement of financial position

	30 September 2024 Reviewed Rm	30 September 2023 Reviewed Rm
ASSETS		
Non-current assets		
Goodwill	**30 218**	32 937
Intangible assets	**18 973**	19 104
Property, plant and equipment	**9 384**	9 329
Right-of-use assets	**10 277**	10 864
Interest in associate	**–**	71
Investments and loans	**59**	46
Trade and other receivables	**103**	–
Unsecured loans	**602**	298
Deferred taxation assets	**2 444**	2 835
	72 060	75 484
Current assets		
Inventories	**17 509**	16 974
Trade and other receivables	**10 987**	9 242
Unsecured loans	**2 153**	1 792
Reinsurance contract assets	**32**	37
Current income taxation assets	**164**	284
Investments and loans	**13**	48
Cash and cash equivalents	**4 793**	4 879
	35 651	33 256
Total assets	**107 711**	108 740
EQUITY AND LIABILITIES		
Capital and reserves		
Ordinary stated capital	**67 161**	66 943
Reserves	**(8 638)**	(8 102)
Total equity attributable to equity holders of the parent	**58 523**	58 841
Non-controlling interests	**226**	212
Total equity	**58 749**	59 053
Non-current liabilities		
Interest-bearing loans and borrowings	**8 742**	9 395
Lease liabilities	**10 058**	10 871
Employee benefits	**462**	388
Deferred taxation liabilities	**3 803**	4 277
Provisions	**158**	245
Put option liability	**261**	1 068
	23 484	26 244
Current liabilities		
Trade and other payables	**16 771**	15 095
Insurance contract liabilities	**42**	73
Lease liabilities	**2 682**	3 078
Employee benefits	**1 310**	1 337
Provisions	**106**	112
Interest-bearing loans and borrowings	**2 791**	2 121
Put option liability	**238**	–
Current income taxation liabilities	**1 012**	693
Bank overdrafts	**526**	934
	25 478	23 443
Total equity and liabilities	**107 711**	108 740

Condensed consolidated statement of cash flows

	Notes	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating profit from total operations		**6 789**	2 697
Operating profit from continuing operations		**6 894**	2 216
Operating (loss)/profit from discontinued operations (note 7.1, 7.2, 7.5 and 7.6)		**(105)**	481
Adjusted for:			
Debtors' write offs and movement in provision		**2 977**	2 163
Depreciation and amortisation		**4 921**	4 680
Non-cash capital items	3	**3 459**	6 830
Inventories written down to net realisable value		**782**	603
Profit on lease modification		**(478)**	(789)
Share-based payment expense		**197**	221
Non-working capital provisions releases and other non-cash adjustments		**480**	9
		19 127	16 414
Working capital changes			
Increase in inventories		**(3 384)**	(1 529)
Increase in trade and other receivables		**(88)**	(77)
Increase in instalment sale receivables and credit sales through store cards		**(4 593)**	(2 442)
Increase in unsecured loans		**(1 439)**	(918)
Increase in trade and other payables		**2 297**	1 514
Net changes in working capital		**(7 207)**	(3 452)
Cash generated from operations		**11 920**	12 962
Dividends paid		**(1 763)**	(2 025)
Finance cost paid		**(3 081)**	(2 866)
Finance income received		**272**	252
Taxation paid		**(1 181)**	(2 537)
Net cash inflow from operating activities		**6 167**	5 786
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment and intangible assets		**(2 612)**	(2 712)
Proceeds on disposal of property, plant and equipment and intangible assets		**43**	73
Payment for acquisition of subsidiary, net of cash and cash equivalents acquired		**(73)**	–
Disposal of business, net of cash and cash equivalents		**313**	–
Decrease in investments and loans		**37**	151
Increase in investments and loans		**(22)**	(84)
Net cash outflow from investing activities		**(2 314)**	(2 572)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount paid on share buy-back		**(29)**	(511)
Treasury shares purchased		**(65)**	(8)
Amounts paid on long-term interest-bearing loans and borrowings		**(2 109)**	(1 950)
Amounts received on long-term interest-bearing loans and borrowings		**2 222**	1 896
Principal lease liability repayments		**(3 141)**	(3 057)
Net cash outflow from financing activities		**(3 122)**	(3 630)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**731**	(416)
Effects of exchange rate translations on cash and cash equivalents		**(409)**	(8)
Cash and cash equivalents at beginning of the year		**3 945**	4 369
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**4 267**	3 945
Consisting of:			
Cash and cash equivalents		**4 793**	4 879
Bank overdrafts		**(526)**	(934)
		4 267	3 945

Notes to the condensed consolidated financial statements

for the year ended 30 September 2024

Basis of preparation

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements and Debt Listings Requirements (collectively, the Listings Requirements) for condensed financial statements and the requirements of the Companies Act of South Africa. The Listings Requirements require condensed financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards and Financial Pronouncements as issued by the Financial Reporting Standards Council and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and to also, as a minimum, contain the information required by IAS 34: Interim Financial Reporting.

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS Accounting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of IFRS 17: Insurance Contracts. The adoption of IFRS 17 did not have a material impact on the group's results, and the group has not restated the prior year comparative results. The prior year cumulative equity impact of R14 million has been recognised in profit or loss in the current year.

New and revised accounting standards became effective during the year, but their implementation had no significant impact on the results of either the current or the previous financial year. The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The condensed consolidated financial statements are prepared in millions of South African rand (Rm) on the historical cost basis, except for certain assets and liabilities, which are carried at amortised cost, and derivative financial instruments, which are stated at their fair values. The preparation of the condensed consolidated financial statements for the year ended 30 September 2024 has been supervised by RG Hanekom CA(SA), the group's chief financial officer.

Any forward-looking and forecast information presented is the responsibility of the board and has not been reviewed or reported on by Pepkor's auditor.

Significant events

Share capital

The following movements in ordinary shares were recorded during the period:

- The group issued 17.9 million ordinary shares during the current financial year for share rights that vested under the Pepkor Executive Share Rights Scheme.
- The group repurchased and cancelled 1.7 million ordinary shares during the current financial year from the open market on the JSE.
- A company within the group purchased 3.6 million ordinary shares during the current financial year from the open market on the JSE which is classified as treasury shares in the annual financial statements.

Significant shareholder

The Ibex Group, formerly Steinhoff International Holdings N.V. (Steinhoff Group), holds 30.18% of Pepkor Holdings as at 30 September 2024. In the prior year, Ibex reduced its shareholding in Pepkor to 43.90% and therefore no longer has control of Pepkor since 8 February 2023.

Discontinued operations in The Building Company

Pepkor disposed of The Building Company on 30 September 2024 in order to streamline Pepkor's portfolio of business, to enhance the group's return on capital and optimise shareholder returns. Refer to note 7 for more details.

Interest-bearing loans and borrowings

Following an auction held on 4 March 2024, the group successfully raised R2.2 billion in the bond market at lower-than-expected margins. The new floating rate notes issued effective from 7 March 2024 are:

- PEP07: three-year floating rate notes of R878 million at three-month Jibar plus 114 bps
- PEP08: five-year floating rate notes of R1.29 billion issued at three-month Jibar plus 124 bps

The proceeds from the issuance replaces the floating rate notes of R1.435 billion (PEP03: three-year) due in May 2024, which carried interest at three-month Jibar plus 152 bps, and was further used to settle Term Loan E (three-year) of R500 million due in June 2024, which carried interest at three-month Jibar plus 120 bps.

Secondary listing on the A2X

The group listed its shares for trade on A2X effective 2 April 2024. The group retained its listing on the JSE Limited and its issued capital will be unaffected by this secondary listing.

Impairment of goodwill and trade and brand names

The outcome of the annual impairment assessment process on goodwill and trade and brand names with an opening carrying value of R51.2 billion, as required by IFRS Accounting Standards, resulted in a total impairment of R2.7 billion recognised in FY24 ('the impairment'). The impairment is allocated to the respective cash generating units (CGUs) as follows:

- R2.4 billion of the impairment is attributable to the clothing and general merchandise CGU, which includes Ackermans, Dunns, PEP, PEP Africa, Refinery and Shoe City and R161 million relates to newly acquired S'Ya Phanda and Pepkor cellular sourcing CGUs. The key factors for the impairment include the continued uncertainty of trading in the retail market driven by performance in Ackermans, which continues to recover, and a challenging footwear market impacting performance in Tekkie Town and Shoe City, resulting in a cautious outlook.
- An impairment of R200 million is attributable to the Tekkie Town CGU, which also suffered from the challenging footwear market.

The impairment impacted basic earnings from continuing operations but is excluded from headline earnings from continuing operations. Refer to note 3 and 11 for further details.

Event subsequent to reporting period

The board is not aware of any significant events after the reporting date that will have a material effect on the group's results or financial position as presented in these financial statements.

1. Segmental analysis

1.1 Basis of segmental presentation

The segmental information has been prepared in accordance with IFRS 8, which defines requirements for the disclosure of financial information of an entity's operating segments. IFRS 8 requires operating segments to be identified on the basis of internal reporting of group components that are regularly reviewed by the chief operating decision-maker (CODM) to allocate resources to segments and to assess their performance. The executive members of the Pepkor Holdings Limited board of directors have been identified as the CODM.

Identification of segments

The identification of segments is consistent with those identified in the annual consolidated financial statements for the year ended 30 September 2023. The executive members of the board of directors identified and monitor segments in relation to differences in products and services.

Geographical analysis

The CODM reviews revenue, operating profit and assets as one geographical region. However, due to South Africa being the group's primary country of operation, the geographical segments have been split between South Africa and other foreign countries. In presenting information on the basis of geographical segments, segment revenue is based on the location of the customers, while segment assets are based on the location of the asset.

Major customers

No single customer contributes 10% or more of the group's revenue.

1.2 Segmental analysis

	Clothing and general merchandise[1,3] Reviewed Rm	Furniture, appliances and electronics Reviewed Rm	Building materials Reviewed Rm	FinTech[1] Reviewed Rm	Total operations Reviewed Rm	Discontinued operations[2] Reviewed Rm	Total from continuing operations Reviewed Rm
Year ended 30 September 2024							
External revenue	61 437	11 017	8 445	12 682	93 581	(8 445)	85 136
Total revenue	61 437	11 017	8 445	14 647	95 546	(8 445)	87 101
Intersegmental revenue	–	–	–	(1 965)	(1 965)	–	(1 965)
Cost of sales	(38 035)	(7 893)	(6 183)	(6 599)	(58 710)	6 183	(52 527)
Gross profit	23 402	3 124	2 262	6 083	34 871	(2 262)	32 609
Other income	902	103	32	29	1 066	(32)	1 034
Operating expenses	(12 227)	(2 112)	(1 524)	(2 379)	(18 242)	1 524	(16 718)
Personnel expenses	(7 189)	(1 224)	(1 031)	(1 049)	(10 493)	1 031	(9 462)
Other operating expenses	(5 038)	(888)	(493)	(1 330)	(7 749)	493	(7 256)
Debtors' costs	(313)	–	1	(2 214)	(2 526)	(1)	(2 527)
Operating profit before depreciation, amortisation and capital items	11 764	1 115	771	1 519	15 169	(771)	14 398
Depreciation and amortisation	(4 031)	(466)	(325)	(99)	(4 921)	325	(4 596)
Operating profit before capital items	7 733	649	446	1 420	10 248	(446)	9 802
Reconciliation of operating profit							
Operating profit per segmental analysis							9 802
Capital items (note 3)[3]							(2 908)
Operating profit per income statement							6 894
Finance costs (note 4)							(3 447)
Finance income							279
Profit before taxation per income statement							3 726
Geographical split of revenue	61 437	11 017	8 445	12 682	93 581	(8 445)	85 136
South Africa	49 427	10 243	7 968	12 468	80 106	(7 968)	72 138
Other foreign countries[4]	12 010	774	477	214	13 475	(477)	12 998
Geographical split of sale of goods and related revenue (note 2.1.1)	60 724	10 789	8 445	8 044	88 002	(8 445)	79 557
South Africa	49 354	10 024	7 968	7 950	75 296	(7 968)	67 328
Other foreign countries	11 370	765	477	94	12 706	(477)	12 229

1. Segmental analysis *continued*

1.2 Segmental analysis *continued*

	Clothing and general merchandise[1,3] Reviewed Rm	Furniture, appliances and electronics Reviewed Rm	Building materials Reviewed Rm	FinTech[1] Reviewed Rm	Total operations Reviewed Rm	Discontinued operations Restated[2] Reviewed Rm	Total from continuing operations Restated[2] Reviewed Rm
Year ended 30 September 2023[5]							
External revenue	58 663	10 541	8 448	9 998	87 650	(8 690)	78 960
Total revenue	58 663	10 541	8 448	11 896	89 548	(8 690)	80 858
Intersegmental revenue	–	–	–	(1 898)	(1 898)	–	(1 898)
Cost of sales[5]	(37 552)	(7 452)	(6 144)	(5 331)	(56 479)	6 253	(50 226)
Gross profit[5]	21 111	3 089	2 304	4 667	31 171	(2 437)	28 734
Other income[5]	1 068	67	49	41	1 225	(49)	1 176
Operating expenses[5]	(10 445)	(2 161)	(1 573)	(2 303)	(16 482)	1 672	(14 810)
Personnel expenses	(6 489)	(1 184)	(1 079)	(1 108)	(9 860)	1 101	(8 759)
Other operating expenses[5]	(3 956)	(977)	(494)	(1 195)	(6 622)	571	(6 051)
Debtors' costs	(276)	–	(18)	(1 413)	(1 707)	18	(1 689)
Operating profit before depreciation, amortisation and capital items[5]	11 458	995	762	992	14 207	(796)	13 411
Depreciation and amortisation	(3 845)	(464)	(294)	(77)	(4 680)	313	(4 367)
Operating profit before capital items	7 613	531	468	915	9 527	(483)	9 044
Reconciliation of operating profit							
Operating profit per segmental analysis							9 044
Capital items (note 3)[3]							(6 828)
Operating profit per income statement							2 216
Share of net profit of associate							7
Finance costs (note 4)							(2 997)
Finance income							272
Profit before taxation per income statement							(502)
Geographical split of revenue	58 663	10 541	8 448	9 998	87 650	(8 690)	78 960
South Africa	47 370	9 847	8 134	9 800	75 151	(8 134)	67 017
Other foreign countries[4]	11 293	694	314	198	12 499	(556)	11 943
Geographical split of sale of goods and related revenue (note 2.1.1)	58 136	10 334	8 448	6 692	83 610	(8 690)	74 920
South Africa	47 370	9 648	8 134	6 596	71 748	(8 134)	63 614
Other foreign countries	10 766	686	314	96	11 862	(556)	11 306

1 FinTech segment revenue is disclosed net of intergroup revenue earned relating to the sale of virtual vouchers and airtime, and insurance cover provided on PAXI products, to the Clothing and general merchandise segment.

2 Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7, which relates to the Building materials segment.

3 Capital items of R2.9 billion (2023: R6.8 billion) includes the impairment of goodwill of R2.5 billion (2023: R6.5 billion) and trade and brand names of R200 million (2023: R97 million) relating to the Clothing and general merchandise segment.

4 Revenue from other foreign countries includes the Brazilian market revenue from Avenida of R4.5 billion (2023: R3.8 billion), which was acquired during the 2022 financial year. The Brazilian contribution to total revenue is not deemed to be material and is therefore not separately disclosed.

5 The group previously accounted for specific items of material segmental income and expenses reviewed by the CODM. Following the IFRIC agenda decision in July 2024 relating to Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8: Operating Segments), the group has disclosed all material items of income and expenses that are included in the segmental profit or loss reviewed by the CODM. This change in accounting treatment has been accounted for retrospectively and comparative information has been restated.

1. Segmental analysis *continued*

		Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
1.3	**Segmental assets**	**102 846**	103 767
1.3.1	**Reconciliation between total assets and segmental assets**		
	Total assets per statement of financial position	**107 111**	108 740
	Less: Cash and cash equivalents	**(4 793)**	(4 879)
	Less: Long-term investments and loans	**(59)**	(46)
	Less: Short-term investments and loans	**(13)**	(48)
	Segmental assets	**102 846**	103 767
1.4	**Geographical split of non-current assets**		
	South Africa	**63 119**	66 118
	Other foreign countries	**5 733**	6 116
	Non-current assets	**68 852**	72 234

Non-current assets consist of goodwill, intangible assets, property, plant and equipment and right-of-use assets.

		Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Restated[1] Reviewed Rm
2.	**Revenue**		
	Revenue from contracts with customers		
	Retail revenue	**80 714**	75 788
	Sale of goods and related revenue (note 2.1.1)	**79 557**	74 920
	Service fee income	**857**	662
	Other revenue	**300**	206
	Other sources of revenue		
	Financial services revenue (note 2.1.2)	**3 957**	2 801
	Insurance revenue	**465**	371
		85 136	78 960
2.1	**Disaggregation of revenue**		
2.1.1	**Sale of goods and related revenue**		
	Sale of goods and related revenue excluding ongoing revenue	**77 594**	73 035
	Ongoing revenue	**1 963**	1 885
		79 557	74 920
2.1.2	**Financial services revenue**		
	Finance income earned	**3 567**	2 424
	Loan origination fees	**390**	377
		3 957	2 801

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Restated[1] Reviewed Rm
3. Capital items		
The effect of capital items should be excluded from earnings when determining headline earnings per share. Refer to note 6.		
Expenses of a capital nature are included in the 'capital items' line in the income statement. These expense items are:		
From continuing operations:		
Impairment/(impairment reversal)	**2 869**	6 796
Goodwill	**2 541**	6 516
Intangible assets – Trade and brand names	**200**	97
Intangible assets – excluding trade and brand names	**2**	4
Property, plant and equipment	**40**	(22)
Right-of-use assets	**86**	201
Loss on disposal of property, plant and equipment and intangible assets	**47**	72
Insurance claim received of property, plant and equipment – floods	**–**	(37)
Foreign currency translation reserve released to profit or loss on sale of foreign subsidiary	**(6)**	(3)
Profit on disposal of investments	**(2)**	–
	2 908	6 828
From discontinued operations:		
(Impairment reversal)/impairment	**(36)**	9
Property, plant and equipment	**(1)**	(1)
Right-of-use assets	**(35)**	10
Loss on disposal of property, plant and equipment and intangible assets	**(4)**	(2)
Insurance claim received of property, plant and equipment – floods	**–**	(8)
Foreign currency translation reserve released to profit or loss on sale of foreign subsidiary	**7**	32
Loss/(profit) on sale of subsidiaries (note 7.2 and 7.6)	**584**	(29)
	551	2
Capital items from continuing operations	**2 908**	6 828
Capital items from discontinued operations	**551**	2
Total capital items	**3 459**	6 830

4. Finance costs

4.1 Finance costs expense

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Restated[1] Reviewed Rm
Interest-bearing loans and borrowings	**1 190**	1 123
Bank	**319**	255
Discounting of trade payables	**328**	221
Lease liability finance cost	**1 455**	1 356
Put option liability	**130**	100
Other	**25**	29
	3 447	3 084
Interest capitalised to property, plant and equipment	**–**	(87)
	3 447	2 997
4.2 Finance costs cash flow reconciliation		
Finance costs recognised in profit or loss	**3 447**	2 997
Amortisation of debt raising fees	**–**	(4)
Discounting of trade payables	**(328)**	(221)
Put option liability recognised at amortised cost	**(130)**	(100)
Interest capitalised to property, plant and equipment	**–**	87
Finance costs from discontinued operations (note 7.1 and 7.5)	**92**	107
Cash outflow per the consolidated statement of cash flows	**3 081**	2 866

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Restated[1] Reviewed Rm
5. Taxation		
5.1 Taxation charge		
Taxation from continuing operations	**1 386**	1 083
Taxation from discontinued operations	**100**	103
Total taxation for the year	**1 486**	1 186
5.2 Reconciliation of rate of taxation[2]	**%**	%
South African standard rate of taxation	**27.0**	27.0
Foreign taxation rate differential	**(0.2)**	(30.5)
Irrecoverable foreign taxes	**1.4**	(51.3)
Unrecognised taxation losses net of prior year unrecognised taxation losses utilised	**(2.2)**	17.0
Prior year adjustments[3]	**(10.1)**	444.5
Tax-exempt income[4]	**(2.1)**	82.4
Non-deductible expenses[5]	**5.3**	(90.6)
Non-deductible loss on disposal of subsidiary	**4.5**	–
Non-deductible expenses relating to the impairment of goodwill and trade and brand names	**19.5**	(1 697.9)
Change in foreign corporate taxation rates	**0.1**	2.3
Special allowances	**(1.5)**	56.8
Foreign currency translation reserve release through profit and loss	**–**	(28.4)
Previously unrecognised deferred taxation assets on timing differences[6]	**–**	117.6
Other	**(0.1)**	6.9
Effective rate of taxation	**41.6**	(1 144.2)
5.3 Taxation paid cash flow reconciliation		
Opening balance of current taxation payable and receivable	**409**	2 011
Opening balance of withholding taxation included in trade and other payables	**16**	35
Normal taxation charge for the year recognised in profit or loss	**1 629**	918
Acquisition of subsidiary	**1**	–
Disposal of subsidiary	**8**	(1)
Other taxation charges	**(22)**	–
Exchange differences on consolidation of foreign subsidiaries	**11**	(1)
Closing balance of current taxation payable and receivable	**(848)**	(409)
Closing balance of withholding taxation included in trade and other payables	**(23)**	(16)
Taxation paid	**1 181**	2 537

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.
[2] The reconciliation of rate of taxation items are impacted by the goodwill impairment which has a nil taxation impact.
[3] Prior year adjustments include a remeasurement of provisons raised for uncertain taxation positions in terms of IFRIC 23.
[4] Tax-exempt income mainly relates to income of a capital nature and exempt tax incentives received.
[5] Non-deductible expenses mainly relate to a one-off loan write-off in PEP Angola and recurring expenses of a capital nature, expenses not incurred in the production of income, and depreciation of leasehold improvements.
[6] Deferred taxation assets recognised relate to the Pepkor Lifestyle (previously JD Group) business.

	30 September 2024 Reviewed Million	30 September 2023 Reviewed Million
6. Earnings and headline earnings per share		
6.1. Weighted average number of ordinary shares		
Issued ordinary shares at beginning of the period	**3 667**	3 678
Treasury shares	**(4)**	(1)
Shares vested under Pepkor Executive Share Rights Scheme	**10**	9
Share buy-back and cancellation of share	**(1)**	(17)
Weighted average number of ordinary shares at end of the period for the purpose of basic earnings per share and headline earnings per share	**3 672**	3 669
Effect of dilution due to share rights issues in terms of share scheme	**41**	46
Weighted average number of ordinary shares at end of the period for the purpose of diluted earnings per share and diluted headline earnings per share	**3 713**	3 715
Number of shares in issue	**3 684**	3 667

	Year ended 30 September 2024			Year ended 30 September 2023		
	Continuing Reviewed Rm	Discontinued Reviewed Rm	Total Reviewed Rm	Continuing Restated[1] Reviewed Rm	Discontinued Restated[1] Reviewed Rm	Total Reviewed Rm
6.2. Earnings and headline earnings						
Profit/(loss) for the year	**2 340**	**(257)**	**2 083**	(1 585)	295	(1 290)
Attributable to non-controlling interests	**(11)**	**–**	**(11)**	(8)	–	(8)
Earnings attributable to ordinary shareholders	**2 329**	**(257)**	**2 072**	(1 593)	295	(1 298)
Capital items (note 3)	**2 908**	**551**	**3 459**	6 828	2	6 830
Taxation effect of capital items	**(89)**	**10**	**(79)**	(69)	13	(56)
Headline earnings attributable to ordinary shareholders	**5 148**	**304**	**5 452**	5 166	310	5 476
6.3 Diluted earnings and diluted headline earnings per share						
Share rights issued to employees have been taken into account for diluted earnings and diluted headline earnings per share purposes.						
6.4 Earnings per share	Cents	Cents	Cents	Cents	Cents	Cents
Basic	**63.4**	**(7.0)**	**56.4**	(43.4)	8.0	(35.4)
Headline	**140.2**	**8.3**	**148.5**	140.8	8.4	149.2
Diluted basic	**62.7**	**(6.9)**	**55.8**	(42.8)	7.9	(34.9)
Diluted headline	**138.6**	**8.2**	**146.8**	139.1	8.3	147.4
6.5 Net asset value per share	Cents	Cents	Cents	Cents	Cents	Cents
Net asset value per ordinary share is calculated by dividing the ordinary shareholders' equity by the number of ordinary shares in issue at year-end.						
Net asset value per share	**1 588.5**	**–**	**1 588.5**	1 604.9	–	1 604.9

[1] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 7.

7. Discontinued operations

Description

Pepkor disposed of The Building Company on 30 September 2024 in order to streamline Pepkor's portfolio of business, to enhance the group's return on capital and optimise shareholder returns. The agreed purchase consideration of R1 246 million was received in two transactions. A dividend of R466 million was declared from The Building Company to Pepkor Holdings prior to the sale, and the remaining R780 million was received in cash from Capitalworks, resulting in a net cash flow of R1 246 million to Pepkor Holdings.

The Building Company was previously included in the Building materials segment.

In the prior year, the board decided to exit the group's Nigerian business. The decision was driven mainly by the increasing difficulty of trading in Nigeria as a result of adverse macroeconomic conditions. The group disposed of its Nigerian business by 30 September 2023.

The Nigeria discontinued operation was previously included under the Clothing and general merchandise segment.

		30 September 2024 Reviewed Rm	30 September 2023 Reviewed Rm
	Sale of business – The Building Company		
7.1	**Income statement**		
	Revenue	**8 445**	8 448
	Retail revenue	**8 445**	8 448
	Cost of sales	**(6 183)**	(6 144)
	Cost of merchandise sold	**(6 183)**	(6 167)
	Insurance claim recovery – floods	**–**	23
	Gross profit	**2 262**	2 304
	Other income	**32**	49
	Other income excluding insurance claim recovery – floods	**32**	44
	Insurance claim recovery – floods	**–**	5
	Operating expenses	**(1 524)**	(1 573)
	Debtors' costs	**1**	(18)
	Operating profit before depreciation, amortisation and capital items	**771**	762
	Depreciation and amortisation	**(325)**	(294)
	Operating profit before capital items	**446**	468
	Capital items	**40**	–
	Capital items excluding insurance claim recovery – floods	**40**	(8)
	Insurance claim recovery – floods	**–**	8
	Operating profit	**486**	468
	Finance costs	**(92)**	(98)
	Finance income	**40**	24
	Profit before taxation	**434**	394
	Taxation	**(100)**	(89)
	Profit for the year	**334**	305
7.2	**Details of the sale of the business**		
	Agreed consideration, net of permitted leakages	**1 246**	–
	Dividend declared prior to sale	**(466)**	–
	Costs to sell	**(31)**	–
	Net consideration received	**749**	–
	Carrying amount of net assets sold	**(1 333)**	–
	Loss on sale before taxation and reclassification of foreign currency translation reserve (note 3)	**(584)**	–
	Reclassification of foreign currency translation reserve	**(7)**	–
	Loss on sale before taxation	**(591)**	–
	Taxation	**–**	–
	Loss on sale after taxation	**(591)**	–

7. Discontinued operations *continued*

7.3 Assets and liabilities of disposal group

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
Assets		
Intangible assets	**1**	–
Property, plant and equipment	**324**	–
Right-of-use assets	**693**	–
Deferred tax assets	**371**	–
Inventories	**1 591**	–
Trade and other receivables	**616**	–
Current income taxation receivable	**8**	–
Cash and cash equivalents	**436**	–
Total assets	**4 040**	–
Liabilities		
Interest-bearing loans and borrowings	**1**	–
Lease liabilities	**862**	–
Deferred tax liabilities	**246**	–
Trade and other payables	**1 410**	–
Provisions	**42**	–
Employee benefits	**146**	–
Total liabilities	**2 707**	–
Carrying amount of net assets sold	**1 333**	–

7.4 Statement of cash flows

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
Net cash inflow from operating activities	**303**	151
Net cash (outflow)/inflow from investing activities	**(71)**	328
Net cash outflow from financing activities	**(347)**	(342)
Net (decrease)/increase in cash and cash equivalents	**(115)**	137
Effects of exchange rate translations on cash and cash equivalents	**(23)**	(16)
Cash and cash equivalents at beginning of the year	**574**	453
Cash and cash equivalents at end of the year	**436**	574

The net cash inflow from the disposal of the business in the cash flow statement of R313 million consists of the R749 million net consideration received (note 7.2) less R436 million cash and cash equivalents (note 7.3) disposed.

7. Discontinued operations *continued*

Sale of business – Nigeria

7.5 Income statement

	30 September 2024 Reviewed Rm	30 September 2023 Reviewed Rm
Revenue	–	242
Retail revenue	–	242
Cost of sales	–	(109)
Cost of merchandise sold	–	(109)
Insurance claim recovery – floods	–	–
Gross profit	–	133
Operating expenses	–	(99)
Operating profit before depreciation, amortisation and capital items	–	34
Depreciation and amortisation	–	(19)
Operating profit before capital items	–	15
Capital items	–	1
Capital items excluding insurance claim recovery – floods	–	1
Insurance claim recovery – floods	–	–
Operating profit	–	16
Finance costs	–	(9)
Finance income	–	–
Profit before taxation	–	7
Taxation	–	(1)
Profit for the year	–	6

7.6 Details of the sale of the business

	30 September 2024 Reviewed Rm	30 September 2023 Reviewed Rm
Consideration receivable	–	33
Carrying amount of net assets sold	–	(4)
Profit on sale before taxation and reclassification of foreign currency translation reserve (note 3)	–	29
Reclassification of foreign currency translation reserve	–	(32)
Loss on sale before taxation	–	(3)
Taxation	–	(13)
Loss on sale after taxation	–	(16)
Total (loss)/profit for the year from discontinued operations per the condensed consolidated income statement (total per note 7.1, 7.2, 7.5 and 7.6 above)	**(257)**	295

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
8. Financing		
Unutilised banking and debt facilities consist of the following:		
Short-term cash facilities	**8 891**	7 041
Letters of credit, forex facilities and asset-based finance facilities	**1 495**	2 309
Total	**10 386**	9 350

Following an auction held on 4 March 2024, the group successfully raised R2.2 billion in the bond market at lower-than-expected margins. The new floating rate notes issued effective from 7 March 2024 are:

- PEP07: three-year floating rate notes of R878 million at three-month Jibar plus 114 bps
- PEP08: five-year floating rate notes of R1.29 billion issued at three-month Jibar plus 124 bps

The proceeds from the issuance replaces the floating rate notes of R1.435 billion (PEP03: three-year) due in May 2024, which carried interest at three-month Jibar plus 152 bps, and was further used to settle Term Loan E (three-year) of R500 million due in June 2024, which carried interest at three-month Jibar plus 120 bps.

The group has sufficient headroom to enable it to conform to covenants on its existing borrowings and sufficient working capital and undrawn facilities to services its operating activities and ongoing investments.

The group has various debt covenants relating to its term loans and revolving credit facilities. The group is not at risk of breaching its covenants for the year ended September 2024.

9. Contingent assets and liabilities

The group has no significant contingent assets or liabilities except for the following:

The group is disputing and defending a claim from Cell C. The likelihood of success is currently unknown and dependent on future litigation.

10. Related parties

During the year, the group entered into related party transactions in the ordinary course of business, the substance of which are similar to those disclosed in the group's annual financial statements for the year ended 30 September 2023. There were no material movements in the balances and transactions for the year ended 30 September 2024.

	Year ended 30 September 2024 Reviewed Rm	Year ended 30 September 2023 Reviewed Rm
11. Impairment of goodwill and trade and brand names		
11.1 Effect on goodwill		
Carrying amount at beginning of the year	**32 937**	39 204
Arising on business combinations	**161**	–
Impairments (note 3)	**(2 541)**	(6 516)
Exchange differences on consolidation of foreign subsidiaries	**(339)**	249
	30 218	32 937
Cost	**43 987**	44 837
Accumulated impairment	**(13 769)**	(11 900)
Carrying amount at end of the year	**30 218**	32 937
Impairment tests for CGUs containing goodwill		
Goodwill is monitored by management at the following group of CGUs, not greater than the three (2023: four) operating segments from continuing operations:		
Clothing and general merchandise		
Ackermans, Dunns, PEP, PEP Africa, Refinery, Shoe City	**28 011**	30 391
Tekkie Town	**–**	–
S.P.C.C, CODE	**24**	24
Avenida	**1 834**	2 173
S'Ya Phanda	**–**	–
Pepkor cellular sourcing	**–**	–
Furniture, appliances and electronics		
Bradlows, Rochester, Russells, Sleepmasters	**12**	12
Building materials		
BUCO, Hardware Warehouse, Timbercity	**–**	–
BSG	**–**	–
FinTech		
Capfin	**282**	282
EeziGlobal	**–**	–
Abacus	**55**	55
	30 218	32 937

When the group acquires a business that qualifies as a business combination in respect of IFRS 3: Business Combinations, the group determines the fair value of assets acquired, including identifiable intangible assets, and the liabilities assumed. Any excess of the aggregate of the consideration transferred, non-controlling interest in the acquiree and for a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, over the fair value of those net assets, is considered to be goodwill. The goodwill acquired in a business combination is allocated, at acquisition, to the group of CGUs that is expected to benefit from that business. Goodwill is assessed for impairment annually, irrespective of whether there is any indication of impairment.

The impairment test compares the carrying amount of the CGU, including goodwill to the higher of the value in use, or fair value less cost to sell of the unit. The recoverable amount of the group of CGUs is determined from the fair value less cost to sell calculation (fair value hierarchy level 3), using a discounted cash flow model. The key assumptions for the fair value less cost to sell calculation are those regarding the discount rates, growth rates, expected changes to the revenue growth during the forecast period and working capital requirements. The discount rates are based on the weighted average cost of capital, except for the FinTech CGU where cost of equity has been used, while growth rates are based on management's experience and expectations. Assumptions are based on past practices and expectations of future changes in the market, and are derived from the most recent financial budgets and forecasts that have been prepared by management for the next three years and extrapolated cash flows for the following years based on an estimated growth rate as set out below.

11. Impairment of goodwill and trade and brand names *continued*

11.1 Effect on goodwill *continued*

Management assessed the various CGUs for impairment based on the input factors above. The methodology applied in the impairment assessment is consistent with prior years. The key factors for the impairment include the continued uncertainty of trading in the retail market driven by performance in Ackermans, which continues to recover, and a challenging footwear market impacting performance in Tekkie Town and Shoe City, resulting in a cautious outlook. In the prior year, Tekkie Town was impacted by ongoing load shedding and weak projected macroeconomic activity, placing further pressure on customer disposable income and impacting the demand of products, resulting in a lower recoverable amount for Tekkie Town's group of CGUs. The macro market environment in the prior year resulted in an increase in the discount rates, which impacted the result of the clothing and general merchandise's group of CGUs negatively. This resulted in a lower recoverable amount for this group of CGUs in 2023.

An impairment charge has been recognised for both goodwill and indefinite useful life intangible assets when the carrying amount exceeds the recoverable amount. The recoverable amount of the group of CGUs reflected the fair value less cost to sell. During the year, an impairment charge of R2.4 billion (2023: R5.9 billion) was processed to impair the goodwill relating to Ackermans, Dunns, PEP, PEP Africa, Refinery, Shoe City group of CGUs, R18 million was processed to impair the S'Ya Phanda CGU and R143 million was processed to impair the Pepkor cellular sourcing CGU. In the prior year, R606 million was processed to impair the goodwill relating to the Tekkie Town CGU.

The following table sets out the key assumptions for the group of CGUs that have been impaired in the current year:

	Clothing and general merchandise (excluding Tekkie Town and Avenida)	Tekkie Town
2024		
Post-taxation discount rate	**14.7%**	**15.1%**
Short- to medium-term revenue (compound annual growth rate)	**9.5%**	**3.0%**
Long-term growth rate	**6.0%**	**3.0%**
Forecasted cash flows	**5 years**	**5 years**
2023		
Post-taxation discount rate	15.7%	15.7%
Short- to medium-term revenue (compound annual growth rate)	10.0%	5.0%
Long-term growth rate	6.0%	4.8%
Forecasted cash flows	5 years	5 years

11.2 Effect on intangible assets

As per note 11.1, the impairment test covered both the goodwill and the indefinite useful life intangible assets. As a result of the impairment assessment described in note 11.1, an impairment of the trade and brand name of R200 million (2023: R97 million) was recognised relating to Tekkie Town's group of CGUs within the Clothing and general merchandise segment.

Pro forma financial information

The pro forma financial information, which is the responsibility of the group's directors, is presented in accordance with the JSE Listings Requirements, including Guidance Letter: *Presentation of constant currency information* dated 16 August 2012, and the SAICA Guide on Pro Forma Financial Information. Certain financial information presented in these annual financial results constitutes pro forma financial information and is presented for illustrative purposes only. Because of its nature, the pro forma financial information may not fairly present the group's financial position, changes in equity, results of operations or cash flows. An assurance report (in terms of ISAE 3420: Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a prospectus issued by the International Auditing and Assurance Standards Board) has been issued by the group's auditor, PricewaterhouseCoopers Inc., in respect of the pro forma financial information included in this announcement. The pro forma financial information should be read in conjunction with this assurance report.

Impact of week 53

The group's South Africa-based clothing retailers report on the retail calendar of trading weeks, which treats each calendar year as having a 52 trading week period, incorporating sales from Sunday to Saturday each week. This treatment effectively results in the loss of a day (or two in a leap year) per calendar year, which is not considered material for the group on an annual basis. However, these days are brought into account approximately every six years by including a 53rd week. Accordingly, the results for the prior year include 53 weeks of sales for the group's clothing retailers vs 52 weeks in the current financial year.

In order to provide a comparison between the current and previous financial year, the financial information has been presented below to exclude the impact of the extra week of trade in the prior financial year.

The group calculated the impact of the 53rd week as follows:

- The sale of merchandise and the related cost is extracted from the group's accounting records.
- Expenses have been included based on management's judgement and management information available.
- Interest has been included based on actual interest (income and expense) extracted from the groups accounting records.
- A South African statutory tax rate of 27% has been applied.

	52 weeks Year ended 30 September 2024 Reviewed[1] Rm	As reported 53 weeks Year ended 30 September 2023 Restated[2] Reviewed[1] Rm	Week 53 Adjustment Year ended 30 September 2023 Reviewed Rm	Pro forma 52 weeks Year ended 30 September 2023 Restated[2] Reviewed Rm	% change on prior year Rm
Revenue	**85 136**	78 960	(994)	77 966	9.2
Operating profit before capital items	**9 802**	9 044	(304)	8 740	12.2
Profit/(loss) for the year	**2 083**	(1 290)	(217)	(1 507)	238.2
Profit/(loss) attributable to:					
Equity holders of the parent	**2 072**	(1 298)	(217)	(1 515)	236.8
Non-controlling interests	**11**	8	–	8	37.5
Profit/(loss) for the year	**2 083**	(1 290)	(217)	(1 507)	238.2
Total basic earnings per share	**56.4**	(35.4)	(5.9)	(41.3)	236.6
Total diluted earnings per share	**55.8**	(34.9)	(5.8)	(40.7)	237.1
Total headline earnings per share	**148.5**	149.2	(5.9)	143.3	3.6
Total diluted headline earnings per share	**146.8**	147.4	(5.8)	141.6	3.7

[1] The current and prior year numbers were extracted without adjustments from the reviewed condensed consolidated financial statements of the group for the year ended 30 September 2024.

[2] Prior year comparatives have been restated for the effect of the discontinued operation as detailed in note 6 and 7 in the reviewed condensed consolidated financial statements.

Normalised earnings, headline earnings, diluted earnings and diluted headline earnings per share (EPS, HEPS, DEPS and DHEPS)

The groups' reported EPS, HEPS, DEPS and DHEPS are adjusted for the impact of the goodwill and trade and brand name asset impairment in the current year.

Pro forma financial information *continued*

The table below presents the adjustments to the items reported:

	As reported Year ended 30 September 2024 Reviewed[1] Rm	Goodwill and trade and brand names impairment Year ended 30 September 2024 Reviewed[2] Rm	Pro forma after adjustments Year ended 30 September 2024 Reviewed Rm
Revenue	**85 136**	**–**	**85 136**
Cost of sales	**(52 527)**	**–**	**(52 527)**
Gross profit	**32 609**	**–**	**32 609**
Other income	**1 034**	**–**	**1 034**
Operating expenses	**(16 718)**	**–**	**(16 718)**
Debtors' costs	**(2 527)**	**–**	**(2 527)**
Operating profit before depreciation, amortisation and capital items	**14 398**	**–**	**14 398**
Depreciation and amortisation	**(4 596)**	**–**	**(4 596)**
Operating profit before capital items	**9 802**	**–**	**9 802**
Capital items	**(2 908)**	**2 741**	**(167)**
Operating profit	**6 894**	**2 741**	**9 635**
Finance costs	**(3 447)**	**–**	**(3 447)**
Finance income	**279**	**–**	**279**
Profit/(loss) before associated income	**3 726**	**2 741**	**6 467**
Share of net profit of associate	**–**	**–**	**–**
Profit/(loss) before taxation	**3 726**	**2 741**	**6 467**
Taxation	**(1 386)**	**(43)**	**(1 429)**
Profit/(loss) for the year from continuing operations	**2 340**	**2 698**	**5 038**
(Loss)/profit from discontinued operations	**(257)**	**–**	**(257)**
Profit/(loss) for the year	**2 083**	**2 698**	**4 781**
Profit/(loss) attributable to:			
Equity holders of the parent	**2 072**	**2 698**	**4 770**
Non-controlling interests	**11**	**–**	**11**
Profit/(loss) for the year	**2 083**	**2 698**	**4 781**
Pro forma headline earnings are adjusted for the goodwill and trade and brand names impairment as follows:			
Earnings attributable to ordinary shareholders	**2 072**	**2 698**	**4 770**
Capital items (note 3 in the reviewed condensed consolidated financial statements)	**3 459**	**(2 741)**	**718**
Taxation effect of pro forma information	**(79)**	**43**	**(36)**
Headline earnings attributable to ordinary shareholders	**5 452**	**–**	**5 452**
Earnings per share (cents)[4]			
Total basic earnings per share from continuing operations	**63.4**	**73.5**	**136.9**
Total basic earnings per share from discontinued operations	**(7.0)**	**–**	**(7.0)**
Total basic earnings per share[4]	**56.4**	**73.5**	**129.9**
Total headline earnings per share from continuing operations	**140.2**	**–**	**140.2**
Total headline earnings per share from discontinued operations	**8.3**	**–**	**8.3**
Total headline earnings per share[4]	**148.5**	**–**	**148.5**
Total diluted earnings per share from continuing operations	**62.7**	**72.7**	**135.4**
Total diluted earnings per share from discontinued operations	**(6.9)**	**–**	**(6.9)**
Total diluted earnings per share[4]	**55.8**	**72.7**	**128.5**
Total diluted headline per share from continuing operations	**138.6**	**–**	**138.6**
Total diluted headline earning per share from discontinued operations	**8.2**	**–**	**8.2**
Total diluted headline earnings per share [4]	**146.8**	**–**	**146.8**

Notes to the pro forma financial information

1. The current year numbers were extracted without adjustments from the reviewed condensed consolidated financial statements of the group for the year ended 30 September 2024.
2. The adjustments represents the impact of the goodwill and trade and brand names intangible asset impairment (2023: significant lease modification relating to the PEP Hammarsdale DC, the insurance claim received relating to the replacement of property, plant and equipment damaged as a result of the floods in KwaZulu-Natal and the impact of the goodwill and trade and brand names intangible asset impairment).
3. Prior year comparatives have been extracted from the pro forma financial information included in the Pepkor reviewed annual results for the year ended 30 September 2023 and have been restated for the effect of the discontinued operation as detailed in note 7 in the reviewed condensed consolidated financial statements.
4. Pro forma earnings and diluted earnings per share, headline earnings and diluted headline earnings per share are calculated on the same basis and using the same weighted average number of ordinary shares and weighted average number of dilutive ordinary shares as per note 6 of the notes to the reviewed condensed consolidated financial statements of the group for the year ended 30 September 2024.

As reported	IFRS 16 adjustment	Property insurance claim adjustment	Goodwill and trade and brand names impairment	Pro forma after adjustments	
Year ended 30 September 2023 Restated[3] Reviewed Rm	Year ended 30 September 2023 Reviewed[2] Rm	Year ended 30 September 2023 Restated[3] Reviewed[2] Rm	Year ended 30 September 2023 Reviewed[2] Rm	Year ended 30 September 2023 Restated[3] Reviewed[2] Rm	Pro forma % change on prior year
78 960	–	–	–	78 960	7.8
(50 226)	–	–	–	(50 226)	(4.6)
28 734	–	–	–	28 734	13.5
1 176	–	–	–	1 176	(12.1)
(14 810)	(392)	–	–	(15 202)	(10.0)
(1 689)	–	–	–	(1 689)	(49.6)
13 411	(392)	–	–	13 019	10.6
(4 367)	–	–	–	(4 367)	(5.2)
9 044	(392)	–	–	8 652	13.3
(6 828)	–	(37)	6 613	(252)	33.7
2 216	(392)	(37)	6 613	8 400	14.7
(2 997)	–	–	–	(2 997)	(15.0)
272	–	–	–	272	2.6
(509)	(392)	(37)	6 613	5 675	14.0
7	–	–	–	7	(100.0)
(502)	(392)	(37)	6 613	5 682	13.8
(1 083)	106	10	(26)	(993)	(43.9)
(1 585)	(286)	(27)	6 587	4 689	7.4
295	–	(6)	–	289	(188.9)
(1 290)	(286)	(33)	6 587	4 978	(4.0)
(1 298)	(286)	(33)	6 587	4 970	(4.0)
8	–	–	–	8	37.5
(1 290)	(286)	(33)	6 587	4 978	(4.0)
(1 298)	(286)	(33)	6 587	4 970	(4.0)
6 830	–	45	(6 613)	262	> 100
(56)	–	(12)	26	(42)	14.3
5 476	(286)	–	–	5 190	5.0
(43.4)	(7.8)	(0.7)	179.5	127.6	7.3
8.0	–	(0.2)	–	7.8	(189.7)
(35.4)	(7.8)	(0.9)	179.5	135.4	(4.1)
140.8	(7.8)	–	–	133.0	5.4
8.4		–	–	8.4	(1.2)
149.2	(7.8)	–	–	141.4	5.0
(42.8)	(7.7)	(0.7)	177.3	126.1	7.4
7.9	–	(0.2)	–	7.7	(189.6)
(34.9)	(7.7)	(0.9)	177.3	133.8	(4.0)
139.1	(7.7)	–	–	131.4	5.5
8.3	–	–	–	8.3	(1.2)
147.4	(7.7)	–	–	139.7	5.1

Pro forma constant currency disclosure

The Pepkor group discloses unaudited constant currency information to indicate PEP Africa and Avenida's performance in terms of sales growth, excluding the effect of foreign currency fluctuations. To present this information, current year turnover for these businesses reported in currencies other than South African rand is converted from local currency actuals into South African rand at the prior period's actual average exchange rates per country. The table below sets out the approximate average rand cost for one unit as well as percentage change in sales, based on the actual continuing results for the period, in reported currency and constant currency, for the basket of currencies in which these businesses operate.

	Average exchange rate		Reported currency		Constant currency	
Change in sales on prior year (%)	**2024**	**2023**	**On the prior period 53 weeks**	**On the prior period 52 weeks**	**On the prior period 53 weeks**	**On the prior period 52 weeks**
Angolan kwanza	**0.0222**	0.0320	**(9.03)**	**(6.09)**	**30.87**	**35.11**
Malawian kwacha	**0.0116**	0.0176	**19.39**	**22.91**	**81.09**	**86.43**
Mozambican metical	**0.2869**	0.2830	**(5.84)**	**(4.25)**	**(7.09)**	**(5.52)**
Zambian kwacha	**0.7564**	0.9960	**(10.62)**	**(8.15)**	**17.69**	**20.94**
Total PEP Africa			**(6.14)**	**(3.73)**	**19.45**	**22.53**
Brazilian real	**3.6030**	3.5877	**20.58**	**20.58**	**20.06**	**20.06**

Notes:

Notes:

Corporate information

PEPKOR HOLDINGS LIMITED
('Pepkor' or 'the company' or 'the group')
(Incorporated in the Republic of South Africa)

Executive directors
PJ Erasmus (Chief executive officer)
RG Hanekom (Chief financial officer)

Non-executive directors
WYN Luhabe (Chair)*
P Disberry*
LJ du Preez
HH Hickey*
IM Kirk*
ZN Malinga*
LI Mophatlane*
SH Müller*
NS Ntshingila*
F Petersen-Cook*

* *Independent*

Registration number
2017/221869/06

Share code
PPH

Debt code
PPHI

ISIN
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Company secretary
M Allie

Auditor
PricewaterhouseCoopers Inc.

Equity and debt sponsor
Investec Bank Limited

Corporate broker
Rand Merchant Bank (a division of FirstRand Bank Limited)

Announcement date
26 November 2024

PEPKOR
Holdings Limited

www.pepkor.co.za