SPAR RESULTS PRESENTATION FOR THE YEAR ENDED 30 SEPTEMBER 2017
INTRODUCTION

GRAHAM O’CONNOR
CEO
Geographically balanced portfolio

Growing foreign currency income streams

- 32.4% of turnover
- 22.4% of operating profit

**SOUTH AFRICA**
- 2 138 stores served
- 295 500m² warehousing space
- R64.5bn turnover
- R2.0bn operating profit

**IRELAND**
- 1 330 stores served
- 34 560m² warehousing space
- R20.5bn turnover
- R508.2m operating profit

**SWITZERLAND**
- 300 stores + 11 cash & carry
- 44 000m² warehousing space
- R10.4bn turnover
- R69m operating profit
Extremely tough trading environment in South Africa
Strong performance in Ireland
Early positive signs of turnaround in Switzerland

SOUTH AFRICA
Economic and political uncertainty
Weak consumer spending

IRELAND
Deflationary pressures
BREXIT uncertainties

SWITZERLAND
Deflationary environment
Stable economic backdrop
Southern Africa
• Organic growth and continued revamps throughout SPAR Group’s network
  259 store revamps ✔
• Leverage TOPS’ successful marketing and promotional campaigns
  “Good Advice” campaign ✔
• Investments to expand warehousing and distribution in South Africa
  R516m invested ✔
• Conclude Zambia investment
  Deal completed ✔

Ireland
• Bed down Gilletts Group acquisition by Appleby Westward
  Sales growth ahead of forecast ✔
• Further investments in retail
  Good progress ✔
• Store revamps
  EUROSPAR upgrades ✔

Switzerland
• Enhance retail offering and in-store standards
  Category management implemented ✔
• Drive fresh and HMR product lines
  New generation store roll out ✔
• Unlock operational efficiencies
  H1 loss turned around in H2 ✔
• Upgrades at TopCC
  New generation store roll out initiated ✔
• Leverage opportunities in express and forecourts
  Slower than anticipated ❌
• Explore domestic expansion opportunities: Italian speaking Switzerland
  On hold ❌

Pursue Sri Lanka JV opportunity
  First store to open 2018 ✔
FINANCIAL HIGHLIGHTS

Turnover: Up 5.3% to R95.5bn
Gross profit: Up 14.6% to R9.6bn
Gross margin: Up 82bp to 10.1%
Headline earnings per share: Down 6.6% to 952.5 cents*
Dividend per share: 675 cents annual dividend
NAV per share: Up 8.7% to 3 414.6 cents

* Impact of additional share issues for Swiss acquisition and BBBEE scheme
  Restated for constant shares in issue would be +0.1%
# Financial Overview: Turnover

<table>
<thead>
<tr>
<th>R million</th>
<th>2017</th>
<th>2016</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPAR/TOPS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>57 450.7</td>
<td>54 791.2</td>
<td>+4.9</td>
</tr>
<tr>
<td><strong>Liquor sales (SPAR/TOPS)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5 757.7</td>
<td>5 176.5</td>
<td>+11.2</td>
</tr>
<tr>
<td><strong>Build it</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7 050.1</td>
<td>6 908.3</td>
<td>+2.1</td>
</tr>
<tr>
<td><strong>South Africa</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>64 500.8</td>
<td>61 699.5</td>
<td>+4.5</td>
</tr>
<tr>
<td><strong>Ireland</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20 528.7</td>
<td>23 099.7</td>
<td>(11.1)</td>
</tr>
<tr>
<td><strong>Switzerland</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10 431.6</td>
<td>5 889.3</td>
<td>+77.1</td>
</tr>
<tr>
<td><strong>Total Group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>95 461.1</td>
<td>90 688.5</td>
<td>+5.3</td>
</tr>
</tbody>
</table>

* Ireland: €-denominated sales up 1.5%

** Switzerland: CHF-denominated sales up 94.7% year-on-year (12 month vs 6 month consolidation)
FINANCIAL OVERVIEW: REGIONAL TURNOVER

2017

- SPAR Southern Africa: R20.5bn
- SPAR Ireland: R10.4bn
- SPAR Switzerland: R5.9bn

2016

- SPAR Southern Africa: R64.5bn
- SPAR Ireland: R23.1bn
- SPAR Switzerland: R61.7bn
## FINANCIAL OVERVIEW: GROSS MARGINS

### GDP MARGINS

<table>
<thead>
<tr>
<th></th>
<th>2017 Turnover</th>
<th>Gross margin</th>
<th>2017 (GP%)</th>
<th>Change</th>
<th>2016 (GP%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total South Africa</td>
<td>64 500.8</td>
<td>5 269.0</td>
<td>8.17%</td>
<td>↓</td>
<td>8.24%</td>
</tr>
<tr>
<td>Ireland</td>
<td>20 528.7</td>
<td>2 487.0</td>
<td>12.11%</td>
<td>↑</td>
<td>10.82%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>10 431.6</td>
<td>1 874.9</td>
<td>17.97%</td>
<td>↑</td>
<td>14.03%</td>
</tr>
<tr>
<td>Total Group</td>
<td>95 461.1</td>
<td>9 630.9</td>
<td>10.09%</td>
<td>↑</td>
<td>9.27%</td>
</tr>
</tbody>
</table>

### REGIONAL MARGIN PROGRESSION

- **SPAR Ireland**: 10.47% (2015), 10.82% (2016), 12.11% (2017)
- **SPAR Switzerland**: 14.03% (2015), 17.97% (2017)
## FINANCIAL OVERVIEW: EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th>2016</th>
<th></th>
<th>% increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expenses</td>
<td>% of sales</td>
<td>Expenses</td>
<td>% of sales</td>
<td></td>
</tr>
<tr>
<td>Total South Africa</td>
<td>3 836.4</td>
<td>5.9</td>
<td>3 535.8</td>
<td>5.7</td>
<td>+8.5</td>
</tr>
<tr>
<td>Ireland</td>
<td>2 340.4</td>
<td>11.4</td>
<td>2 383.7</td>
<td>11.6</td>
<td>(1.8)</td>
</tr>
<tr>
<td>Switzerland</td>
<td>2 583.8</td>
<td>24.8</td>
<td>1 428.1</td>
<td>24.3</td>
<td>+80.9</td>
</tr>
<tr>
<td><strong>Total Group</strong></td>
<td><strong>8 760.6</strong></td>
<td><strong>9.2</strong></td>
<td><strong>7 347.6</strong></td>
<td><strong>8.1</strong></td>
<td><strong>+19.2</strong></td>
</tr>
</tbody>
</table>

Expenses up 4.3% excluding SPAR Switzerland

SPAR Ireland: 2.0% reduction associated with currency fluctuation

SPAR Switzerland impact: Not in H1 2016 base

- Higher marketing and selling costs due to corporate stores
- Efficient logistics
FINANCIAL OVERVIEW: CURRENCY IMPACTS (VS ZAR)


Ireland (€) Switzerland (CHF)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Year end rate</td>
<td>15.96</td>
<td>15.59</td>
<td>13.95</td>
<td>14.37</td>
</tr>
<tr>
<td>Average rate</td>
<td>14.81</td>
<td>16.45</td>
<td>13.59</td>
<td>14.93*</td>
</tr>
</tbody>
</table>

* 1 April 2016 to 30 September 2017
FINANCIAL OVERVIEW: CASH FLOW

R million

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount (R million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>1,533</td>
</tr>
<tr>
<td>Operating profit</td>
<td>2,583</td>
</tr>
<tr>
<td>Non-cash items</td>
<td>697</td>
</tr>
<tr>
<td>Net working capital changes</td>
<td>13</td>
</tr>
<tr>
<td>Net interest paid</td>
<td>(3)</td>
</tr>
<tr>
<td>Taxation paid</td>
<td>(1,252)</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(1,091)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(143)</td>
</tr>
<tr>
<td>Acquisition of businesses</td>
<td>(262)</td>
</tr>
<tr>
<td>Other investing activities</td>
<td>54</td>
</tr>
<tr>
<td>Proceeds of exercise of share options</td>
<td>79</td>
</tr>
<tr>
<td>Proceeds from borrowings</td>
<td>(130)</td>
</tr>
<tr>
<td>Share repurchases</td>
<td>21</td>
</tr>
<tr>
<td>Exchange rate translation</td>
<td></td>
</tr>
<tr>
<td>Closing balance</td>
<td>1,472</td>
</tr>
</tbody>
</table>
FINANCIAL OVERVIEW: H1 VS H2 COMPARATIVE TRADING

2017 TURNOVER (Rm)

<table>
<thead>
<tr>
<th>Region</th>
<th>H2</th>
<th>H1</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>5,213.1</td>
<td>5,218.5</td>
<td>+12.6%</td>
</tr>
<tr>
<td>Ireland</td>
<td>10,892.0</td>
<td>9,636.7</td>
<td>-13.1%</td>
</tr>
<tr>
<td>Southern Africa</td>
<td>32,002.6</td>
<td>32,498.2</td>
<td>+12.6%</td>
</tr>
</tbody>
</table>

2017 OPERATING PROFIT (Rm)

<table>
<thead>
<tr>
<th>Region</th>
<th>H2</th>
<th>H1</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>77.3</td>
<td>(8.3)</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Ireland</td>
<td>305.7</td>
<td>202.5</td>
<td>+53.6%</td>
</tr>
<tr>
<td>Southern Africa</td>
<td>994.9</td>
<td>1,010.4</td>
<td>+4.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>H2</th>
<th>H1</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>+4.1%</td>
<td>-0.2%</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>-9.3%</td>
<td>+5.3%</td>
<td></td>
</tr>
<tr>
<td>Switzerland</td>
<td>-11.5%</td>
<td>+140.1%</td>
<td></td>
</tr>
</tbody>
</table>
## Financial Overview: Regional Key Metrics

<table>
<thead>
<tr>
<th>R million</th>
<th>SPAR Southern Africa</th>
<th>SPAR Ireland</th>
<th>SPAR Switzerland</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance sheet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>2 438.9</td>
<td>1 586.1</td>
<td>2 528.9</td>
<td>6 553.9</td>
</tr>
<tr>
<td>Goodwill and intangible assets</td>
<td>565.3</td>
<td>3 281.0</td>
<td>315.9</td>
<td>4 162.2</td>
</tr>
<tr>
<td>Current assets</td>
<td>10 552.8</td>
<td>4 125.4</td>
<td>1 953.0</td>
<td>16 631.2</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(8 807.1)</td>
<td>(4 513.5)</td>
<td>(964.9)</td>
<td>(14 285.5)</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>(1 263.7)¹</td>
<td>(2 851.2)</td>
<td>(3 235.2)²</td>
<td>(7 350.1)</td>
</tr>
<tr>
<td><strong>Net asset value per share (cents)</strong></td>
<td>2 910.9</td>
<td>928.3</td>
<td>346.1</td>
<td>3 414.6</td>
</tr>
</tbody>
</table>

¹. Includes financial liability of R963.8m relating to minority purchase
². Includes financial liability of R736.3m relating to minority purchase
FINANCIAL OVERVIEW: CAPITAL EXPENDITURE

- Southern Africa: Expansion of the Western Cape and North Rand perishables facilities
- Ireland and Switzerland: Investments in retail environment and technology upgrades

Capex by region
- SPAR Southern Africa: R354.1m
- SPAR Ireland: R248.8m
- SPAR Switzerland: R220.8m

Capex by type
- Expansion capex: R842.1m
- Maintenance capex: R516.0m
### FINANCIAL OVERVIEW: OFFSHORE DEBT OVERVIEW

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPAR Ireland: €-denominated</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>824.4</td>
<td>729.8</td>
</tr>
<tr>
<td>Finance costs recognised in profit or loss (7.2%)</td>
<td>60.1</td>
<td>96.3</td>
</tr>
<tr>
<td>Net exchange differences arising during the period</td>
<td>27.7</td>
<td>(1.7)</td>
</tr>
<tr>
<td>Fair value adjustment</td>
<td>51.6</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td>963.8</td>
<td>824.4</td>
</tr>
</tbody>
</table>

| **SPAR Switzerland: CHF-denominated** |          |          |
| Balance at beginning of year | 743.6    | -        |
| Financial liability initially recognised | -        | 789.4    |
| Finance costs recognised in profit or loss (2.0%) | 14.2     | 7.7      |
| Net exchange differences arising during the period (CHF to €) | (37.6)   | 4.2      |
| Foreign exchange translation | 16.1     | (57.7)   |
| **Balance at end of year** | 736.3    | 743.6    |

**Total financial liabilities recognised** | 1 700.1  | 1 568.0  |
# Financial Overview: Summary of Salient Features

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>95 461.1</td>
<td>90 688.5</td>
<td>+5.3</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>2 582.5</td>
<td>2 577.3</td>
<td>+0.2</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>2 464.7</td>
<td>2 439.2</td>
<td>+1.0</td>
</tr>
<tr>
<td>Earnings per share (cents)*</td>
<td>945.2</td>
<td>1 010.0</td>
<td>(6.4)</td>
</tr>
<tr>
<td>Headline earnings per share (cents)*</td>
<td>952.5</td>
<td>1 020.0</td>
<td>(6.6)</td>
</tr>
<tr>
<td>Dividend per share (cents)</td>
<td>675.0</td>
<td>665.0</td>
<td>+1.5</td>
</tr>
<tr>
<td>Net asset value per share (cents)*</td>
<td>3 414.6</td>
<td>3 140.1</td>
<td>+8.7</td>
</tr>
</tbody>
</table>

*Weighted average number of ordinary shares (net of treasury shares) in 2017 was 192 555 203 (2016: 179 703 184)
Significant slowdown in sales exposed cost pressures and resulted in net margin contraction.
• SPAR and XL brands reported strong sales growth
• Successful integration of Londis business into BWG supply chain, achieving 4.6% growth
• Positive contribution from Gilletts acquisition
• Wines and spirits business up 17.8%
• Foodservice increased 13.2%
Sales up 94.7% in CHF terms (recognised 12 months vs 6 months in prior year)

- Impact of franchising six company-owned SPAR stores: Continue to trade under SPAR brand
- Economic environment and competition resulting in negative growth in all distribution lines
- Contributed 10.9% of group turnover for first full period of consolidation

Reversed half-year loss with operating profit of R69m

- Early gains from implementing plan to improve retail offering

<table>
<thead>
<tr>
<th>Switzerland: Sales analysis by business</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-warehouse sales</td>
<td>ZAR4.2bn</td>
</tr>
<tr>
<td>TopCC sales</td>
<td>ZAR4.0bn</td>
</tr>
<tr>
<td>SPAR Corporate retail sales</td>
<td>ZAR2.2bn</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>ZAR10.4bn</strong></td>
</tr>
</tbody>
</table>
STRATEGIC REVIEW

GRAHAM O’CONNOR

CEO
Strategic outcomes entrenched in our values

1. World-class replenishment system
2. Compelling pricing
3. Comprehensive range
4. World-class brands
5. Best retailers
6. New business growth
STRATEGIC REVIEW: OUR VALUES

[Seize the Moment]

A FAMILY OF ENTREPRENEURS

Driven by Passion

Our Values

SPAR
Volumes handled in 2017

- 2.6% decline in SA distribution centres to 224.5 million cases
- 8.5% increase in cases dispatched in Ireland to 35.1 million cases

Ongoing investments to support growth

- Expansion of Western Cape perishable facility (R99.6m)
- North Rand perishables facility expansion (R34.5m) to alleviate volume pressures
- SAP HANA R31.3m and IBM server upgrade for DC systems (R15.8m)
- Comprehensive analysis of Ireland logistics and distribution to develop improvement model

SA category management practices implemented in SPAR Switzerland

- Optimise space allocation and provide feedback to suppliers
## Ex-warehouse sales

<table>
<thead>
<tr>
<th></th>
<th>2017 %</th>
<th>2016 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warehouse (excl. liquor)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Dry</td>
<td>43.6</td>
<td>44.3</td>
</tr>
<tr>
<td>- Perishables</td>
<td>18.7</td>
<td>17.9</td>
</tr>
<tr>
<td></td>
<td>62.3</td>
<td>62.2</td>
</tr>
<tr>
<td>Dropshipment (excl. Build it and liquor)</td>
<td>37.7</td>
<td>37.8</td>
</tr>
</tbody>
</table>

**Category performances:**

*Warehouse +4.4% on 2016*
- Top Performers: Liquor, bakery and butchery
- Difficult performances: General Merchandise, fresh produce and personal care

*Dropshipment +3.2% on 2016*
- Top Performer: Bakery
- Difficult performances: Build it and Coca Cola
STRATEGIC REVIEW: COMPETITIVE PRICING

SPAR Price Perception Study 2017

Competitive: 2007 (31.8) 2008 (32.2) 2017 (46.8)
More Expensive: 2007 (56.3) 2008 (56.6) 2017 (43.7)
Cheaper: 2007 (11.9) 2008 (11.2) 2017 (9.4)

Base: South Africa – All informants (2017 n=2 528), (2010 n=2 479), (2008 n=2469), (2007 n=2 457) excluding…do not know!
Advertising and Promotions

- Digital platforms to get more feet into stores
- My SPAR Rewards added several million new members
- Launch of SPAR TEXT ME!
- September 2017: ±10m sms messages to customers from retailers
Advertising and Promotions

- SPAR Money Transfers launched in South Africa
Advertising and Promotions

- Positive consumer response to TOPS’ new “Good Advice” campaign
  - Offers information and advice while retaining humour
Advertising and Promotions: SPAR Ireland “Better Choices” campaign launched

- New advertising and in-store promotions tapping into Irish shopper trends: “Healthy eating is now part of the national psyche as almost 2 in 3 consumers are buying healthier options nowadays.’

  Source: B&A Consumer Research, June 2017

- Healthy on-the-go products including low fat, high protein and gluten free developed in conjunction with qualified dietician

- Starring celebrities: Republic of Ireland football campaign Seamus Coleman and Model and Mum-of-two Claudine Keane
Advertising and Promotions: SPAR Switzerland

- Advertising programme focused on convenience driven pricing
- Driven by WOW promotions initiative balancing competitive pricing on promotions and retail profitability
- Positive initial results
Continued uptake of house brands in Southern Africa

- SPAR house brands up 9.7% to R8.0bn
- Total SPAR house brand range now worth ~R10.2bn
- Build it house brand sales through the imports facility grew 18.7% to 339m (2016: R285m)

SPAR Easter range launch in 2017: Excellent uptake
235 SPAR branded SKUs launched in 2017 (including all variants)

Four giant beef mega burgers. SPAR beef burger patty category growing at 75% year on year as a brand

Four new par cooked crumbed products with cheese

SPAR double cream yoghurt fortified with aloe and seeds for digestion and slow energy release

Extra fat (5% vs 3.4% in regular full cream milk) has extra energy with long life properties

SPAR branded frozen vegetables and berries: 27% market share

Authentic Italian quality meat: SPAR has 44% share of chilled processed meats category

All SPAR fish or mussel purchases are SASSI compliant
HMR success stories underpinning Fresh drive

CHIKKA CHICKEN

Sales from DC’s

↑ 12.9% in 2017

Sales from DC’s

↑ 36.1% in 2017

Sales from DC’s >R4m

In 3m since July 2017 launch
TOPS at SPAR once again recognised as sector leader

- “Best Liquor Store” for 6th consecutive year and “Best place to buy wine” for 7th time (2017 Daily News Your Choice Awards)
- “Best liquor and bottle store” for 8th consecutive year (2017 Times Sowetan Shopper Survey)

SPAR Ireland recognised as Ireland’s No 1 Convenience Store (EIQA National Awards)
Supporting retailer profitability

SPAR South Africa launched new customer care program well received by retailers
- **GUEST**: Greet-Uniform-Engage-Sell-Thank
- Changing perception of staff to treat customers as guests

SPAR Ireland:
- Individual convenience stores regularly recognised with best in class awards

SPAR Switzerland: Progress in retail environment
- Development of Logistics Masterplan and upgrade of category management function
- Proactive relationship building with retailers
STRATEGIC REVIEW: NEW BUSINESS GROWTH

SPAR Ireland and Switzerland acquisition

- 32.4% of 2017 turnover generated offshore
- Market share gains across most of SPAR Ireland brands
- Early indications of positive turnaround in Switzerland

Zambia transaction completed: 47.87% shareholding

Solid progress in Sri Lanka with first store opening planned in 2018

Leverage Pharmacy at SPAR offering through acquisition of S Buys (post year end)

Ongoing evaluation of potential business acquisitions in existing geographies
## STRATEGIC REVIEW: NEW BUSINESS GROWTH

### S.Buys Group

**Wholesale**
- National pharmaceutical wholesaler
- Pharmaceutical, frontshop, surgical & consumables and medical devices
- Key customer channels: Pharmacies, hospitals and doctors.

**Specialised Courier Pharmacy**
- National delivery of highly specialised medication to high-risk patients and doctors
  - Renal, Ophthalmology, Rheumatology, Oncology, Transplant, ARVs, Neurology

**Training Academy**
- Training programmes for pharmacy sector across SA

### Monthly facts and figures:
- Pharmacy, hospital and doctor supplies: >750 wholesale customers
- Chronic medication: >18 000 patients
- Training: >1 000 people in pharmacy sector
Key benefits to grow Pharmacy at SPAR network:

- Established platform with all required pharmaceutical related registration & licenses
- Providing direct relationships with healthcare suppliers
- Securing efficiencies and value: Brings dedicated supply chain into SPAR pharmacies
- SPAR better positioned to deliver competitive pharmacy front-shop offering

Cultural alignment of values: S Buys and SPAR and their stakeholders
STRATEGIC REVIEW: NEW BUSINESS GROWTH

- Southern Africa:
  - 259 refurbishments including 149 SPAR stores
  - Additional upgrades at TOPS and Build it
- Ireland: Reduction mainly due to Appleby’s
- Switzerland: Focus on moving corporate stores to independent operators

Total SPAR Southern Africa: 2,138 (2016: 2,033)
Total Group: 3,768 (2016: 3,674)
Looking Forward

Graham O'Connor
CEO
LOOKING FORWARD: OUTLOOK

Southern Africa:
Drive key strategic focus areas to support retailer profitability and deliver real business growth

- Ongoing investments in distribution network, competitive pricing and comprehensive product range

Ireland:
Some caution due to regional economic uncertainty

- Adapt to prevailing market conditions
- Confident of delivering further strong results
- Ongoing evaluation of potential acquisitions to expand offering to consumers

Switzerland:
Entrench positive early indicators turnaround strategy

- Continued focus on retail performance to deliver SPAR's expected returns

Group
Geographically diversified businesses comprising well-established retail brands in chosen markets

- Board and management are confident that group is well placed to continue delivering value
This presentation contains forward-looking statements about the company’s operations and financial conditions. They are based on SPAR Group Limited’s best estimates and information at the time of writing. They are nonetheless subject to significant uncertainties and contingencies many of which are beyond the control of the company. Unanticipated events will occur and actual future events may differ materially from current expectations due to new business opportunities, changes in priorities by the company or its joint ventures as well as other factors. Any of these factors may materially affect the company’s future business activities and its ongoing financial results.