



## 2020 Sector Report: Retail

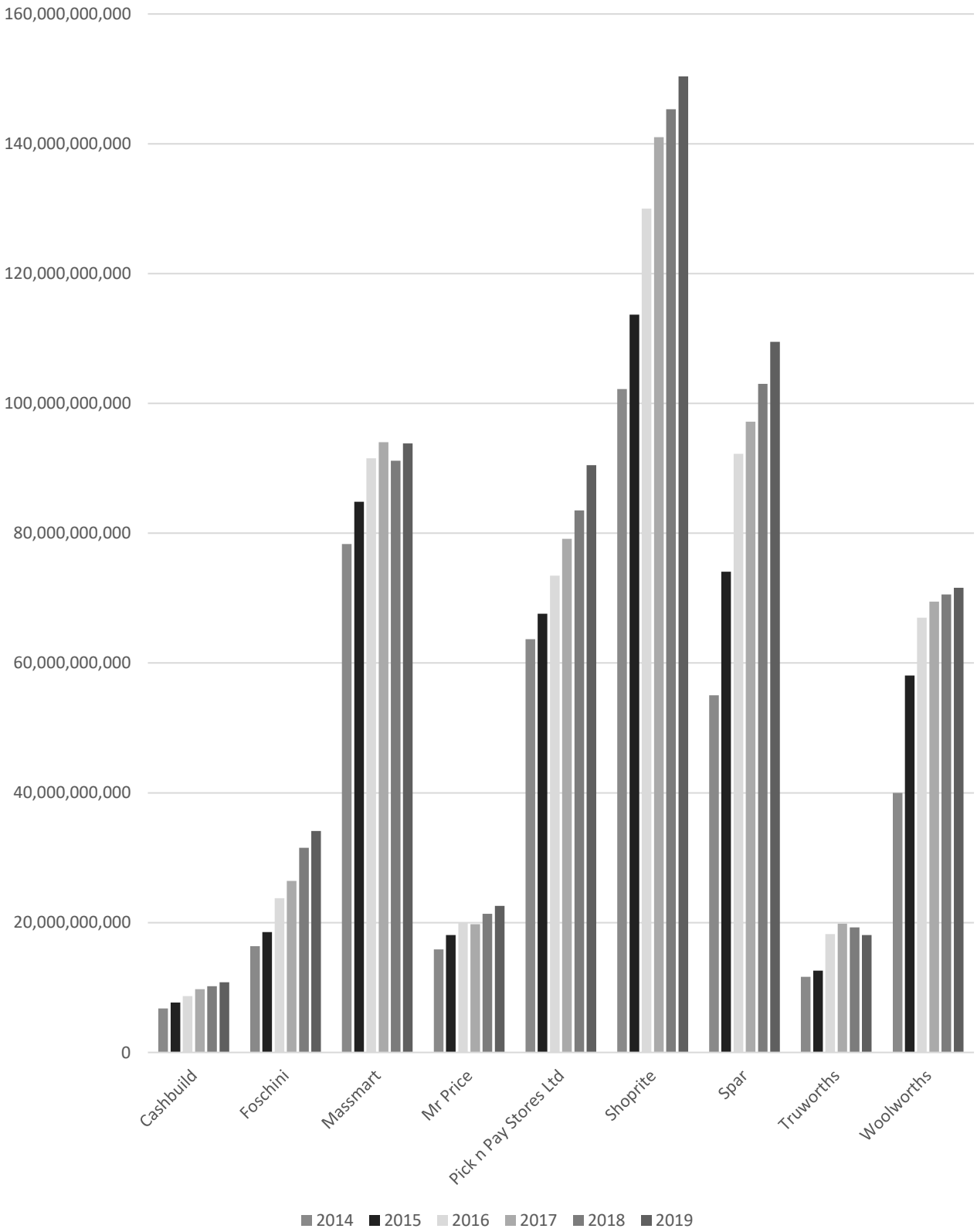
### Introduction

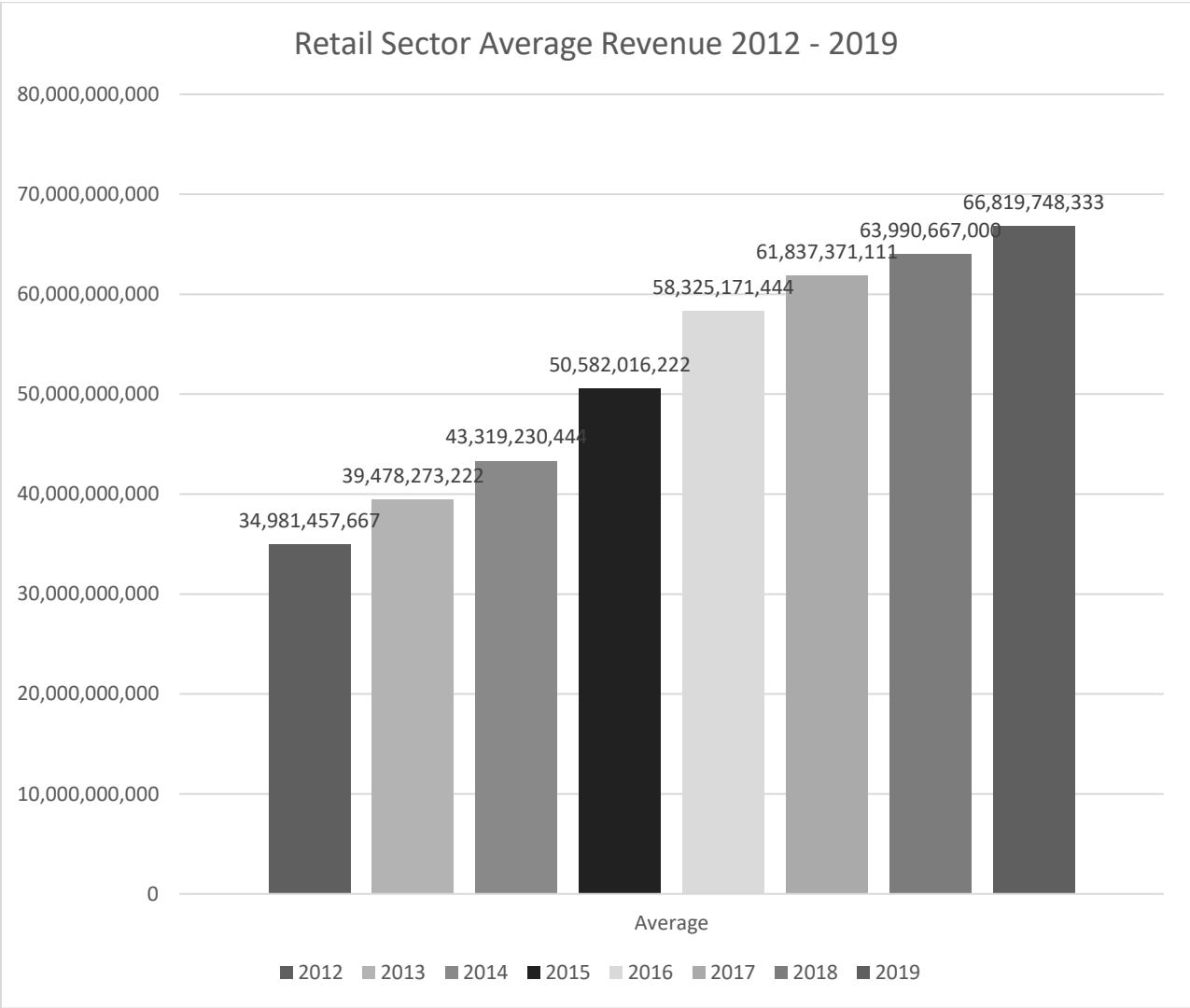
In our list of sectors and companies covered, retail is the second biggest employer after Mining. This list of nine companies employed 374,502 (up from 364,827) over the course of the 2019 financial year. The JSE lists 29 companies in the two categories Food & Drug Retailers and General Retailers. Of this list, our sample includes nine companies.

### Revenue

On average this list of companies reported a 4.42% increase in revenue in what was termed a difficult consumer environment. Only Truworths reported a decrease in revenue (-6,02%). The biggest increase in revenue was reported by Foschini (8%). Shoprite's, the biggest employer in this sector, revenue grew by 3.50%.

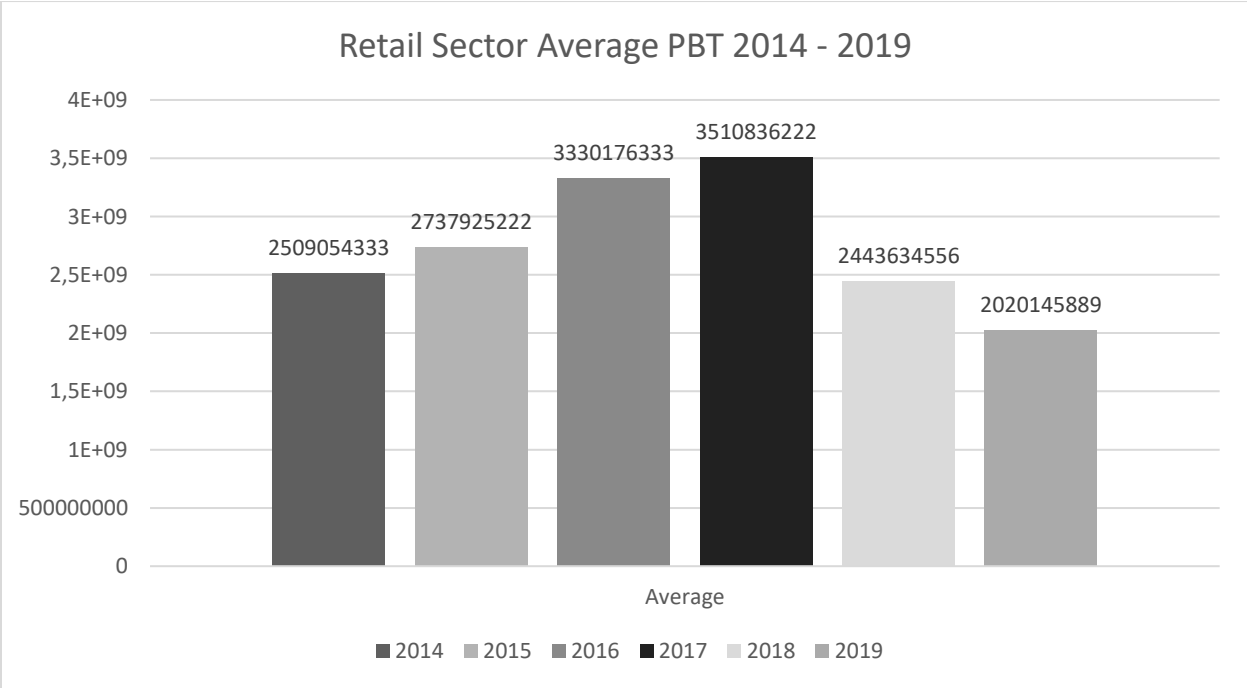
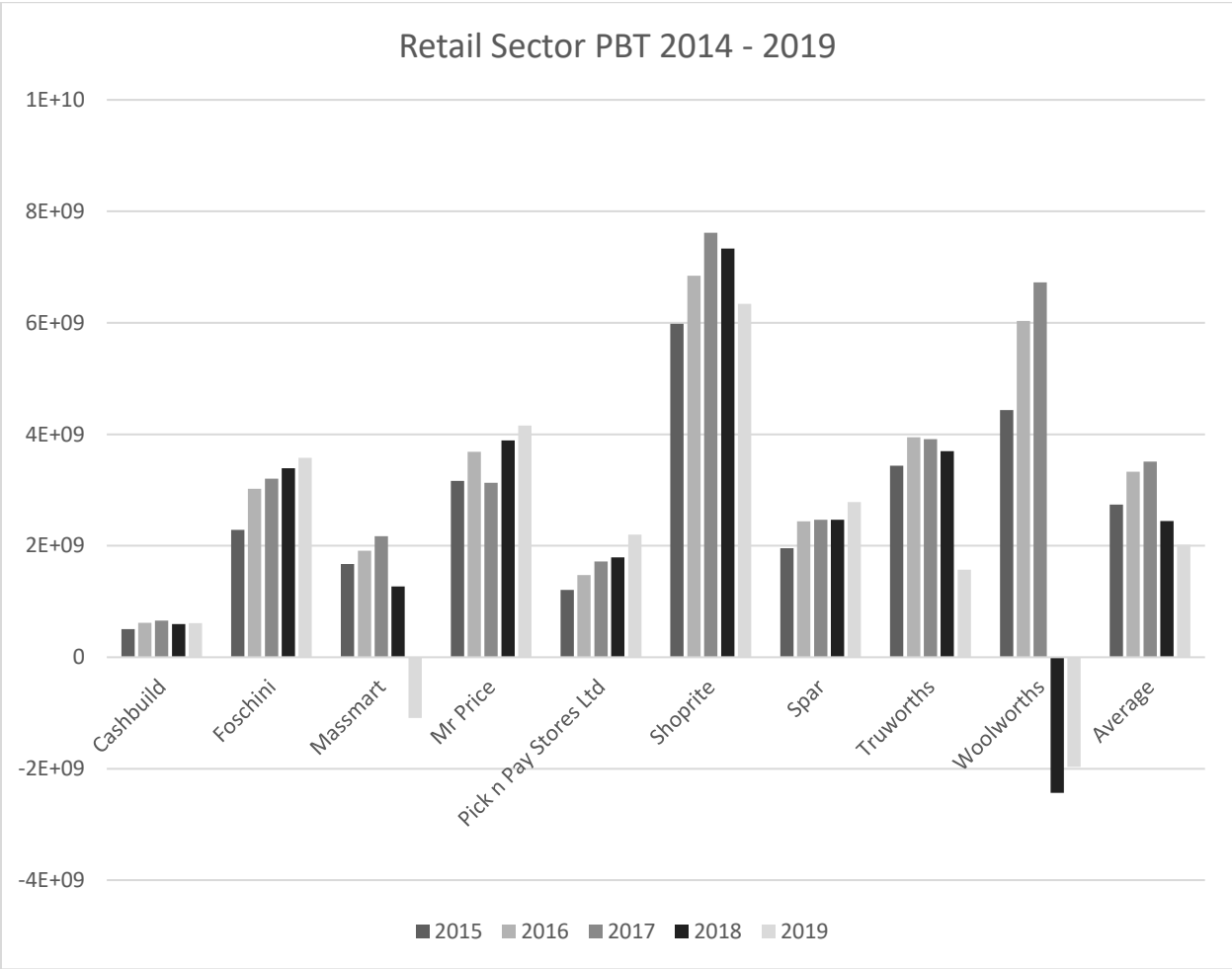
### Retail Sector Revenue 2014 - 2019





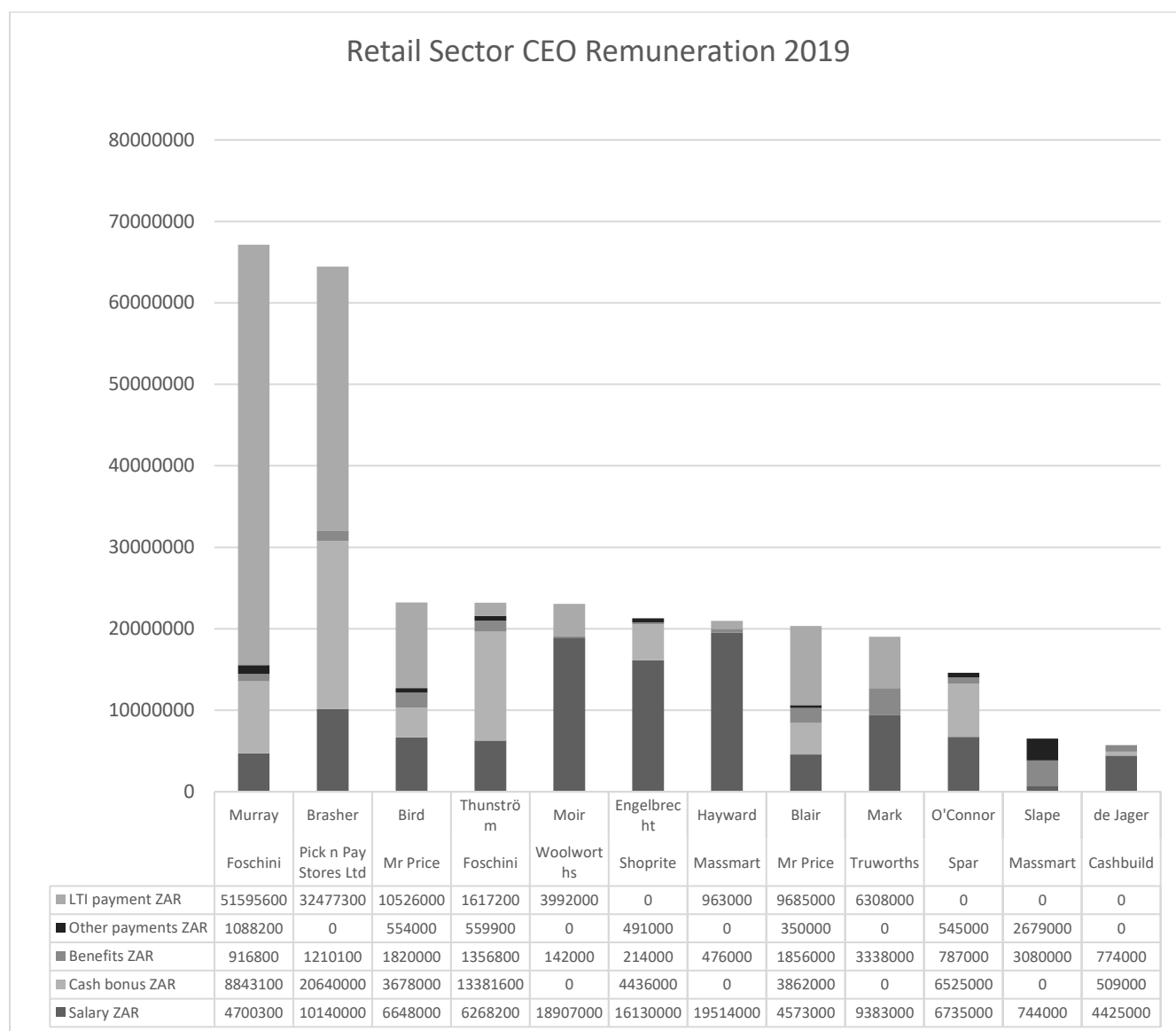
## Profit before Tax

Profit before Tax in this sector took a big hit in 2019. On average, reported PBT went down by over 17%. This is largely due to Massmart’s extreme reported loss of over ZAR 1 billion. Woolworths continued to operate at a loss, this year a loss of almost ZAR 2 billion (in 2018 this was almost ZAR 2.5 billion). Pick n Pay reported a 22.96% increase in Profit before Tax, owing to smart business decisions made by CEO Richard Brasher.

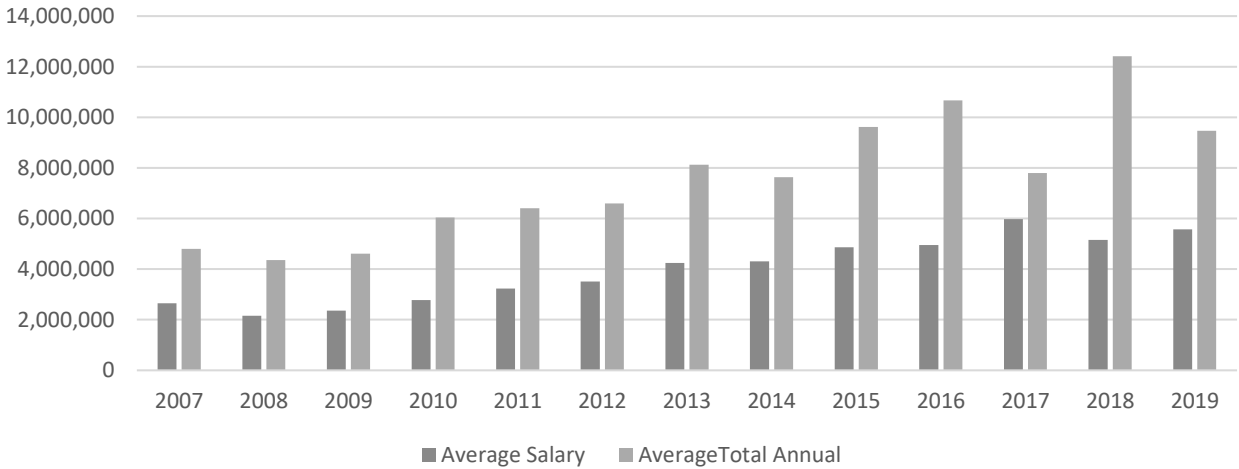


## Directors' Remuneration

In the retail sector, Foschini CEO Doug Murray received an LTI of over ZAR 50 million, bringing his total remuneration to ZAR 67 million, and making him the top earner in this sector. Pick n Pay CEO Richard Brasher received total remuneration of ZAR 64 million, including an LTI of ZAR 32 million. Shoprite CEO Pieter Engelbrecht was paid ZAR 21 million, with no LTI received in the 2019 financial year. On average CEOs in this sector were paid a salary of ZAR 9 million, and a total remuneration of ZAR 25 million. On average, non-executive director total remuneration went down by 6.27%.



### Retail Sector Average ED Remuneration 2007 - 2019



### Retail NED Average Remuneration 2007 - 2019

