



SHOPRITE HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
Reg. No. 1936/007721/06
ISIN: ZAE000012084
JSE share code: SHP
NSX share code: SRH
LuSE share code: SHOPRITE
("the Group")

TRADING STATEMENT FOR THE 53 WEEKS ENDED 4 JULY 2021

For the 53 weeks to 4 July 2021 the Shoprite Group increased total sale of merchandise from continuing operations by 8.1% to approximately R168.0 billion (52 weeks: 5.9% to R164.5 billion). Excluding the impact of the closure of the RSA LiquorShop business due to COVID-19 lockdown regulations, the Group increased total sale of merchandise from continuing operations by 8.3% (52 weeks: 5.9% to R157.1 billion).

	Restated* 52 weeks June 2020 Rbn	2021 Sales growth over the restated 52-week corresponding period last year		
		Total 53 weeks June 2021 %	Restated* H1 ended Dec 2020 %	H2 ended June 2021 %
Approximate sales from continuing operations				
Total Group (including Supermarkets RSA LiquorShop)*	155.4	8.1	4.8	11.5
Total Group (excluding Supermarkets RSA LiquorShop)*	148.3	8.3	6.5	10.1
By Segment:				
Supermarkets RSA (including LiquorShop)	122.4	9.3	5.6	13.2
Supermarkets RSA (excluding LiquorShop)		9.7	7.8	11.5
Supermarkets Non-RSA*	16.7	-7.5	-7.9	-7.1
Furniture	5.5	24.6	15.7	38.6
Other operating segments	10.8	10.0	10.0	10.1
Total operating segments*	155.4	8.1	4.8	11.5

* Restated for discontinued operations in accordance with IFRS 5. Refer to the update on discontinued operations mentioned below.

The following information provides context to overall sale of merchandise growth from continuing operations for the 53-week period:

Supermarkets RSA

- The Group's core business, Supermarkets RSA, contributing 79.7% to sales from continuing operations, achieved sales growth of 9.3% (first half sales growth 5.6%, second half sales growth 13.2%). Like-for-like sales grew 7.3%.
- Supermarkets RSA, excluding LiquorShop, achieved sales growth of 9.7% (first half sales growth 7.8%, second half sales growth 11.5%). Like-for-like sales for the year measured 7.5%.
- Checkers and Checkers Hyper reported sales growth of 10.9% (first half sales growth 11.1%, second half sales growth 10.8%). This is notwithstanding the high base reported for the second half period last year.
- Shoprite and Usave reported sales growth of 8.8% (first half sales growth 5.6%, second half sales growth 12.0%).
- The Group's LiquorShop business' sales increased by 4.4% (first half sales decline 21.8%, second half sales growth 53.6%). Growth was significantly impacted by the mandated liquor trade closures forming part of COVID-19 lockdown regulations. In total our LiquorShop business was closed for 144 days over the 53 weeks (79 days during the first half and 65 days during the second half).
- Internal selling price inflation measured 3.8%, a result of second half inflation declining to 3.4% from the 4.3% reported for the first half.
- Supermarkets RSA opened a net of 87 stores.

Supermarkets Non-RSA

- Supermarkets Non-RSA continued to operate in regions challenged by macroeconomic and consumer affordability constraints, exacerbated by the impact of COVID-19 restrictions and regulations. Notwithstanding these factors, constant currency sales from continuing operations increased by 6.8%.
- Currency devaluation continues to weigh on reported sales. In rand terms, Supermarkets Non-RSA's sales from continuing operations declined by 7.5%.
- Supermarkets Non-RSA continuing operations opened a net of five stores.

Furniture

- The Group's Furniture segment, made up of OK Furniture and House & Home, increased sales by 24.6% (first half sales grew 15.7%, second half sales grew 38.6%). Like-for-like sales grew 13.5%.
- Credit sales participation declined to 12.6% (2020: 13.3%).
- The Furniture segment closed a net of 16 stores.

Other operating segments

- The Group's Other operating segments, comprising OK Franchise, Transpharm, MediRite Pharmacies, Checkers Food Services (CFS) and Computicket, reported sales growth of 10.0%.
- The Group's OK Franchise division achieved sales growth of 8.2% and added a net of 36 stores.

Update on discontinued operations

As previously communicated, the terms of sale of our Retail Supermarkets Nigeria Limited (RSNL) subsidiary have been concluded and our Kenyan operations have been closed. RSNL was classified as discontinued during the second half of the 2020 financial year and the classification of our Kenyan operations as discontinued became effective during the second half of the 2021 financial year.

Furthermore, in line with the Group's Non-RSA review process, our operations in Madagascar and Uganda have been classified as discontinued. In accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations, the comparative statement of comprehensive income for 2020 has been restated. Consequently, the growth in the above table, for both the interim and final year comparatives, is based on the restated comparative figures from continuing operations. It is for this reason that the restated negative sales growth from continuing operations of 7.9% for the Group's Supermarkets Non-RSA segment for the first half ended December 2020 is different to that reported at our interim results announcement earlier this year, as it now also excludes the discontinued operations of Kenya, Madagascar and Uganda.

Earnings guidance

Shareholders are advised that basic earnings per share ('EPS'), basic headline earnings per share ('HEPS') and adjusted basic HEPS for the 53 weeks ended 4 July 2021 are expected to be within the ranges reflected in the table below. To facilitate comparison, we have included adjusted basic HEPS which excludes the after-tax effect of exchange rate differences, profit on lease modifications and terminations as well as hyperinflation adjustments.

	Estimated June 2021 cents	Restated* June 2020 cents	Expected change %
Earnings including discontinued operations:			
Basic EPS	847.2 to 907.8	606.9	39.6 to 49.6
Basic HEPS	939.3 to 1 014.9	756.9	24.1 to 34.1
Adjusted basic HEPS**	858.6 to 928.8	701.8	22.3 to 32.3
Earnings from continuing operations:			
Basic EPS	816.7 to 886.5	697.5	17.1 to 27.1
Basic HEPS	916.6 to 996.0	794.7	15.3 to 25.3
Adjusted basic HEPS**	850.6 to 924.0	733.6	15.9 to 26.0

* Restated for discontinued operations in accordance with IFRS 5. Refer to the update on discontinued operations mentioned above.

** The adjusted basic HEPS and continuing operations information provided, constitutes pro forma financial information in terms of the JSE Listings Requirements.

Impact of the Group's pro forma constant currency disclosure

The Group discloses unaudited constant currency information to indicate the Supermarkets Non-RSA operating segment performance in terms of sales growth, excluding the effect of foreign currency fluctuations. To present this information, current period sales for entities reporting in currencies other than ZAR are converted from local currency actuals into ZAR at the prior year's actual average exchange rates on a country-by-country basis.

The table below sets out the percentage change in sales, based on the actual results for the period in reported currency and constant currency for the following major currencies. The total impact on Supermarkets Non-RSA is also reflected after consolidating all currencies in this segment.

% Change in sales on prior period 52 weeks	Reported currency	Constant currency
Angola kwanza	-37.2	-12.6
Mozambique metical	-11.3	-3.3
Zambia kwacha	-11.8	25.2
Supermarkets Non-RSA including discontinued operations	-8.8	3.7
Supermarkets Non-RSA continuing operations	-7.5	6.8

Statement on pro forma financial information

The pro forma financial information contained in this announcement, which is the responsibility of the Group's directors, has been prepared for illustrative purposes only and may not fairly present the Group's financial position, changes in equity, cash flows or results of operations.

The information contained in this announcement has not been reviewed or reported on by the Group's external auditors.

Group year-end results release, presentation timing and invitation registration link

The Group plans to publish its 2021 year-end results on SENS by 8h00 on Tuesday, 7 September 2021.

The 2021 results webcast presentation will follow at 9h00. Shoprite welcomes all who would like to register for the webcast to do so via www.corpcam.com/shoprite07092021. Alternatively, registration via the company website www.shopriteholdings.co.za will be possible.

23 August 2021
Cape Town

Sponsor: Nedbank Corporate and Investment Banking, a division of Nedbank Limited

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