

SHOPRITE



(Reg. No. 1936/007721/06) | (ISIN: ZAE000012084) | (JSE Share code: SHP)
(NSX Share code: SRH) | (LuSE Share code: SHOPRITE) | ("the Group")

HOLDINGS LTD

GROUP RESULTS FOR THE 53 WEEKS TO 4 JULY 2021

Pieter Engelbrecht, Chief Executive Officer

2021 was a challenging year but as a result of the Group's commitment and execution, we increased sale of merchandise by 8.1%. In rand terms, this growth equates to an additional R12.6 billion in sales on last year's restated base to total a record R168.0 billion in sales for the year. In a 53-week year, our Supermarkets RSA segment reported strong sales growth of 9.3% from a high base despite our LiquorShop business being closed for 144 days. This result was a combined effort from our Shoprite and Usave businesses which increased sales by 8.8% and our Checkers and Checkers Hyper businesses, which increased sales by 10.9%. This growth is a testament to our loyal customers and the relentless commitment of our team who ensured we delivered unsurpassed value, either in-store or digitally, throughout the year.

It was a significant year for our Supermarkets Non-RSA segment given that we sold our Nigerian supermarket business, closed our operations in Kenya (three stores) and classified our operations in Uganda (five stores) and Madagascar (10 stores) as discontinued. The region remains challenging, but our capital allocation review coupled with various in-country initiatives have resulted in improved profitability.

The Group's Furniture segment increased sales by 24.6%. Our Other operating segments' sales growth of 10.0% is commendable, especially considering that both Checkers Food Services and Computicket continue to be significantly impacted by COVID-19 and lockdown regulations. The OK Franchise business goes from strength to strength, as evidenced by 8.2% sales growth this year.

The Group has recently unveiled Shoprite^X, our digital tech hub which blends the best of data science, technology and digital talent to save customers time and money through innovation. After a year of incubation, Shoprite^X already boasts two industry leading innovations, namely the Xtra Savings Rewards Programme, South Africa's fastest growing rewards programme and Checkers Sixty60, Checkers' pioneering 60-minute grocery delivery service. Consumer response on both counts has been unrivalled, with the Xtra Savings Rewards Programme signing up over 20 million members and Checkers Sixty60 becoming the number one grocery app in the country with over 1.5 million app downloads.

Despite being South Africa's largest private sector employer, we still aspire to create employment as it is critical to improve the lives of our fellow citizens. On that front, we added 3 897 new jobs this year. My sincere thanks go to our Group's customers, suppliers, employees and stakeholders for their continued support and commitment throughout 2021.

Key information – continuing operations	Change %	53 weeks 2021	Restated* 52 weeks 2020
Sale of merchandise (Rm)	8.1	168 030	155 409
Trading profit (Rm)	24.9	10 332	8 272
Operating profit (Rm)	19.0	9 664	8 124
Profit before income tax (Rm)	23.1	6 957	5 651
Income tax expense (Rm)	26.3	2 241	1 774
Profit for the year (Rm)	21.6	4 716	3 877
Attributable to owners of the parent (Rm)		4 698	3 857
Attributable to non-controlling interest (Rm)		18	20
Basic headline earnings per share (cents)	20.3	956.3	794.7
Basic earnings per share (cents)	22.1	851.6	697.5
Dividend per share (cents)	42.0	544.0	383.0
Profit for the year including discontinued operations (Rm)	43.9	4 859	3 376
Attributable to owners of the parent (Rm)		4 841	3 356
Attributable to non-controlling interest (Rm)		18	20
Basic headline earnings per share including discontinued operations (cents)	29.1	977.1	756.9
Basic earnings per share including discontinued operations (cents)	44.6	877.5	606.9

* Restated for newly classified discontinued operations in accordance with IFRS 5.

Declaration of ordinary dividend

The Board has declared a final dividend of 353 cents (2020: 227 cents) per ordinary share, payable to shareholders on Monday, 4 October 2021. The dividend has been declared out of income reserves. This brings the total dividend for the year to 544 cents (2020: 383 cents) per ordinary share. The last day to trade cum dividend will be Tuesday, 28 September 2021. As from Wednesday, 29 September 2021, all trading of Shoprite Holdings Ltd shares will take place ex dividend. The record date is Friday, 1 October 2021. Share certificates may not be dematerialised or rematerialised between Wednesday, 29 September 2021, and Friday, 1 October 2021, both days inclusive.

In terms of the Dividends Tax, the following additional information is disclosed:

1. The local dividend tax rate is 20%.
2. The net local dividend amount is 282.4 cents per share for shareholders liable to pay Dividends Tax and 353 cents per share for shareholders exempt from paying Dividends Tax.
3. The issued ordinary share capital of Shoprite Holdings Ltd as at the date of this declaration is 591 338 502 ordinary shares.
4. Shoprite Holdings Ltd's tax reference number is 9775/112/71/8.

About this announcement

This short-form announcement is the responsibility of the Directors of Shoprite Holdings Ltd. It is only a summary of the information in the condensed consolidated financial statements and does not contain full or complete details. The condensed consolidated financial statements for the year ended 4 July 2021 have been reviewed by Shoprite Holdings Ltd's external auditors who have reached an unmodified review conclusion. Any investment decisions by investors and/or shareholders should be based on consideration of the condensed consolidated financial statements published on the Stock Exchange News Service (SENS) and www.shopriteholdings.co.za as a whole.

The condensed consolidated financial statements have been released on the JSE (<https://senspdf.jse.co.za/documents/2021/jse/isse/SHP/ye2021.pdf>) and are also available for viewing at <https://www.shopriteholdings.co.za/content/dam/SENS/YE2021-Sep2021.pdf>. Copies of the condensed consolidated financial statements may be requested from the Company Secretary (cosec@shoprite.co.za, tel +27 (0)21 980 4284) at PO Box 215, Brackenfell, 7561, South Africa.

By order of the Board

WE Lucas-Bull
Chairman

PC Engelbrecht
Chief Executive Officer

Cape Town
7 September 2021

