

**CASHBUILD LIMITED**

(Registration number: 1986/001503/06)

(Incorporated in the Republic of South Africa)

JSE share code: CSB

ISIN: ZAE000028320

("Cashbuild" or "the company")

**SECOND QUARTER OPERATIONAL UPDATE – FY 2020**

Cashbuild herewith provides its voluntary quarterly operational update.

Revenue for the second quarter for the Cashbuild Group was down 4% on the second quarter of the prior financial year following a lower than expected December trade. The 302 existing stores revenue declined by 7% and the 19 new stores positively contributed 3%. This, combined with the growth reported in the first quarter, equates to a decrease in revenue for the half year of 1% compared to the prior half year.

Transactions through the tills during the second quarter for the Cashbuild Group decreased by 4% (half year: 2% decrease) to that of the comparative period, with new stores increasing by 3% (half year: 3%) and existing stores decreasing by 7% (half year: 5% decrease).

Selling inflation was 2% at the end of December 2019 when compared to December 2018. Gross profit margin percentage for the Group is slightly lower to those reported for the first half of the prior financial year.

A revenue performance breakdown per operating segment is reflected in the following table:

<b>Revenue performance 1<sup>st</sup> Half FY2020 versus 1<sup>st</sup> Half FY2019</b>					
<b>Operating Segment</b>		<b>Percentage of Total Sales</b>	<b>Total %</b>	<b>New %</b>	<b>Existing %</b>
Cashbuild South Africa	Q1	79	3	3	-
	Q2	79	(3)	3	(6)
	Half Year	79	-	3	(3)
Cashbuild Common Monetary Areas	Q1	5	-	-	-
	Q2	6	(8)	-	(8)
	Half Year	5	(4)	-	(4)
Cashbuild Other *	Q1	4	12	1	11
	Q2	4	(7)	3	(10)
	Half Year	4	2	2	-
P&L Hardware South Africa	Q1	12	(5)	3	(8)
	Q2	11	(8)	3	(11)
	Half Year	12	(6)	3	(9)
<b>Total Group</b>	Q1	100	2	2	-
	Q2	100	(4)	3	(7)
	Half Year	100	(1)	3	(4)

\*Botswana, Malawi and Zambia

During the second quarter, the Group opened five new Cashbuild stores (half year: seven Cashbuild stores and one P&L Hardware store), refurbished nine Cashbuild stores (half year: ten Cashbuild stores) and one Cashbuild store was closed at the expiration of its lease agreement (half year: two Cashbuild stores), bringing the total number of stores trading at the end of the quarter to 321.

A store breakdown by operating segment is reflected in the following table:

<b>Number of stores – end of quarter two</b>	<b>Percentage of total</b>	<b>Total</b>	<b>New</b>	<b>Existing</b>
Cashbuild South Africa	71	228	15	213
Cashbuild Common Monetary Areas	6	18	-	18
Cashbuild Other *	4	14	1	13
Cashbuild DIY Pilot stores	-	1	-	1
P&L Hardware South Africa	19	60	3	57
<b>Total Group</b>	<b>100</b>	<b>321</b>	<b>19</b>	<b>302</b>

\*Botswana, Malawi and Zambia

21 January 2020

Sponsor  
Nedbank Corporate and Investment Banking