

Massmart Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration Number: 1940/014066/06)
Share code: MSM
ISIN: ZAE000152617
(‘Massmart’ or ‘the Company’)

SALES UPDATE FOR 19 WEEK PERIOD ENDED 9 MAY 2021

Massmart’s total sales for the 19-week period ended 9 May 2021 amounted to R30.5 billion and represents an increase of 8.0% over the prior year, with comparable store sales increasing by 8.4% over the same period. Sales from our South African stores amounted to R27.9 billion, increasing by 10.1% on the prior year, with comparable store sales increasing by 10.7%. Total sales from our ex-South Africa stores amounted to R2.6 billion, translating to a 10.1% decline in Rand terms compared to same period last year, with comparable stores decreasing by 11.2%. On a constant currency basis, sales from our ex- South Africa stores were flat year-on-year. Sales over the same period in 2020 were impacted by trading restrictions as a result of the COVID-19 level 5 lockdown becoming effective from 27 March 2020 until 30 April 2020.

Whilst the continued easing of Covid-19 related trading restrictions marked slightly better trading conditions for the 19 week period ended of 2021, sales were still impacted by a ban on liquor trading in January and over the Easter Weekend period. We estimate the impact of the restriction of liquor sales to be around R770 million when compared to same period in the prior year, mostly impacting our Makro and Cash & Carry businesses.

In Makro, total sales increased by 16.6% over the prior year. Whilst food sales are under pressure as a result of ongoing lower activity in the corporate, hospitality, restaurant and catering industry, liquor and general merchandise sales have performed well. Sales in our Cash & Carry business amounted to R6.7 billion, and was marginally lower than the same period last year, with similar challenges relating to food sales being experienced.

Builders have continued to see strong sales performance, with total sales of R4.9 billion being 39.4% better than last year, driven mainly by strong retail demand. Trade sales continue to be muted. Builders was restricted from trading for most of April 2020. Whilst most product categories in Builders have performed well, we especially see strong sales in paint, home improvement, garden and patio goods, indicative of consumer’s ongoing focus on investing in their living spaces.

Foot traffic in most super and regional malls remain depressed, as consumers prefer to avoid crowded indoor spaces in light of COVID-19 infection concerns. Consequently, given its relative high presence in these locations, Game has experienced pressure on sales. Consequently, Game’s total sales of R5.6 billion was 3.3% lower than the same period last year.

Total sales in Cambridge of R2.7 billion were 8.4% lower than the same period in last year. Sales trends indicate that customers in this segment of the market are mostly impacted by the pressures of increased unemployment and lower disposable income.

The information above has not been audited or reviewed or otherwise reported on by the Company’s external auditors.

20 May 2021
Johannesburg

Sponsor
J.P. Morgan Equities South Africa (Pty) Ltd