

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

VOLUNTARY ANNOUNCEMENT – ACQUISITION OF CONTROLLING STAKE IN ONECART (PTY)  
LTD AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

**1. Introduction**

Shareholders are referred to the cautionary announcement released on the Stock Exchange News Service ("SENS") of the JSE Limited ("JSE") on 25 August 2021 regarding the proposed acquisition of a controlling stake in OneCart Pty Ltd ("OneCart").

Massmart is pleased to announce that the negotiations have now successfully been concluded and a sale of shares and subscription agreement ("Sale Agreement") has been signed whereby the Company will, through its wholly owned subsidiary Fresh Food Direct Pty Ltd, acquire an equity shareholding ultimately constituting 87.5% of the issued shares in OneCart ("Transaction").

**2. Salient Transaction terms**

Massmart will provide primary equity funding to OneCart, by means of an unsecured convertible loan, and acquire shares from existing OneCart shareholders, together resulting in Massmart acquiring control of OneCart. The founder of OneCart, Lynton Peters, along with a minority shareholder, will hold the remaining shares. None of the sellers are related parties to Massmart.

Closure of the Transaction will be subject to finalization of customary final approvals and suspensive conditions. The effective date of the Transaction is expected to be the last business day of the calendar month in which the last suspensive condition is fulfilled or waived or, if the last suspensive condition is fulfilled or waived after the 15<sup>th</sup> day of a calendar month, the effective date will be the last business day of the following month.

The Sale Agreement provides for warranties, undertakings, indemnities and events of default that are customary for a transaction of this nature. Warranty and indemnity insurance is being secured to cover certain of the warranties and indemnities provided by the vendors.

**3. Overview of OneCart and Rationale**

OneCart is a fast moving consumer goods market place and logistics platform that partners with leading retailers in South Africa to enable fast, flexible and efficient online sales and home delivery to consumers across the country. The platform provides access to products across the dry grocery, frozen and fresh foods, liquor, baby, health and beauty, household and pet supplies categories, all made available to consumers via a single shopping interface.

As indicated at our results presentation, OneCart represents one of the building blocks of our broader eCommerce strategy. This acquisition will allow Massmart to further expand its capabilities in the fast growing on-demand delivery

segment, while continuing to support the independent retailer marketplace model of OneCart.

#### **4. Conclusion and Withdrawal of Cautionary Announcement**

The Transaction falls below the Category Two threshold of the JSE Listings Requirements and this announcement is made for information purposes.

Shareholders will be updated as to the fulfilment of the suspensive conditions and completion of the Transaction thereafter.

Following the release of this announcement, caution is no longer required to be exercised by shareholders when dealing in the Company's securities.

Johannesburg

6 October 2021

Financial Advisor and Transaction Sponsor: Absa Bank Limited

Legal Advisor: LHC Advisory (Pty) Ltd

Transaction Services: Deloitte

Sponsor: JP Morgan Equities South Africa (Pty) Ltd