



(Reg. No. 1936/007721/06)  
 (ISIN: ZAE000012084)  
 (JSE Share code: SHP)  
 (A2X Share code: SHP)  
 (NSX Share code: SRH)  
 (LuSE Share code: SHOPRITE)  
 ("Shoprite Holdings" or "the Group")

# Operational update for the quarter ended September 2023

**This voluntary announcement is issued in conjunction with the Shoprite Holdings Annual General Meeting and serves to update shareholders on the Group's first quarter period ended September 2023 ("the first quarter", "the period").**

The Group increased sales for the first quarter by 13.2%. The table below outlines sales growth by operating segment:

Sales growth from continuing operations for the three months ended September 2023 over the corresponding three months ended September 2022:	Change %
Group	13.2
By segment:	
Supermarkets RSA	13.3
Supermarkets Non-RSA	9.7
Furniture	0.5
Other operating segments	22.2

## Supermarkets RSA

The Group's core Supermarkets RSA segment, the majority of which is represented by Shoprite, Usave, Checkers, Checkers Hyper and LiquorShop increased sales for the first quarter by 13.3%. Internal selling price inflation for the first quarter measured 8.3%.

Market share for the 52 weeks ending September 2023 increased by 124 basis points versus the corresponding period last year, extending the period of uninterrupted market share gains in our core South African supermarket business to 55 months.

In terms of the cost of our day-to-day operations, as a result of ongoing electricity load-shedding we confirm the diesel expense to operate generators across our South African supermarket business during the first quarter amounted to R281 million. The increase in diesel cost resulted in the business incurring an additional R90 million charge compared to the quarter ended September 2022 ("prior corresponding period").

Supermarkets RSA opened 43 stores (net of 42 stores) during the first quarter: two Checkers, six Shoprite, five Usave, 18 LiquorShop, eight Petshop Science, two UNIQ by Checkers and two Checkers Outdoor. The Group's core Supermarkets RSA operating segment is on track to open its planned 195 new stores for our 2024 financial year.

## Supermarkets Non-RSA

The Group's Supermarkets Non-RSA operating segment, trading from nine countries outside of South Africa, increased sale of merchandise for the first quarter by double digits in constant currency and by 9.7% in our reporting currency, the rand.

Supermarkets Non-RSA continuing operations' store growth was limited to a net of two new stores (one Shoprite and one LiquorShop, both of which are situated in Eswatini). The segment plans to open 10 stores during the 2024 financial year.

## Furniture

The Group's Furniture segment sales increased by 0.5% during the first quarter. Credit sales participation measured 15.3% of sales.

The segment's store base decreased by a net of two stores during the first quarter to end the period with 432 stores. Two new stores are planned to open before the end of the 2024 financial year.

### Other operating segments

The Group's Other operating segments reported a 22.2% increase in sales whilst sales to our OK Franchise division increased by 22.0%. OK Franchise opened a net of 37 new stores during the first quarter, ending with 572 stores. Other operating segments plan to add a total of 107 stores during the 2024 financial year.

### Additional comments

This first quarter reports against the prior corresponding period during which sales at a Group and core South African supermarkets segment level increased by 18.6% and 19.9% respectively. This elevated level of sales growth was influenced by us reporting against trade impacted by the July 2021 social unrest. Despite this notably high base, it is pleasing to see our unwavering customer focus continues to reflect a level of sales growth considerably ahead of our selling price inflation and the market as a whole.

Across the board, the Group continues to raise the bar in pursuit of delivering the lowest prices, unmatched availability and market-leading innovation. Ably supported by the expertise embedded across our supply chain, our trading divisions have begun the execution of our festive season plan in order to provide our 28.5 million Xtra Savings customers with unsurpassed value and incredible ranges at this special and important time for them and our business.

On a net basis, the Group opened 81 stores during the first quarter. The majority of these were opened in our core South African supermarkets segment around which our group-wide ecosystem strategy is built. Looking ahead, we are on track to open our planned 314 new stores for our 2024 financial year.

### Next reporting date

The Group plans to issue its 2024 interim period sales update by the end of February 2024 and will report its 2024 interim results during March 2024. Further detail in terms of reporting dates, as they are finalised, will be available on the Group's Shareholder diary on the Company's corporate website.

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

13 November 2023

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

### Enquiries

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