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2023

Interim Results Presentation

For the 26 weeks
ended 1 January 2023

SHOPRITE 
HOLDINGS LTD



01

Interim Operational Review

Pieter Engelbrecht

02

Interim Financial Results

Anton de Bruyn

03

Strategy Update

Questions

Pieter Engelbrecht



◆

Interim Operational Review

Pieter Engelbrecht

Chief Executive Officer



Sales surpassed R100bn for the 6 months

+R15.3bn
Additional sales



R106.3bn

Sales

+16.8%

+11.3% Like-for-like*



R24.9bn

Gross profit

+13.7%



+10.2%

DHEPS

248c

+6.4% Dividend

* Like-for-like growth represents pro forma financial information in terms of JSE Limited Listings Requirements

Customers continued to vote with their wallets

More customers



+12.9%

Customer visits

+4.0%

Basket size growth

Increased volumes



+4.9%

Volume growth

+166m

Additional products sold

Profitable market share gains



+R3.9bn

RSA H1 market share gain

46

Months of uninterrupted market share gains

(NielsenIQ December 2022)

Continuing operations

Busy six months for our 152k team members



Re-opened Checkers Hyper in Brookside Mall, KwaZulu-Natal post unrest



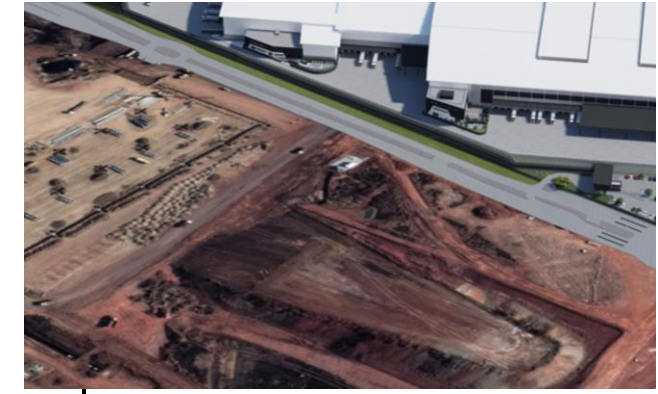
New store format trials continue, including Checkers Outdoor



Continued focus into future-fit digital talent at Shoprite^X



Largest Rewards programme with 26m Xtra Savings members retaining No. 1 Retail loyalty programme in RSA



Initiated next phase of supply chain transformation, including commencement of Riverfields DC in Gauteng

JULY 2022

Strengthened security around critical DC assets



2.7m FREE Money Market account holders including the new bank account



Ensured uninterrupted retail service as energy crisis saw 144/182 days of rolling blackouts

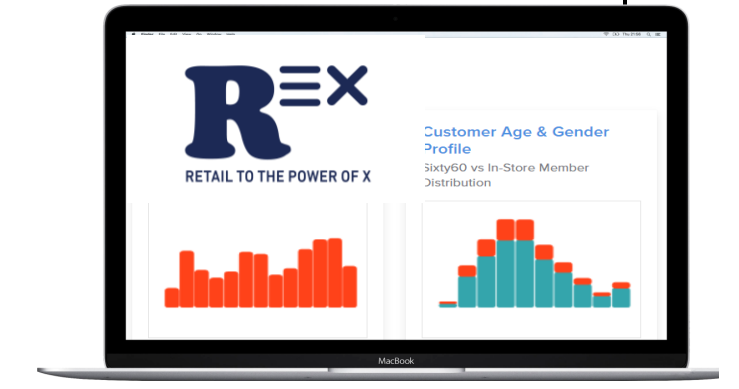


R203m distributed to employees in the first year through new Shoprite Employee Trust and equivalent awards



OCTOBER 2022

Launched our own customer insights platform (REX) for supplier partners



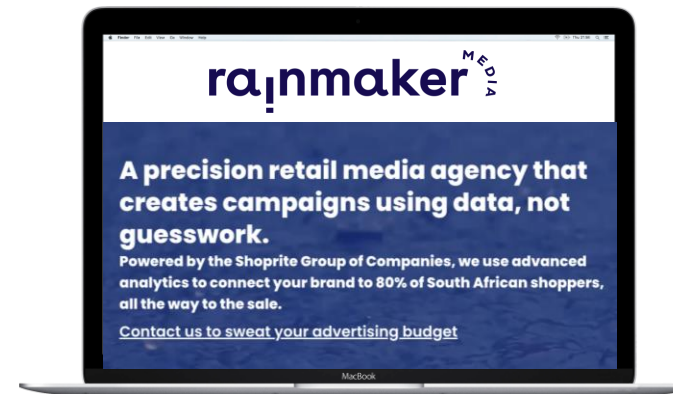
Busy six months for our 152k team members



Record Black Friday and festive season sales



The Group onboarded 3 881 new team members in H1



Our Rainmaker Retail Media Network completed its 8 000th media campaign for advertisers



Completed digital signage network roll out to 150 stores

NOVEMBER 2022

Non-RSA strategic evaluation largely complete following the closure of the DRC operations

Profitably accelerated our 60-minute grocery delivery service to an additional 94 locations around SA



Opened 187 total new stores in 182 days for the Group



DECEMBER 2022

Transformed 94 acquired stores from Massmart in 30 days during the festive holidays



H1 Customer savings scorecard



R7bn

in instant cash savings for Xtra Savings consumers

384m

Xtra Savings promotional offers redeemed by consumers

1

million

loaves subsidised every week



0% price inflation since 2017

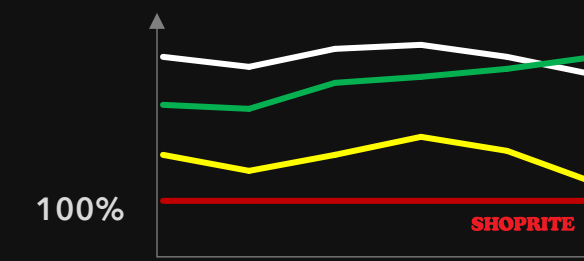
No. 1

Customer Choice for "Lower Prices" and "Good value for money"

(Internal research, sample size of 5 524, October 2022)

Shoprite is cheaper

Low price leader in weekly competitor price surveys



Source: Top 500 Key Value Items average price tracked monthly indexed vs. competitors in RSA through online and BMI store surveys

Supermarkets RSA sustained high growth on a strong base

1 Industry-leading growth

2 Invested for customers amid high inflation

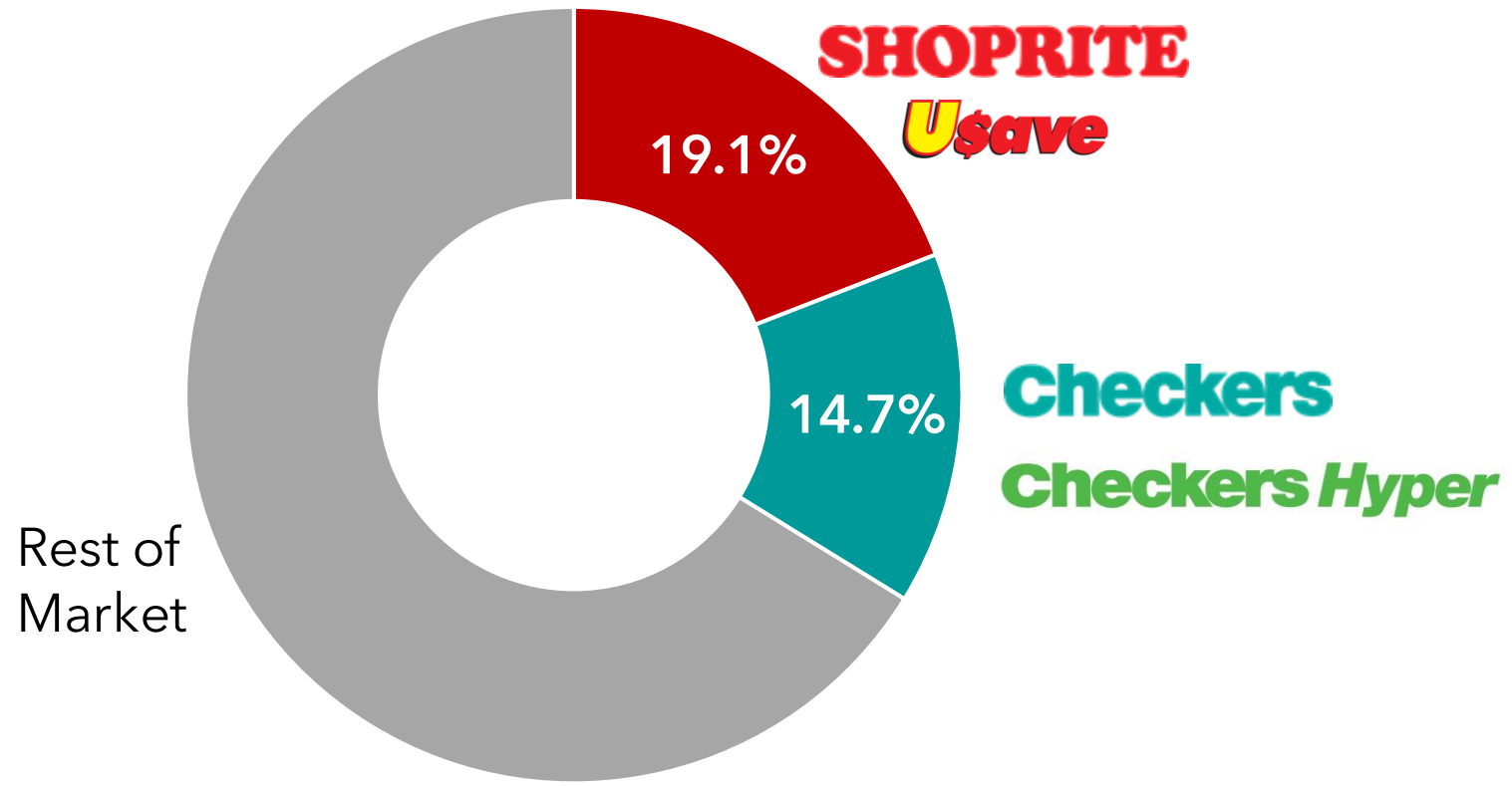
3 Headwinds from increased cost-to-serve

4 Balanced customer portfolio performing well

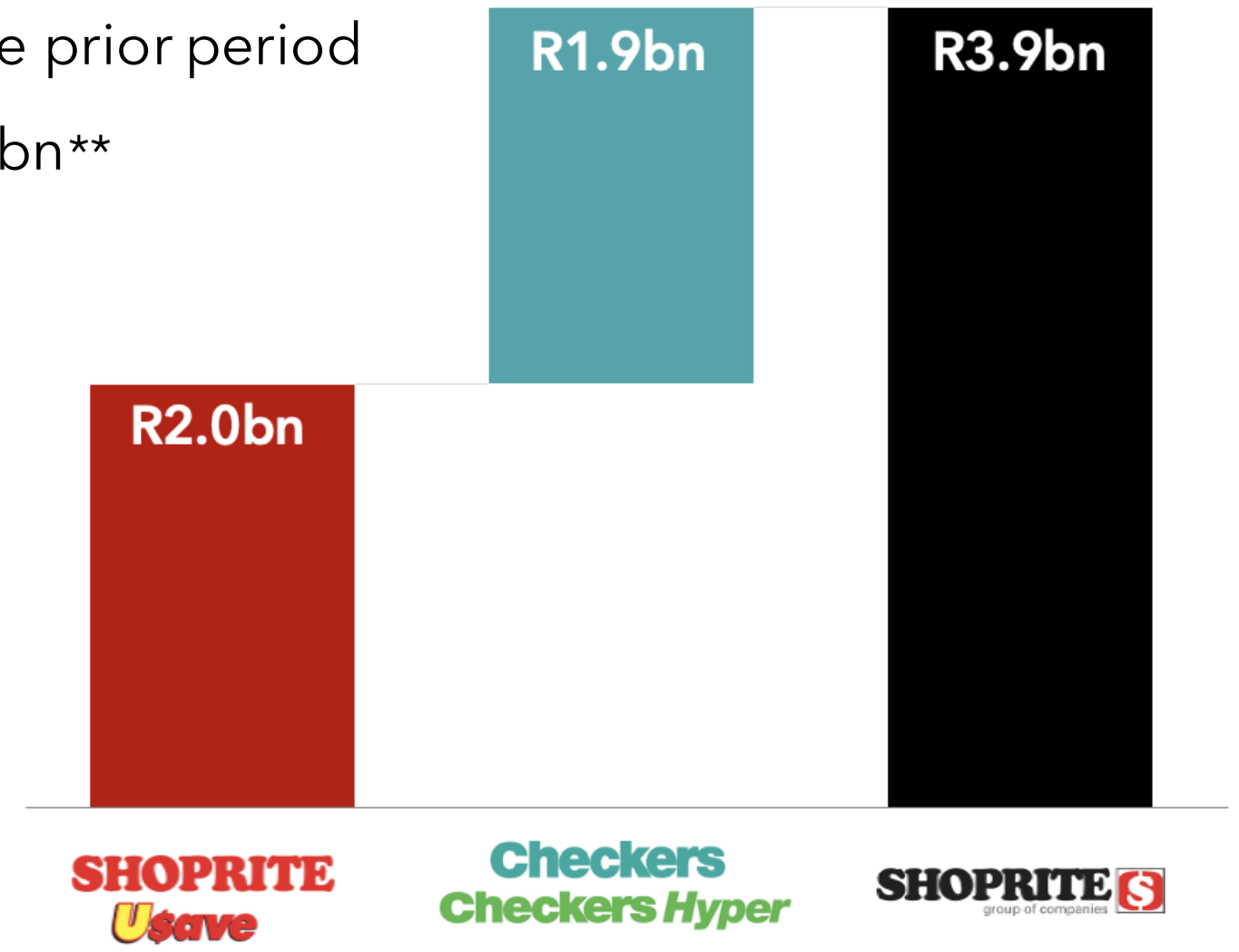
Industry-leading growth



- Unrivalled combination of value, fresh and online drove further share of wallet gains
- Supermarkets RSA sales growth of 17.5% (H1 2022: 11.3%) and 11.1% like-for-like growth*
 - LiquorShop sales +35.6% (H1 2022: 49.8%)
 - 86.8% online sales growth on top of a base of over 250% growth in the prior period
 - All banners gained market share totaling 1.4% and equating to +R3.9bn**



RSA market share % in H1 (incl. LiquorShop)



RSA market share gain achieved in H1 (incl. LiquorShop)

* Like-for-like growth represents pro forma financial information in terms of JSE Limited Listings Requirements

** Value of above-market growth

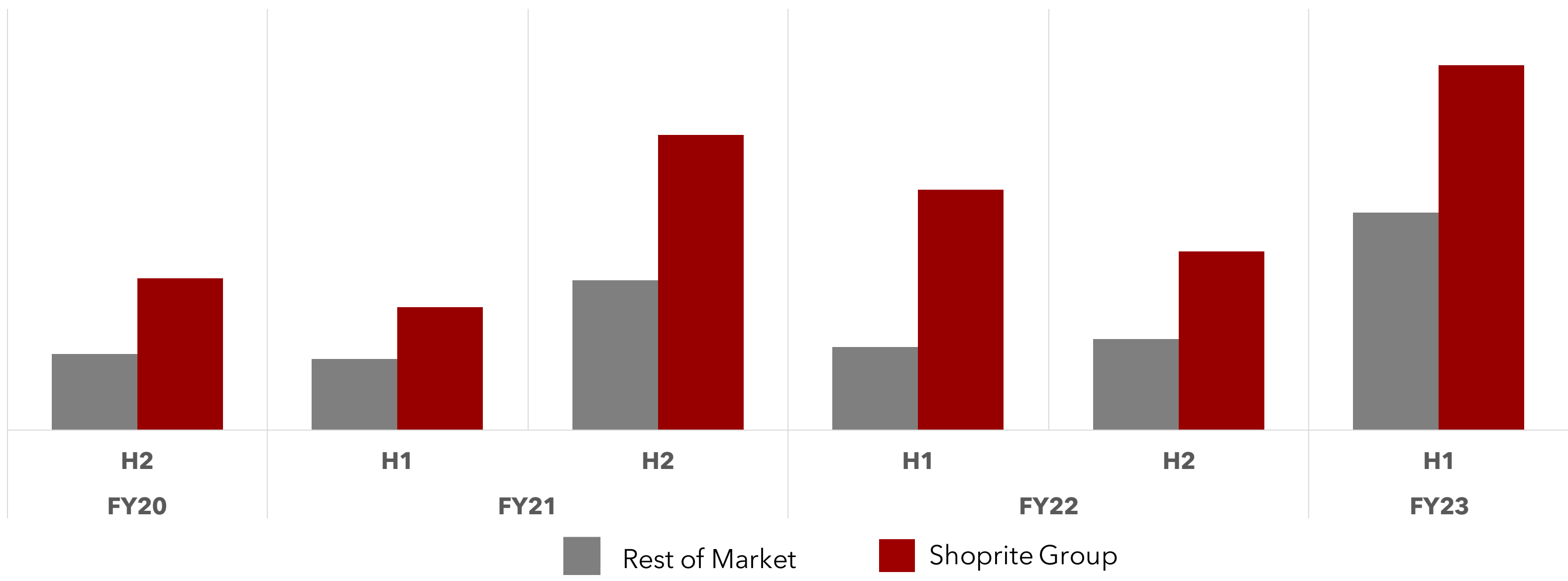
Source: NielsenIQ, 26 weeks, Dec 2022 incl. liquor. Rest of Market universe includes Pick n Pay, Boxer, Spar, Clicks, Woolworths, Dis-Chem, Fruit & Veg City, Game, PEP and Jetmart

Industry-leading growth



Another 6-month period of above-market growth, now 46 months of consecutive market share gains

Supermarkets RSA sales growth % by half vs. Rest of Market (incl. Liquor)



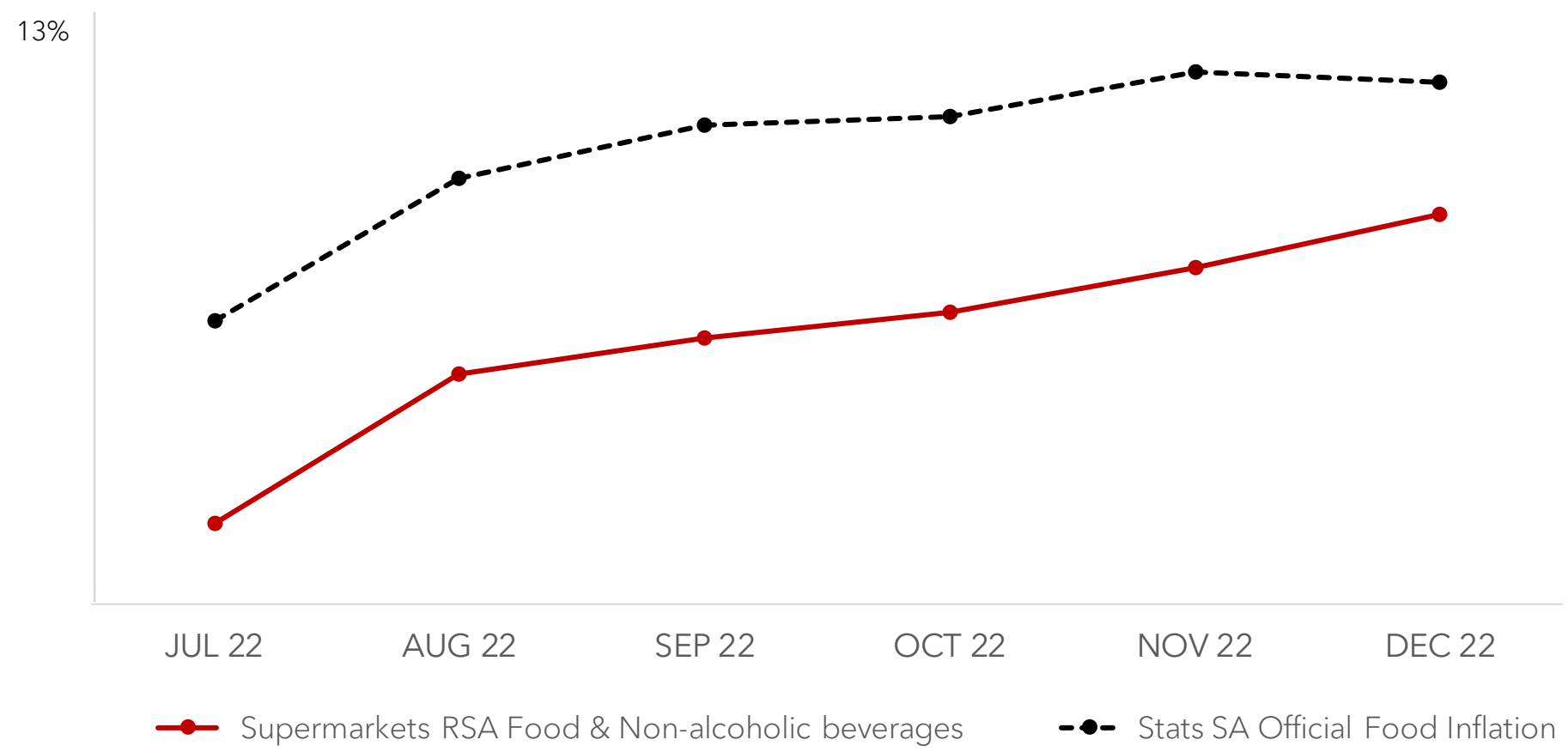
Source: NielsenIQ, 2019- 2022. Rest of Market universe includes Pick n Pay, Boxer, Spar, Clicks, Woolworths, Dis-Chem, Fruit & Veg City, Game, PEP and Jetmart

Invested for customers amid high inflation



- Invested in lower prices to shield our most price sensitive consumers
- Deal-seeking behaviour resulting in 3.3 percentage points higher promotional sales contribution
- Significant market share in essential foods which are experiencing accelerated inflation
- Internal selling price inflation of 9.4% remains below official food inflation of 11.6%

Supermarkets RSA Internal Inflation vs. Official Food Inflation



Headwinds from increased cost-to-serve

- Macro factors increasing the cost-to-serve our customers and impacting net margin
- Record diesel prices are increasing distribution costs
- Keeping doors open AND food fresh 24/7 during unprecedented rolling blackouts in RSA: 144/182 days in H1
 - R465m diesel cost increase, as well as other operating costs of generators for our stores, DCs and offices

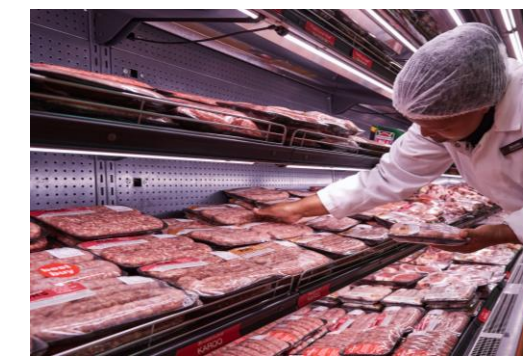
Impacting the entire food value chain and compounding the cost-of-living crisis for vulnerable consumers:



Crop irrigation and lower agricultural yields



Record diesel prices and increased usage for generators and transport



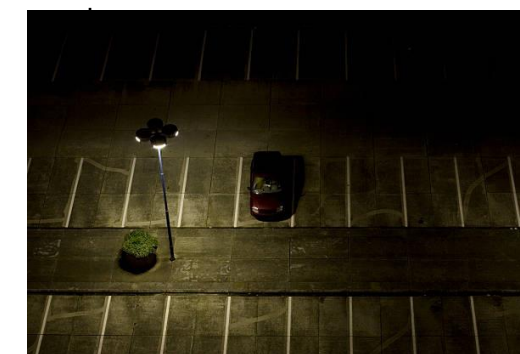
Increased food wastage



Continuity impacts on factory production levels



Generator repairs and maintenance



Knock-on security costs associated with rolling blackouts

Balanced customer portfolio performing well

R33.9bn
Sales value

16.9%
Sales growth

394
Sixty60 delivery locations

19.7%
Private label contribution (excl. Liquor)

9.6m
Xtra Savings members



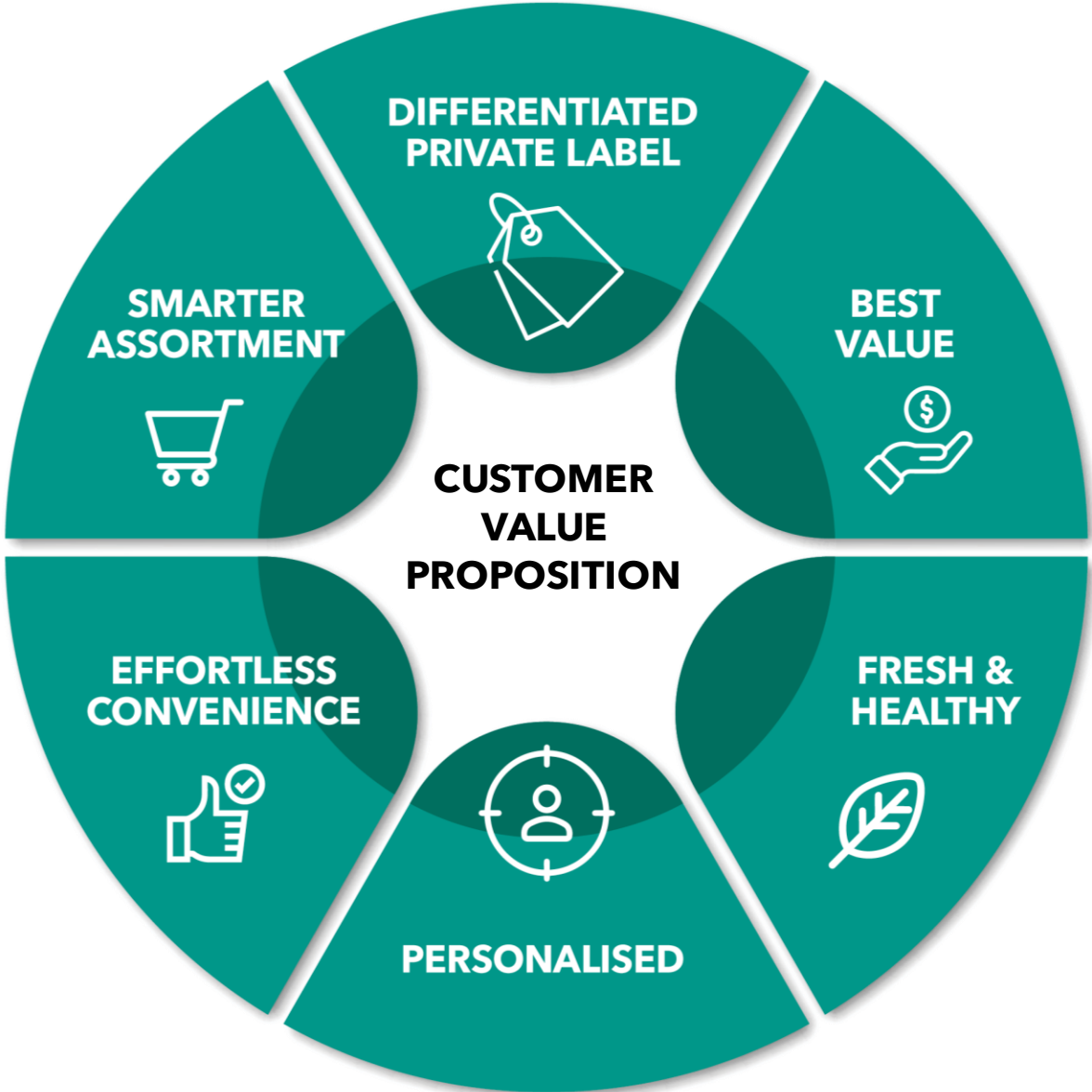
255 stores Best value in fresh and premium foods

Omnichannel market leader in value on fresh, groceries and premium food for upmarket customers
Average product range: 22 000



38 stores Amplified value on wider ranges

Checkers format with wider ranges in bulk groceries, general merchandise and key categories like Pet, Baby and Electronics
Average product range: 30 000



Balanced customer portfolio performing well

R43.8bn

Sales value

15.1%

Sales growth

21.4%

 Private label contribution
 (excl. Liquor)

16.4m

Xtra Savings members


550 stores
Africa's low price grocery leader

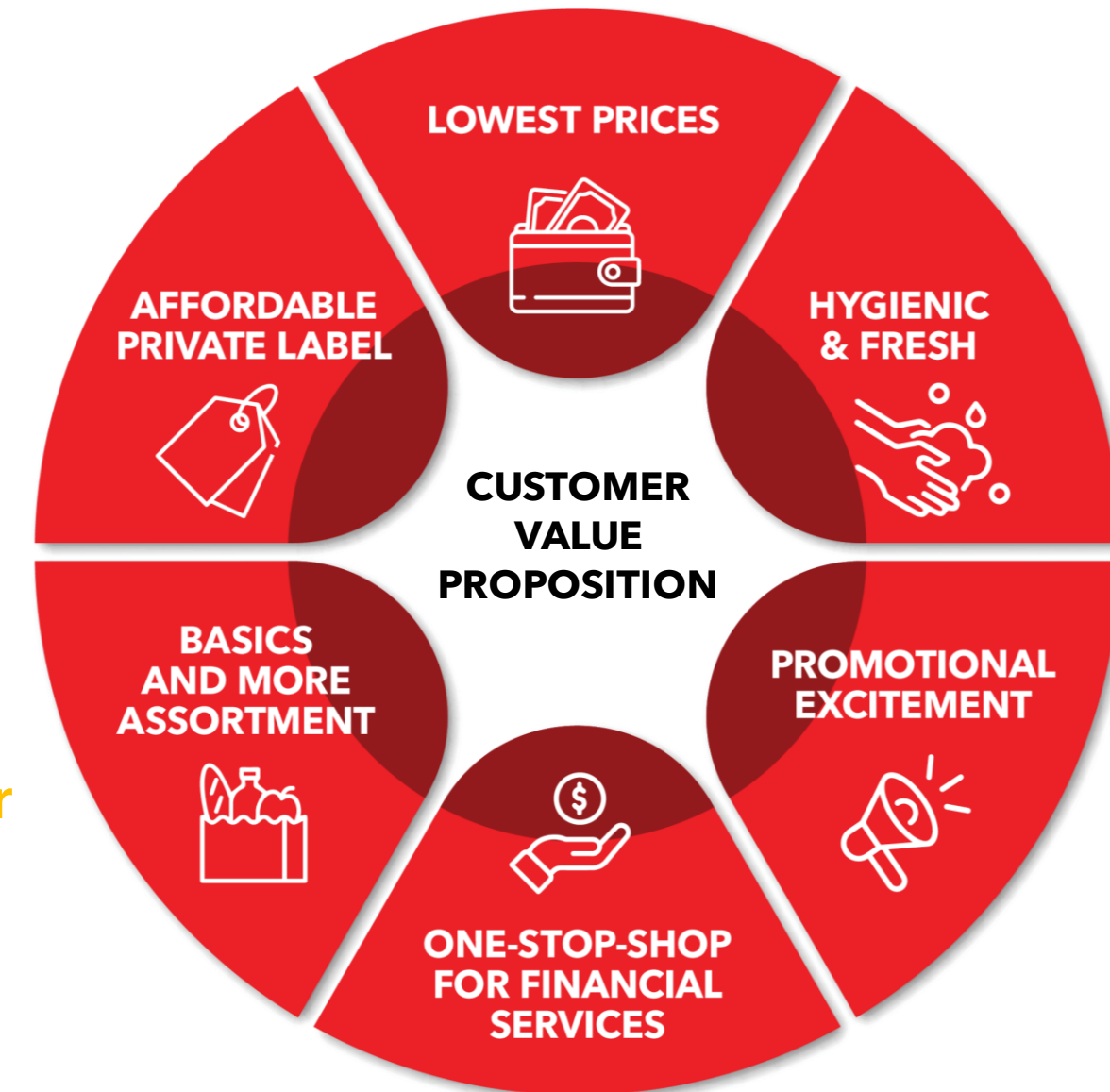
Lowest prices on trusted grocery brands, without compromising on customer service and product quality for price-conscious customers

Average product range: 18 000


429 stores
Limited assortment foods hard discounter

Proximity-to-home advantage offering a limited assortment of the most popular grocery items at unrivalled affordability for the most price-sensitive customers

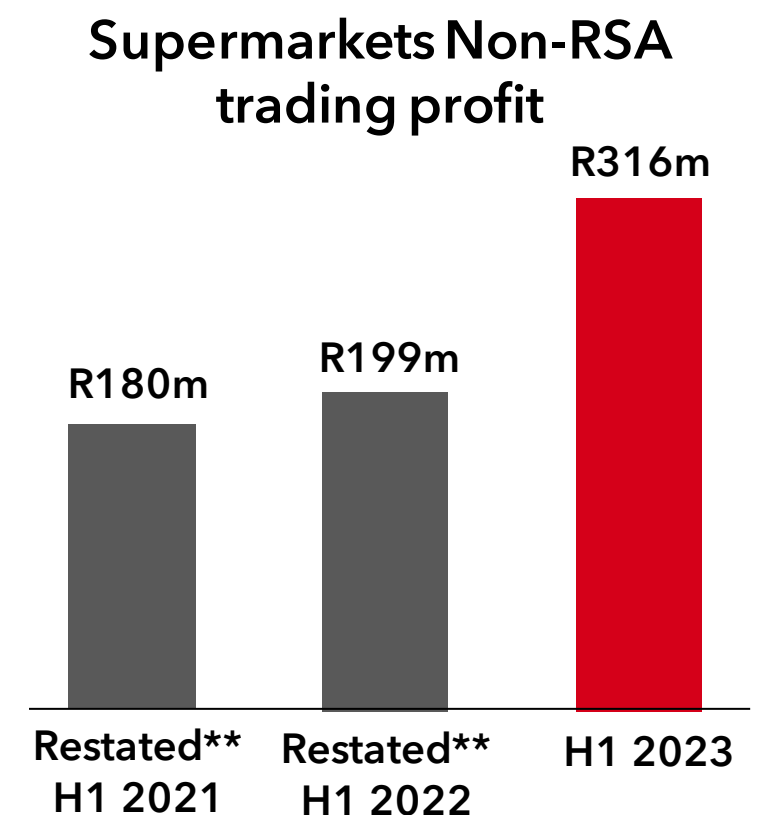
Average product range: 1 500



Supermarkets Non-RSA improved performance



- Supermarkets Non-RSA (continuing operations) rand sales increased by 17.5%
- Supermarkets Non-RSA (continuing operations) sales in constant currency increased by 6.9%*:
 - Zambia and Mozambique showed positive growth
 - Angola sales declined vs. comparative period
- **Narrowed scope in terms of regions has reduced operational complexity**
 - DRC classified as discontinued operation
 - 9 country operation
 - On track for our medium-term trading profit target



* Constant currency sales growth represents pro forma financial information in terms of JSE Limited Listings Requirements

** Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations

Interim Financial Results

Anton de Bruyn
Chief Financial Officer



Financial highlights

Sales
R106.3bn
+16.8%
+11.3% Like-for-like

Total income
+15.6%
+14.6%
excl. loss of profit insurance claim

Total expenses
+17.8%
+14.0%
excl. Shoprite Employee Trust,
additional diesel and
additional insurance

Trading profit
R6.0bn
+8.6%

EBITDA
R9.3bn
+17.9%

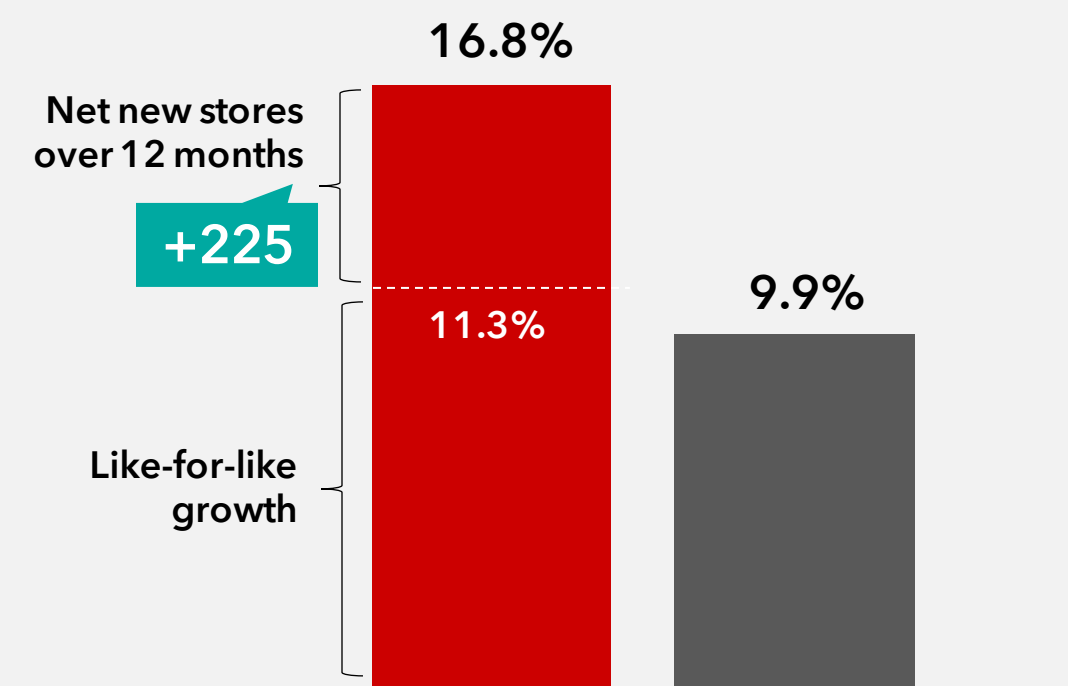
EPS
+20.9%
+10.2%
DHEPS

ROIC excl. IFRS 16
16.2%
12.6%
ROIC

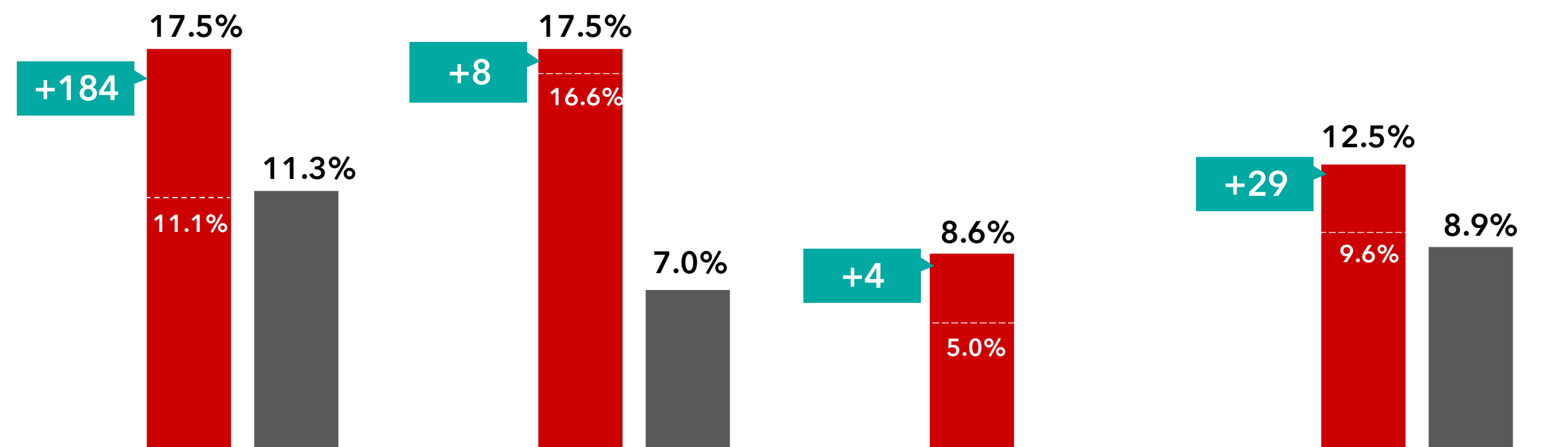
Interim dividend
per share
+6.4%
26.4%
ROE

Sales highlights

- H1 2023
- H1 2022 restated*
- Net new stores continuing operations



Group Continuing operations



Supermarkets RSA

Supermarkets Non-RSA

Furniture

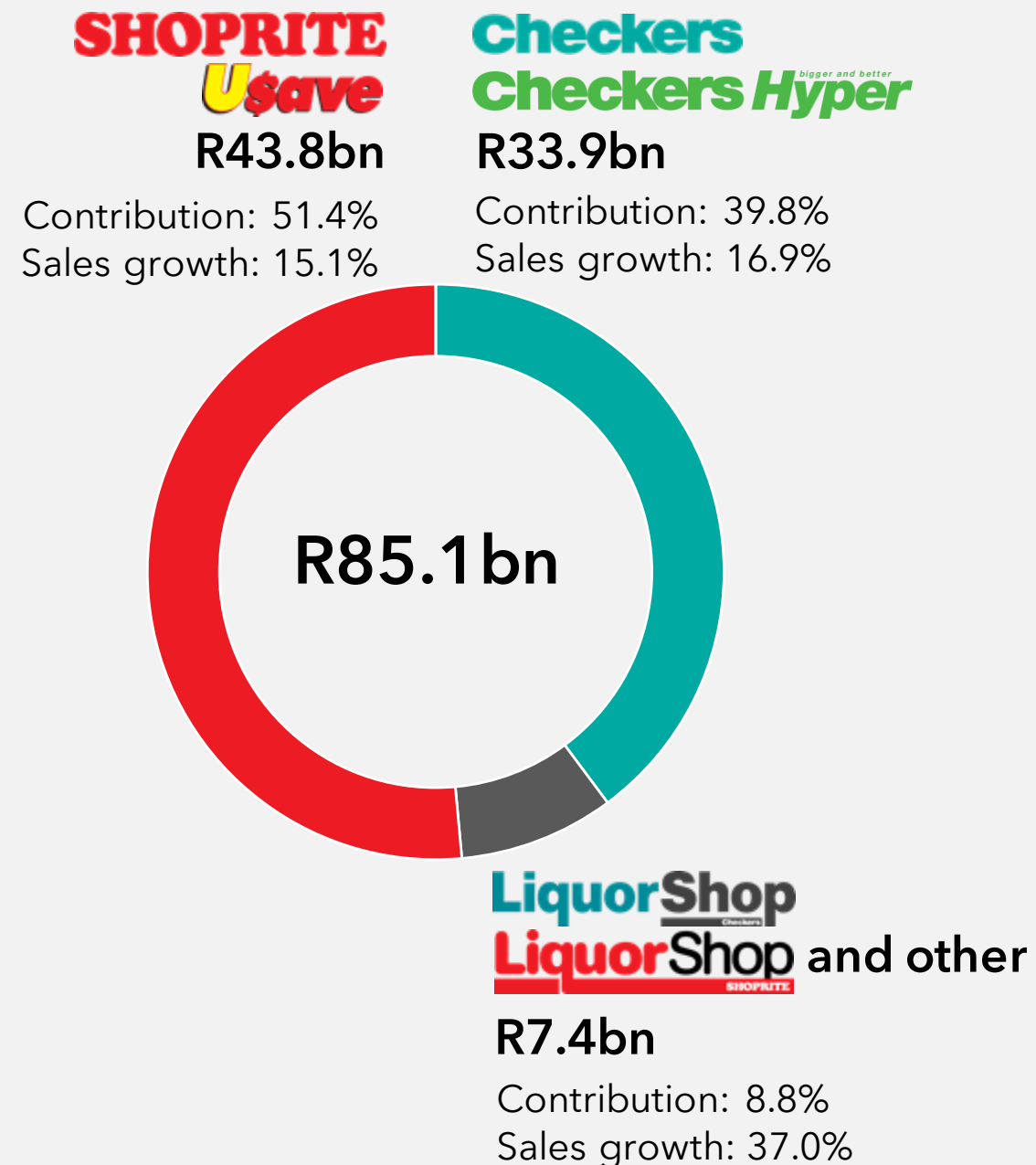
Other

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations

Supermarkets RSA sales growth unpacked

Supermarkets RSA

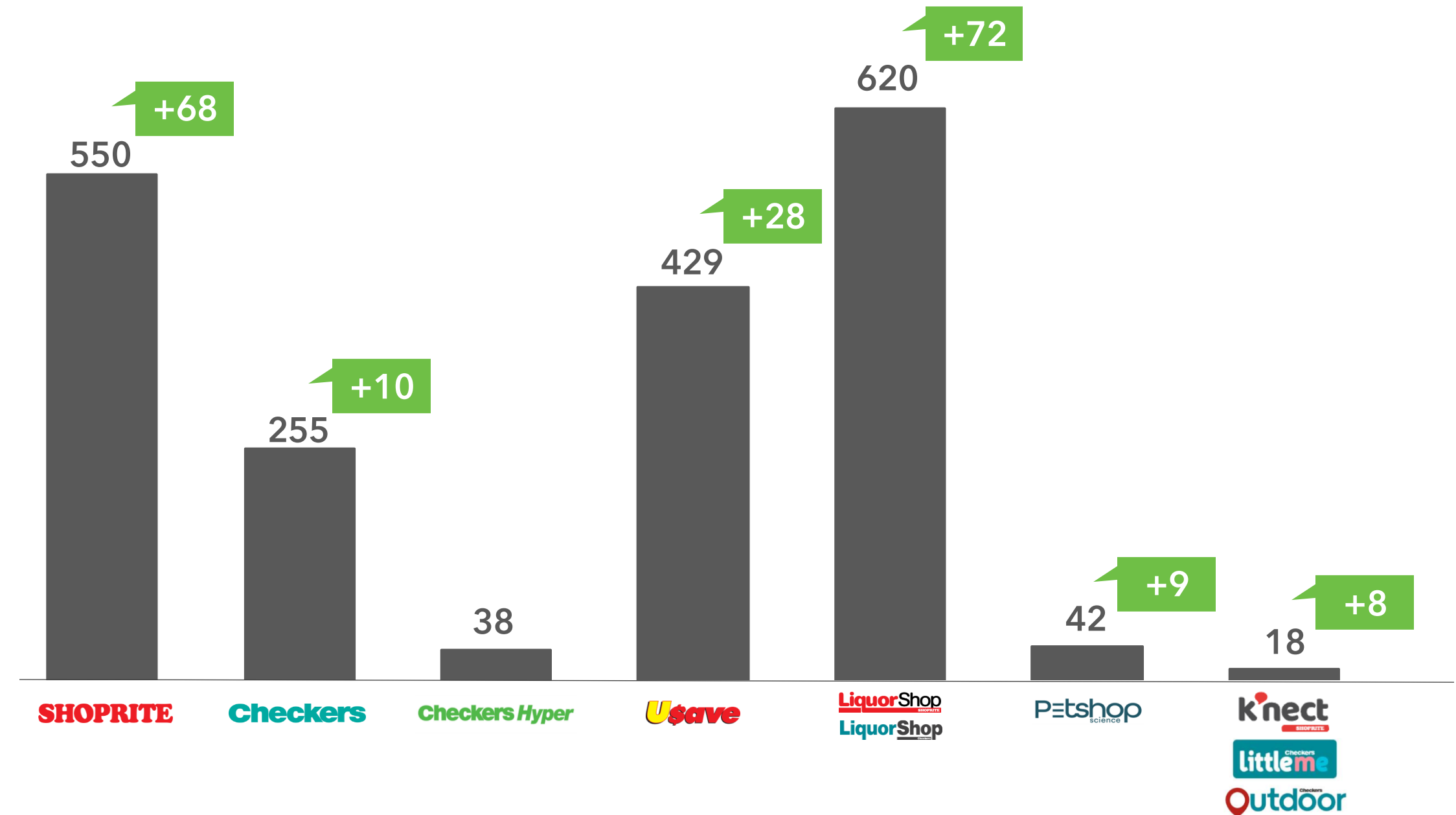
Brand contribution and sales growth



Supermarkets RSA

Store numbers

Space* growth (m²) over last 12 months: 5.0%
(excl. re-openings related to social unrest)



- Store numbers (H1): Supermarkets RSA 1 952 stores
- Planned store openings (H2): Supermarkets RSA 195 stores

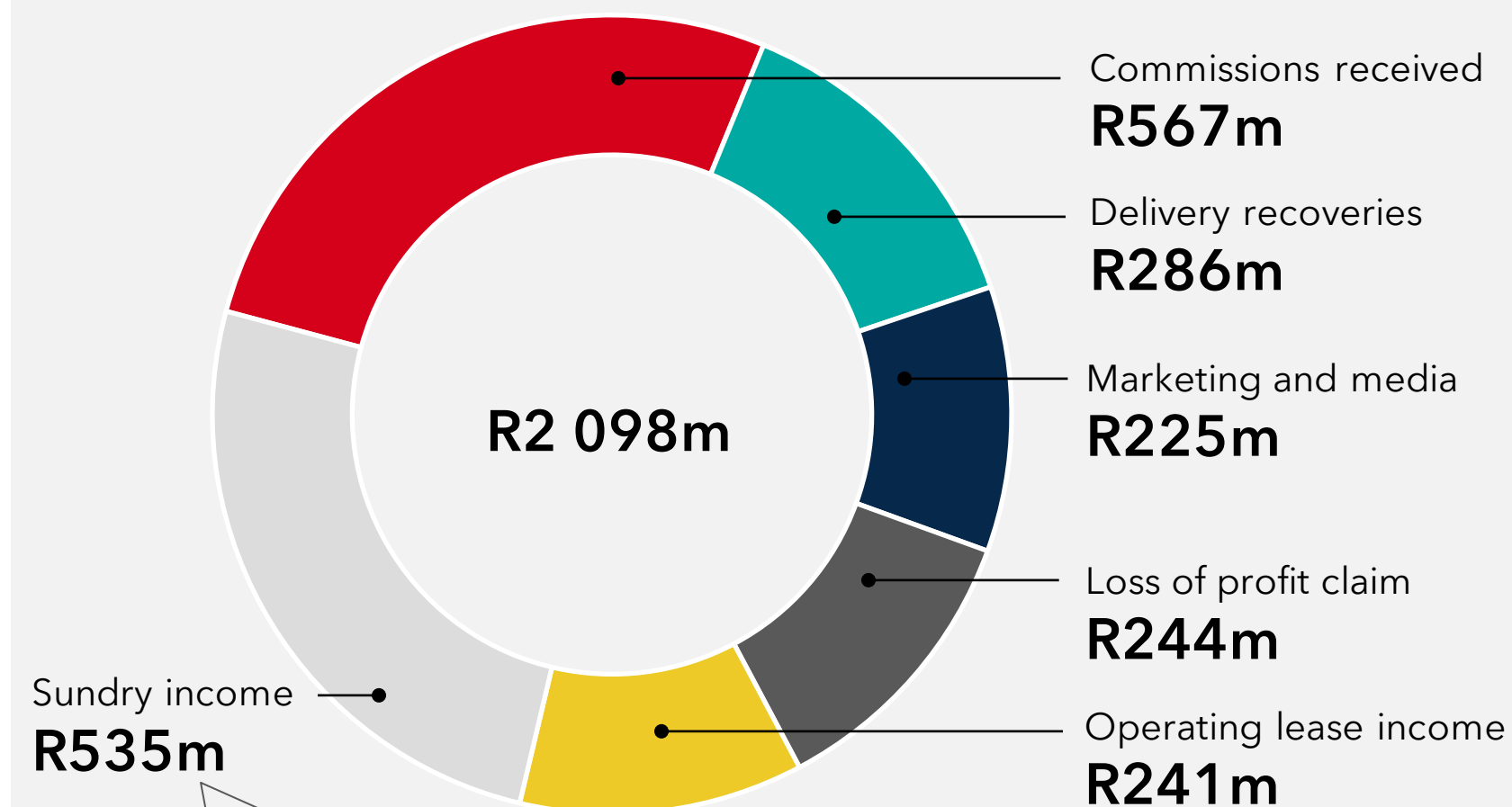
* Space growth represents growth in lettable area (GLA)

Trading profit: total income unpacked

	Change %	26 weeks 1 Jan '23 Rm	Margin 26 weeks 1 Jan '23 %
Continuing operations			
Gross profit	13.7	24 933	23.5
Other operating income	43.8	2 098	2.0
Interest revenue	16.3	314	0.3
Share of profit of equity accounted investments	30.6	128	0.1
Total income included in trading profit	15.6	27 473	25.9
Additional insurance claim relating to loss of profits		(232)	(0.3)
Total income included in trading profit excluding above	14.6	27 241	25.6

NOTES:
INSURANCE CLAIM RELATING TO LOSS OF PROFITS:
R232m additional loss of profits claim recognised during the period. This is over and above the comparative period loss of profit claim of R12m.

Other operating income analysis



Sundry income includes income from franchise fees received, dividends received from unlisted share investments and premiums and other insurance income earned

Trading profit: total expenses unpacked

	Change %	26 weeks 1 Jan '23 Rm	Exclusions	Change %	26 weeks 1 Jan '23 Expenses net of exclusions Rm
Continuing operations					
Depreciation and amortisation	14.9	2 968	-	14.9	2 968
Employee benefits	15.1	8 280	(121)	10.4%	8 159
Electricity and water	30.3	2 316	(465)	4.2	1 851
Other operating expenses	18.4	7 895	(90)	17.1	7 805
Total expenses included in trading profit	17.8	21 459	(676)	14.0	20 783

Excluding R193m Employee Tax Incentive benefit included in the comparative period

NOTES:

EMPLOYEE BENEFITS:

R121m Shoprite Employee Trust distributions to eligible employees in RSA and equivalent awards granted to qualifying employees outside RSA.

ELECTRICITY AND WATER:

R560m spent on diesel to operate generators over the period representing an increase of R465m versus the comparative period.

OTHER OPERATING EXPENSES:

R90m additional insurance cost as a result of the Group's decision to take additional insurance cover above that offered by Sasria.

Trading profit by segment



	Change %	26 weeks 1 Jan '23 Rm	Restated* 26 weeks 2 Jan '22 Rm	Trading margin 1 Jan '23 %
Continuing operations				
Supermarkets RSA	7.7	5 370	4 985	6.3
Supermarkets Non-RSA	58.8	316	199	3.2
Furniture	(34.2)	127	193	3.2
Other operating segments	26.1	227	180	3.1
Total continuing operating segments	8.7	6 040	5 557	5.7
Hyperinflation effect		(26)	(17)	
Consolidated continuing operations	8.6	6 014	5 540	5.7

6.1%
Trading margin after
exclusions**

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations and the reclassification of share of profit of equity accounted investments to trading profit which previously was included in profit before income tax.

** Exclusions: Additional insurance claim relating to loss of profits, Shoprite Employee Trust distributions and equivalent awards in countries outside South Africa, additional diesel used in generators due to load-shedding, and additional insurance cost due to increased cover.

Net finance costs



	Change %	26 weeks 1 Jan '23 Rm	Restated* 26 weeks 2 Jan '22 Rm
Continuing operations			
Interest received from bank account balances	98.2	222	112
Finance cost: borrowings	64.6	(260)	(158)
Finance cost: lease liabilities	13.6	(1 432)	(1 261)
Net finance costs	12.5	(1 470)	(1 307)

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations

Balance sheet analysis

Net cash

R8.7bn

+59.1%

Borrowings

R6.4bn

R5.3bn
H1 2022

Change in right-of-use assets

+R2.0bn

Change in lease liabilities
+R2.2bn

Net changes in working capital

+R2.3bn

(R1.6bn)
H1 2022

USD borrowings

US\$35m

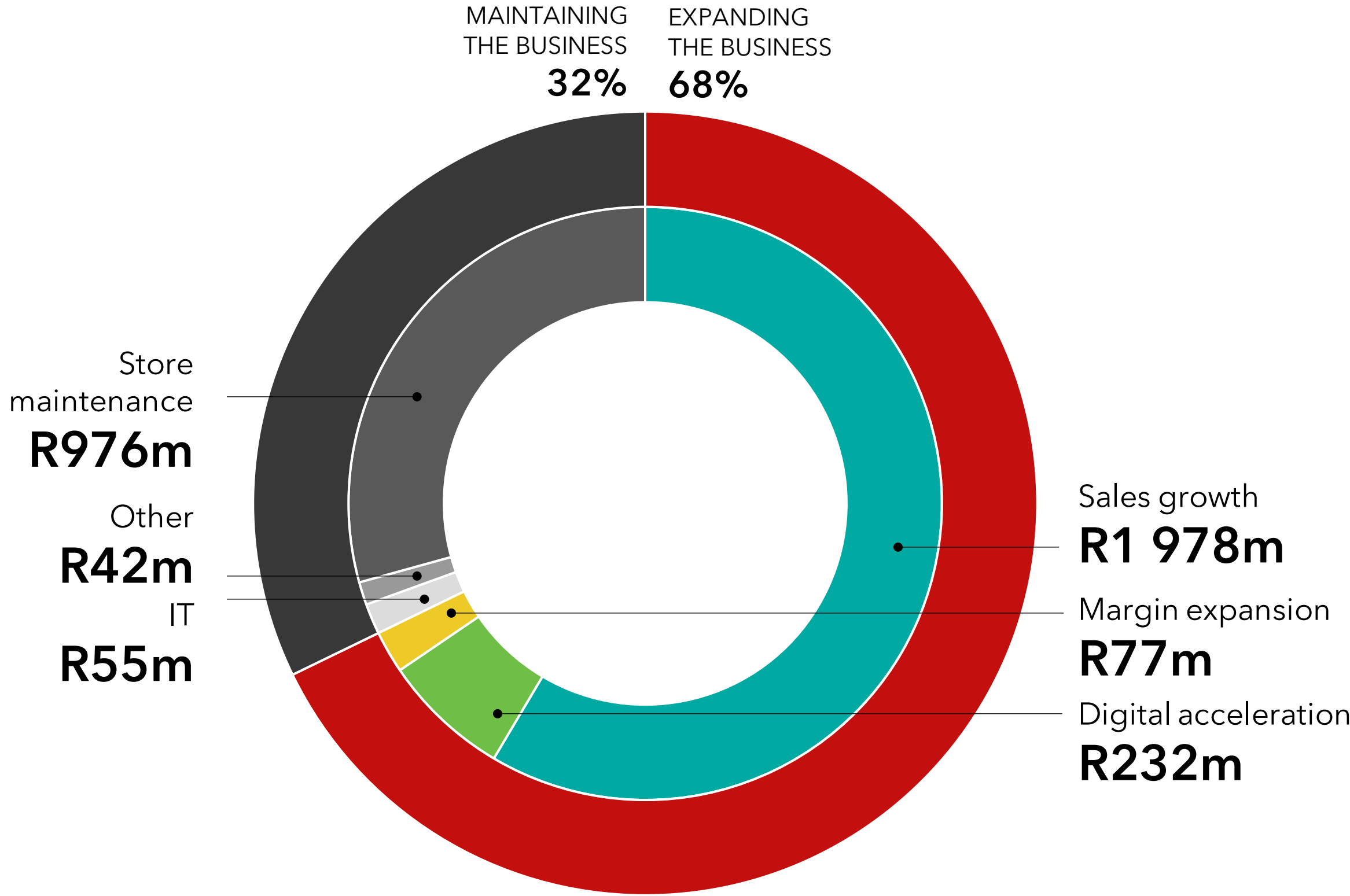
(40.4%)

Borrowings to equity ratio

24.5%

25% - 30%
Target

Capital spend



CAPITAL SPEND
H1 2023: R3 360m
 H1 2022: R2 677m

+25.5%

2023 GUIDANCE: R6.3bn

CAPITAL SPEND AS % OF SALES
H1 2023: 3.2%
 H1 2022: 2.9%

CAPITAL SPEND AS % OF SALES
 Excluding capital spend on
 Massmart and social unrest
H1 2023: 3.0%

Working capital management



cred Enables suppliers to obtain crucial working capital funding at the lowest industry rates. R476m funding outstanding.



FAST PAYOUT

Approval and payment within 24 hours



LOWEST RATES

Leverage Shoprite Group's strong balance sheet



NO PAPERWORK

Frictionless journey - no onboarding requirements



UNLOCK FINANCE

Suppliers with no access to traditional funding may qualify

Total operations cash inflows/(outflows)

Inventories

Trade and other receivables

Trade and other payables

Contract liabilities

Changes in working capital

26 weeks

1 Jan '23

Rm

(3 591)

(1 231)

7 310

(149)

2 339



Inventories

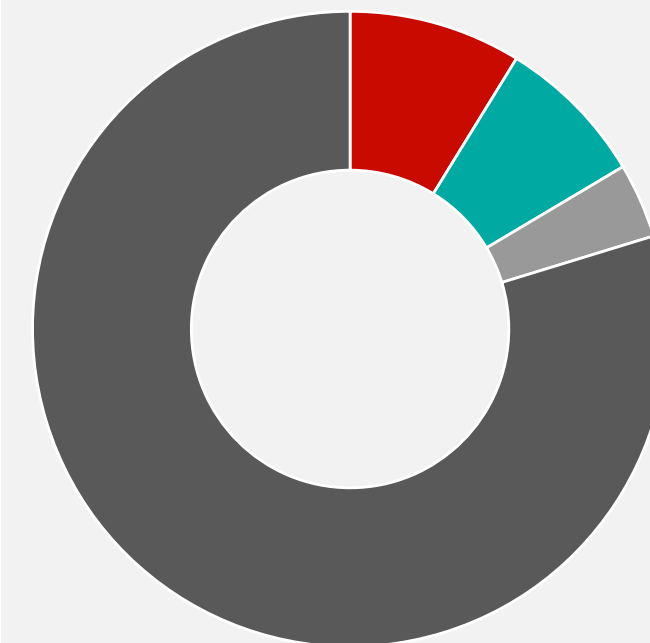
Inventories as % of sales (52 weeks) from continuing operations	H1 2023 %	H1 2022 %
Supermarkets RSA	12.6	11.9
Supermarkets Non-RSA	12.1	14.9
Furniture	27.7	29.9
Other operating segments	7.0	6.5
Total continuing operations	12.7	12.5

Excluding the impact of stock held in the distribution centres:
 Total continuing operations 9.2% (H1 2022: 9.8%)
 Supermarkets RSA 8.8% (H1 2022: 9.0%)

- Inflationary pressure led to strategic buy-in of various commodity driven food categories
- Increase in supply chain network capacity to manage additional safety stock levels
- Increased general merchandise stock in response to global supply chain constraints

INVENTORIES
H1 2023: R25.4bn
 H1 2022: R21.5bn

+17.8%



- SUPERMARKETS RSA
R20.2bn
(H1 2022: R16.5bn)
- SUPERMARKETS NON-RSA
R2.2bn
(H1 2022: R2.3bn)
- FURNITURE
R2.0bn
(H1 2022: R1.9bn)
- OTHER OPERATING SEGMENTS
R1.0bn
(H1 2022: R0.8bn)

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations

Free cashflow

Rbn

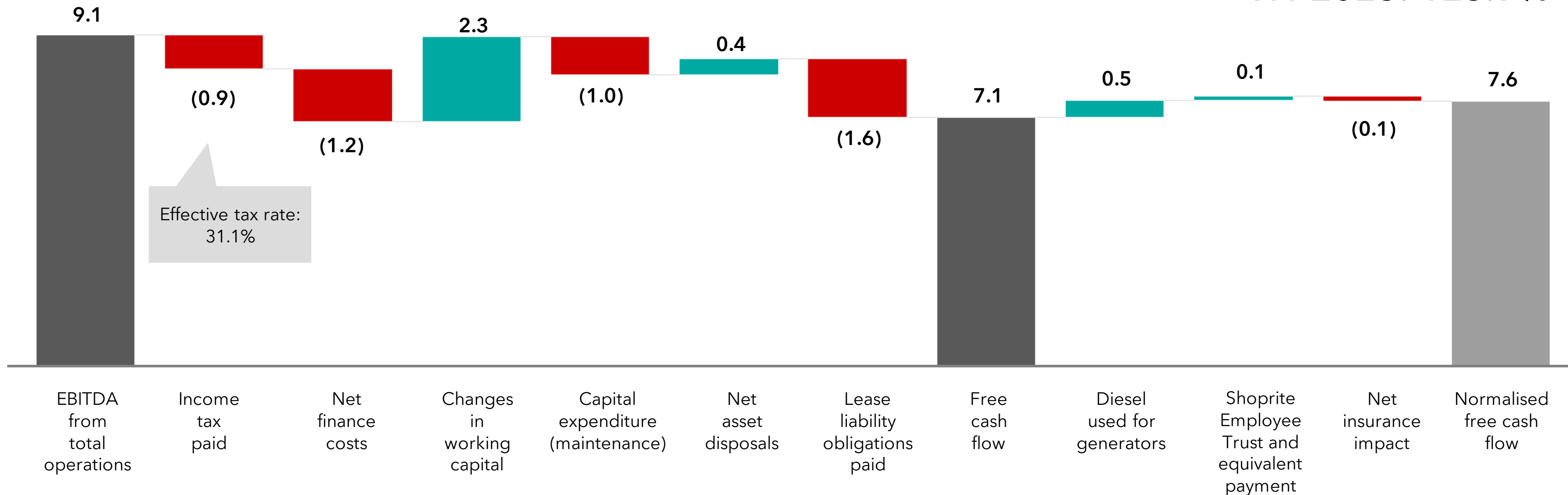
FREE CASH FLOW CONVERSION RATIO

H1 2023: 78.1%

NORMALISED H1 2023: 83.0%

OPERATING CASH CONVERSION RATIO

H1 2023: 123.9%



DEFINITIONS

Free cash flow: cash generated after accounting for cash outflows to support operations and maintain capital assets

Free cash flow conversion ratio: free cash flow as a percentage of EBITDA

Operating cash conversion ratio: cash generated from operations as a percentage of EBITDA

Operating activities

- Diesel expense to operate generators expected to remain notably elevated given load-shedding outlook
- Increased maintenance costs as a result of the power outages - especially our refrigeration equipment
- Additional cost of insurance cover above that offered by Sasria
- Shoprite Employee Trust distributions to eligible employees in South Africa and equivalent awards granted by subsidiaries in countries outside of South Africa costs are in the base (ex Massmart employees to be included in H2)

Tax

- 30% - 31% effective tax rate

Capital allocation

- Allocation model aligned to driving the Shoprite strategy and deliver improved shareholder returns
- Continue to assess adjacent M&A opportunities in RSA market
- Full year dividend policy: 1.75 times DHEPS cover from continuing operations

New stores

- 238 new stores planned for H2 which includes 94 stores relating to Massmart
- Different format stores are growing at a fast pace and opening of clothing stores in April 2023

Inventory

- 12.0% - 12.5% of sales
- Excludes investment inventory arising from acquisitions

Capex

- FY23 R6.3bn - target of maximum 3% of revenue
- Excludes investment capital for acquisitions - refurb to be done on Massmart stores
- The business's investment in generators has been made. There will be some inevitable replacements but not expected to come at the expense of our future projects



Strategy Update

Pieter Engelbrecht
Chief Executive Officer



Uplifting lives every day by pioneering access to the most affordable goods and services

STRATEGIC PRIORITIES

1 A TRULY CUSTOMER-FIRST CULTURE

4 TRUSTED, PROFITABLE PRIVATE LABELS

7 UNLOCK ALTERNATIVE INCOME

2 DEVELOP FUTURE-FIT CHANNELS

5 GROW SHARE IN PREMIUM AND FRESH FOOD

8 FUTURE-FIT TALENT

3 ENABLE PRECISION RETAILING

6 A STRONGER FRANCHISE OFFER

9 LEVERAGE PLATFORM ADVANTAGE

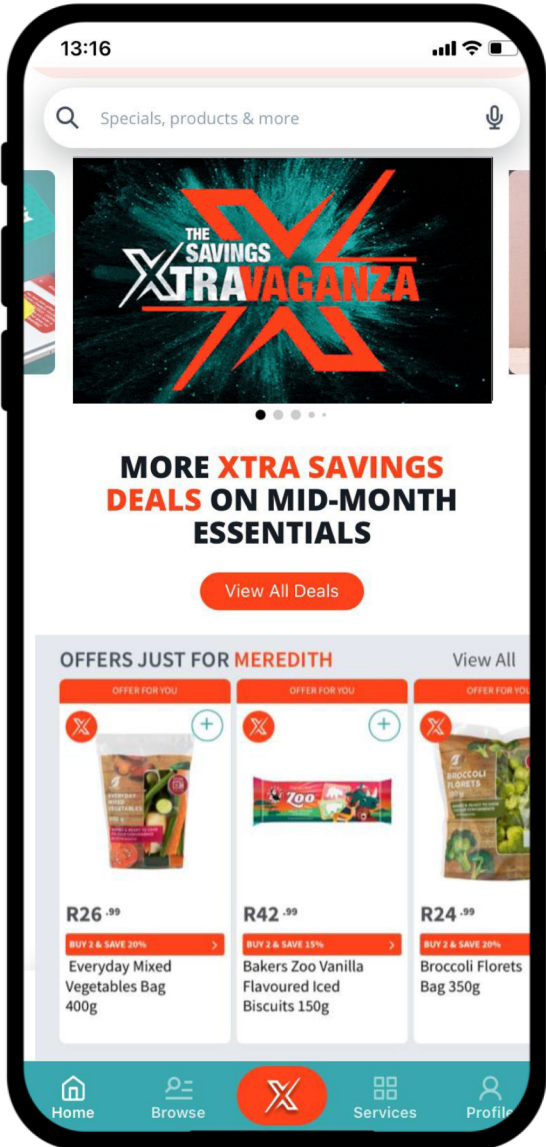
Data powering a customer-first culture

Deepening digital relationships and helping customers save

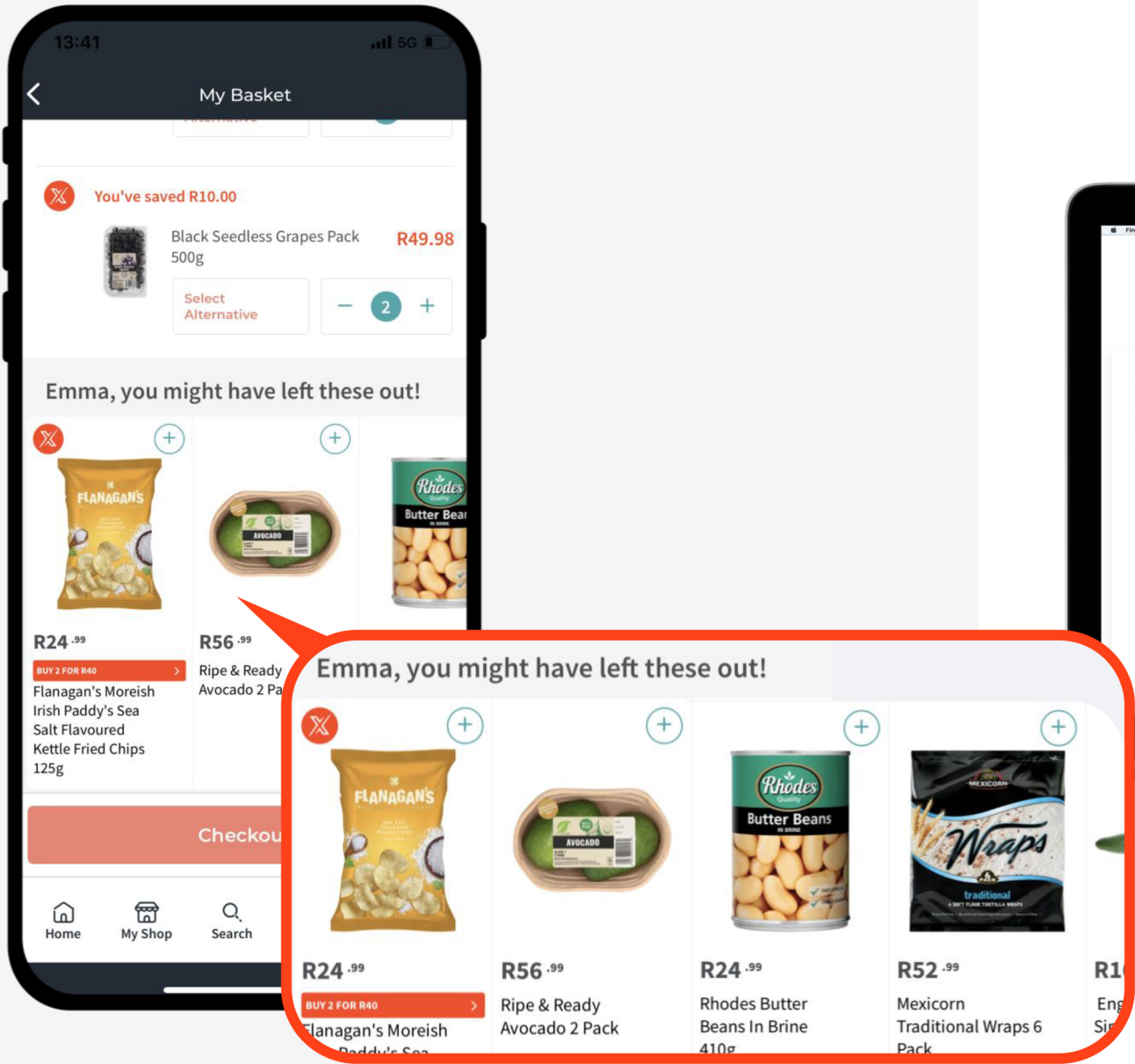


SA's No. 1
Retail Loyalty Programme
2021 - 2022
SA's Truth Loyalty Awards

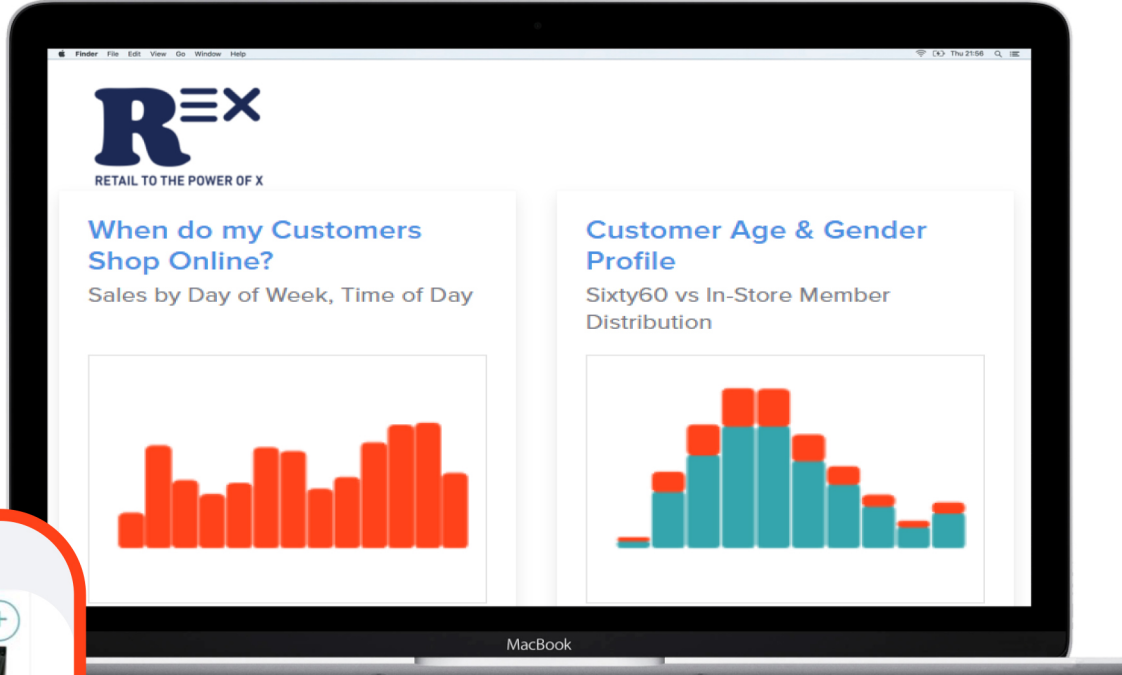
1 Personalised Value



2 Personalised Recommendations



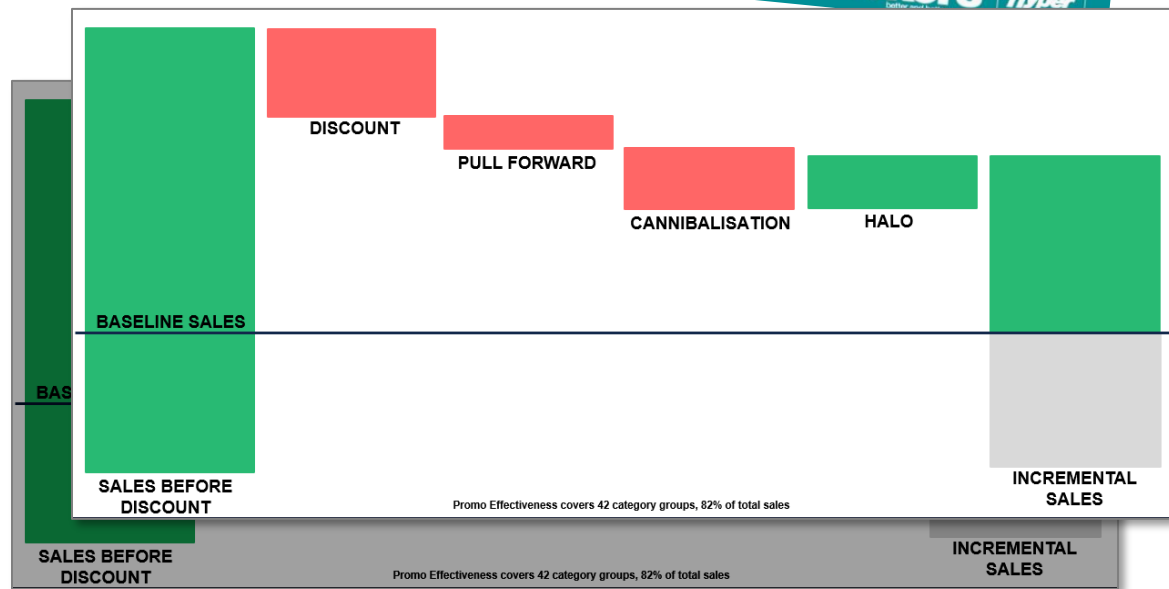
3 Powering New Customer Insights Platform



Advanced analytics is powering operational efficiencies

1 Smarter Promotions

Win-Win-Win promotions



2 Smarter Forecasting and Replenishment

Better availability, lower waste and improved customer service



3 Smarter Logistics

Fuel consumption optimisation through AI-powered driver and vehicle anomaly detection

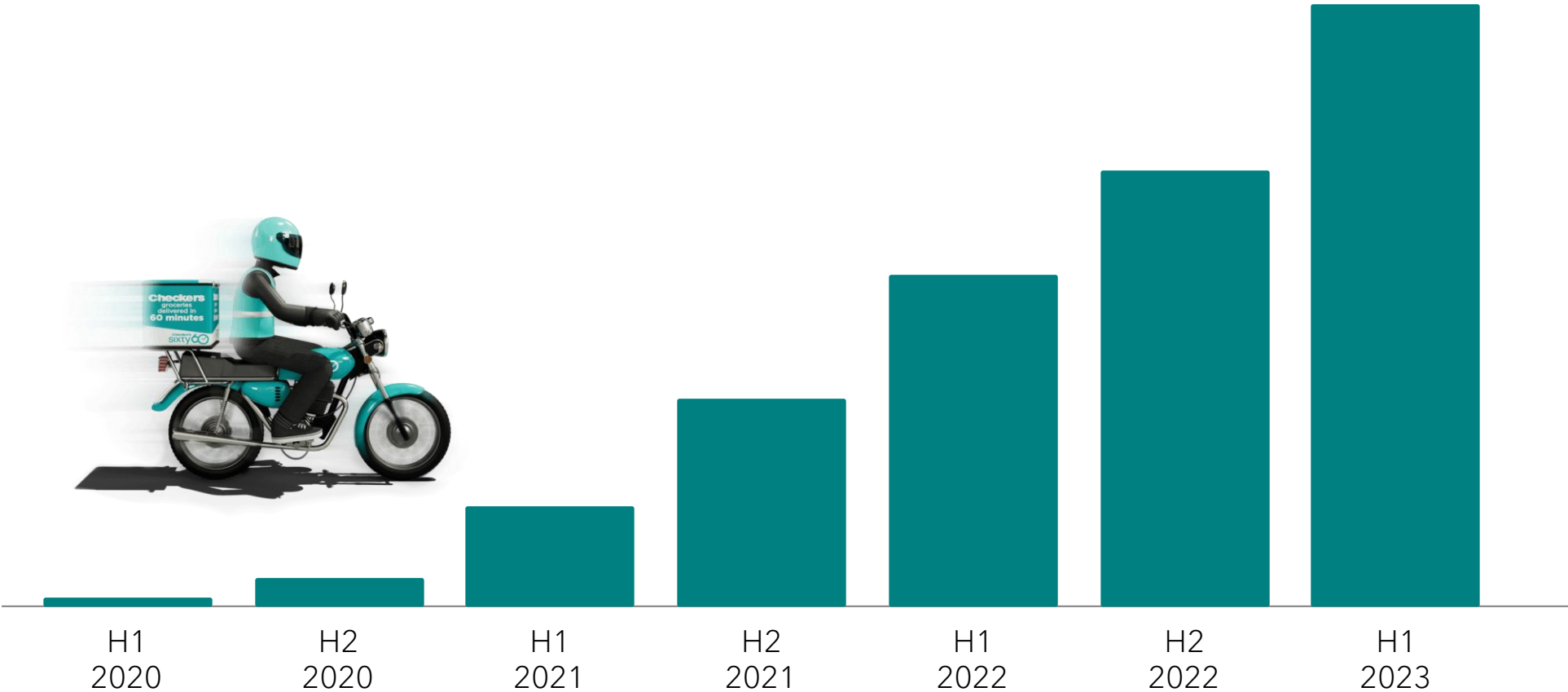


Embracing digital

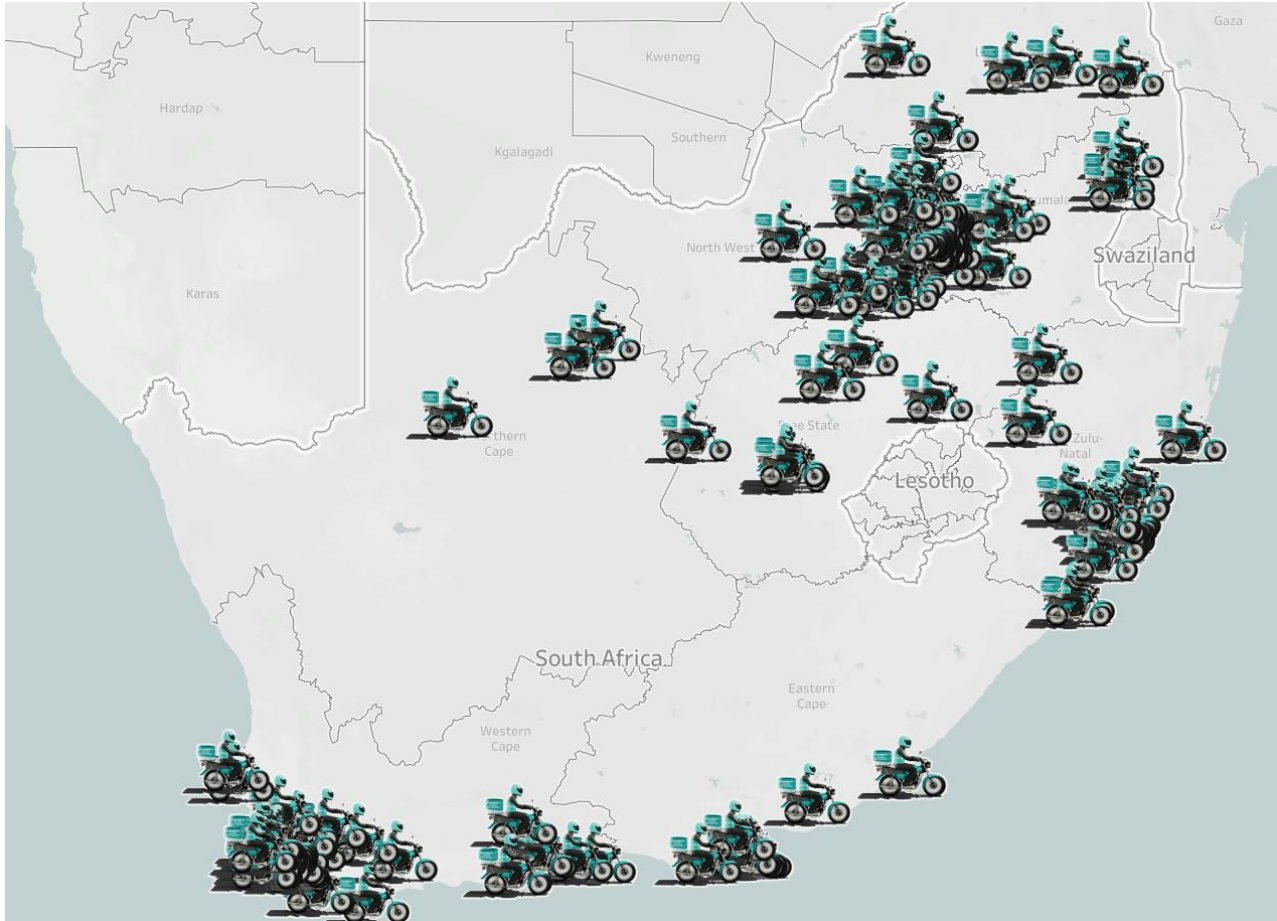
1-hour delivery service continues strong momentum

- ✓ Sixty60 sales growth continues with 86.8% increase in H1 on top of growth of more than 250% in the prior year
- ✓ SA's No. 1 grocery app with 3.1m downloads and enabling 'anywhere commerce' (customers from 12 countries)
- ✓ Supporting job creation totalling 7 942 new opportunities since launch
- ✓ Omnichannel customers shop more frequently with integrated rewards programme

Sales by half 2020-2023



1-hour delivery coverage now in 394 locations nationally (Checkers Supermarkets and Liquor)



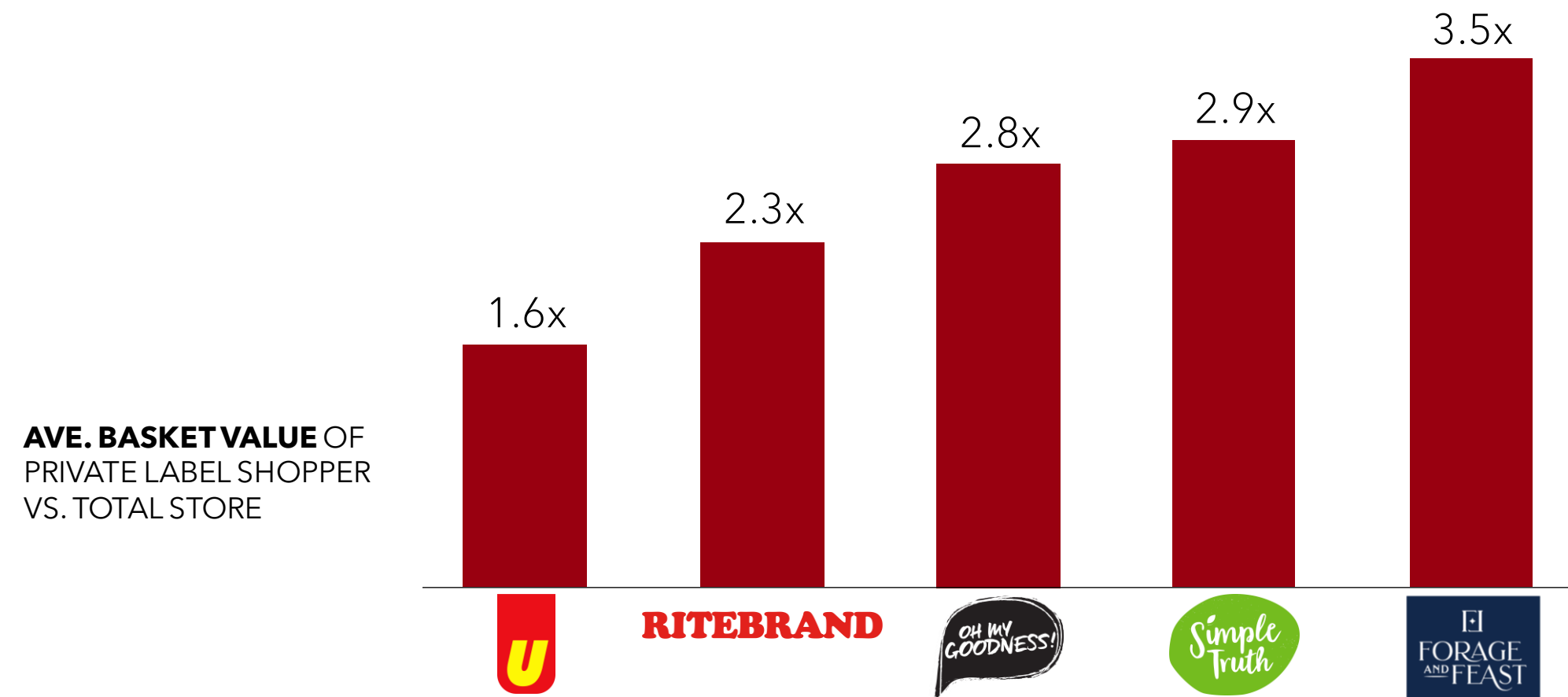
Grow trusted, profitable private labels



Private label sales participation (excl. liquor) increased from 19.7% to 20.7%

- ✓ 93% of all customers now shop private label as cost-of-living pressures mount
- ✓ Driving differentiation in line with global mega-trends
 - 984 plant-based vegan and vegetarian products (sales +27.2%)
 - Forage & Feast range leading in premiumisation of food

Private Label attracting valuable shoppers with up to 3.5x bigger baskets vs. store average



Investing to win in the long term

Future-fit supply chain expansion

- ✓ Increased supply chain capacity through Retail Logistics Fund:
 - Adding nimbler, regional DC infrastructure
 - Building 200 000m² additional capacity over the next 2-3 years
 - Meeting organic growth demands and supplying new stores (incl. 94 acquired Massmart stores)
 - Fresh supply chain transformation to support strong market share gains



Investing to win in the long term

Future-fit supply chain expansion

Expanding our store network to leverage proximity advantage

- ✓ Leverage operational excellence into new formats and extended customer offerings
- ✓ We will deliver 425 new, vibrant stores for the Group in the financial year



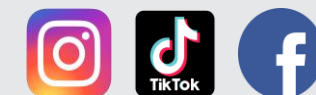
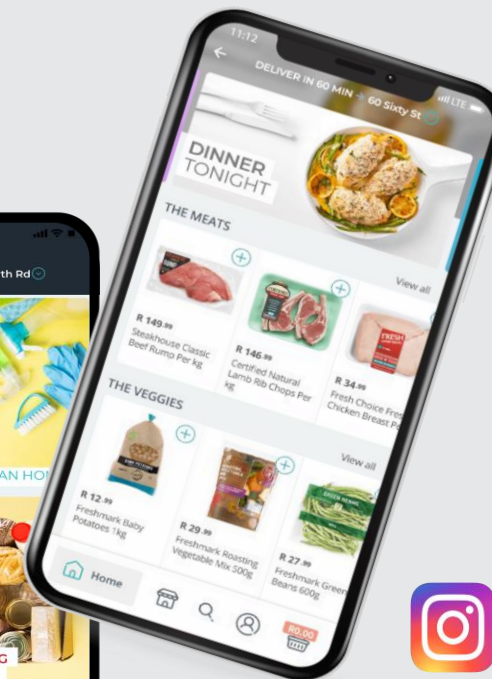
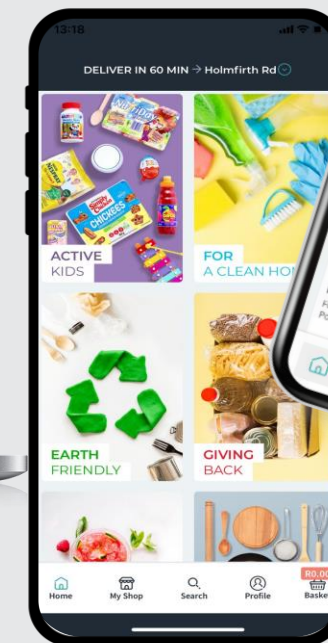
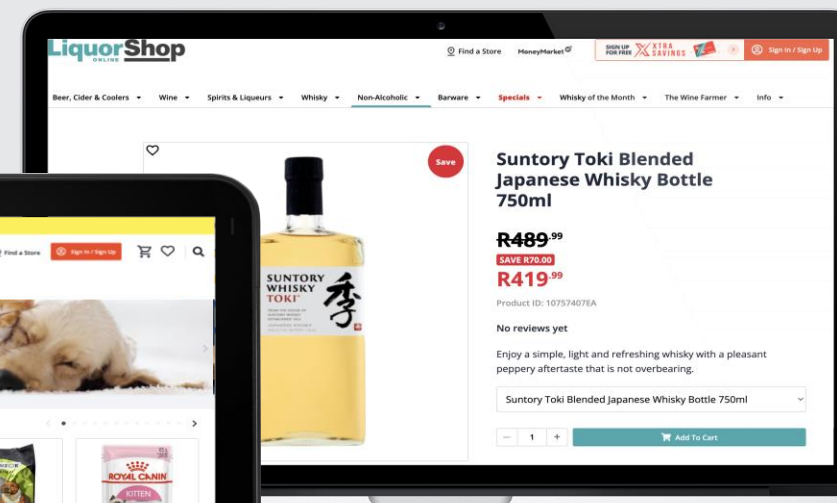
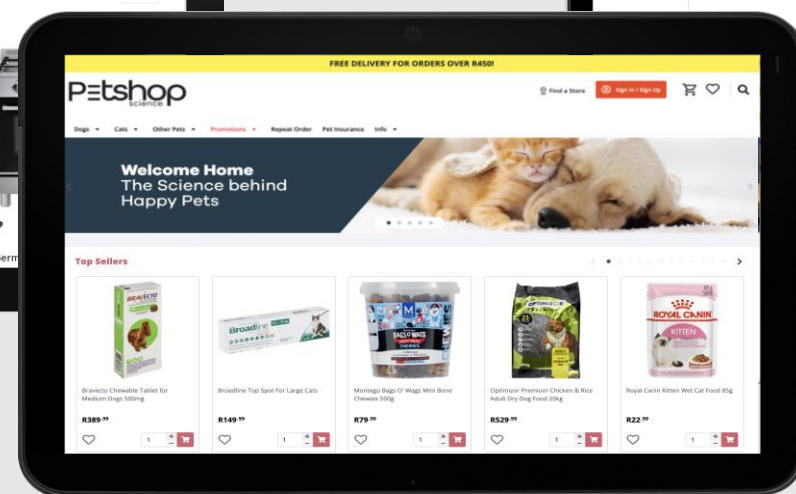
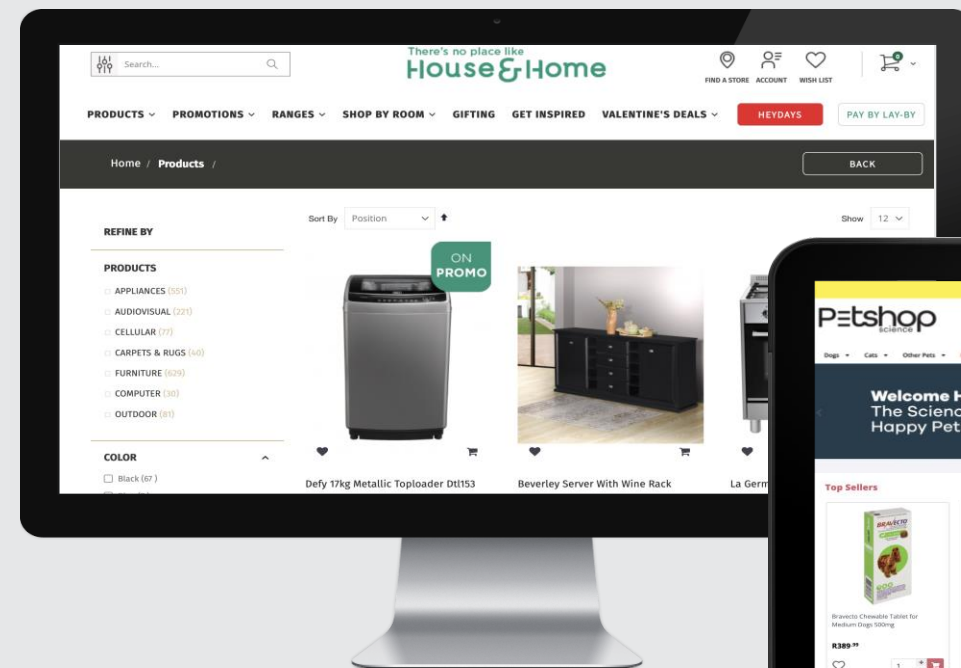
Investing to win in the long term

Future-fit supply chain expansion

Expanding our store network to leverage proximity advantage

Amplify digital flywheel

- ✓ Double down on digital to maximise share of wallet and unlock alternate income



rainmaker MEDIA

A force for good - people & planet

Uplifting lives in our communities

We support 193 community food gardens covering 4 468 224m², and more than 3 550 household food gardens

We donated R105.6m worth of surplus food and goods, supporting 483 community-based organisations



Hunger relief

15 years since our first soup truck, we now have 31 mobile soup kitchens that served more than 3 million meals in H1

We supported Early Childhood Development Centres by serving more than 750 257 nutritionally balanced meals

Fighting waste



Recycled 28 402 tonnes of cardboard and plastic in H1

New shopping trollies and baskets made from 100% recycled plastic - diverting 40 tonnes from landfill



77% of our private-label products have on-pack recycling labels making it easier for customers to recycle

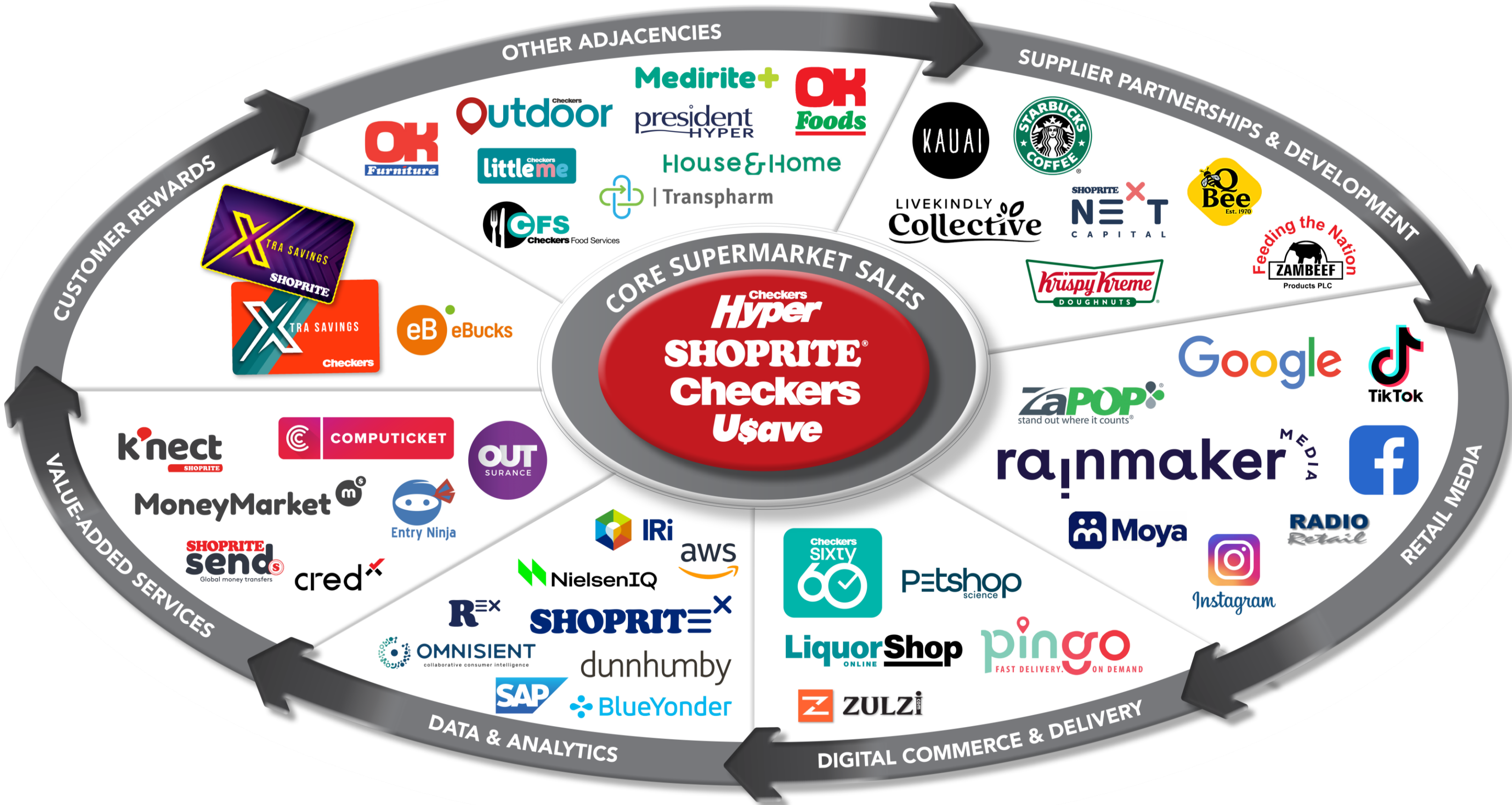
Better for our planet

First in SA to purchase 100 fuel-efficient Scania Euro V trucks with lower CO₂ and NO_x emissions and first to purchase a 100% electric heavy-duty truck



68 sites have solar PV systems to provide renewable energy to our business, up 53% from last year

Building our ecosystem of value for customers





- Supermarkets RSA sales growth sustained in Jan '23:
 - Strong back-to-school performance
 - Selling price inflation pressure continued in Jan at 11.8% vs. 13.8% official food inflation (StatsSA food and non-alcoholic beverages)
 - Rolling blackouts adding significant operational costs
- 94 Masscash/Cambridge stores incorporated from Jan '23:
 - Aiming for break even by FY 2023
- Strong strategic momentum despite tough climate
 - Price champion for customers
 - Investing in product availability
 - Digital flywheel powering growth

◆
**Thank you
Questions**



◆

Interim Additional Information

Anton de Bruyn
Chief Financial Officer



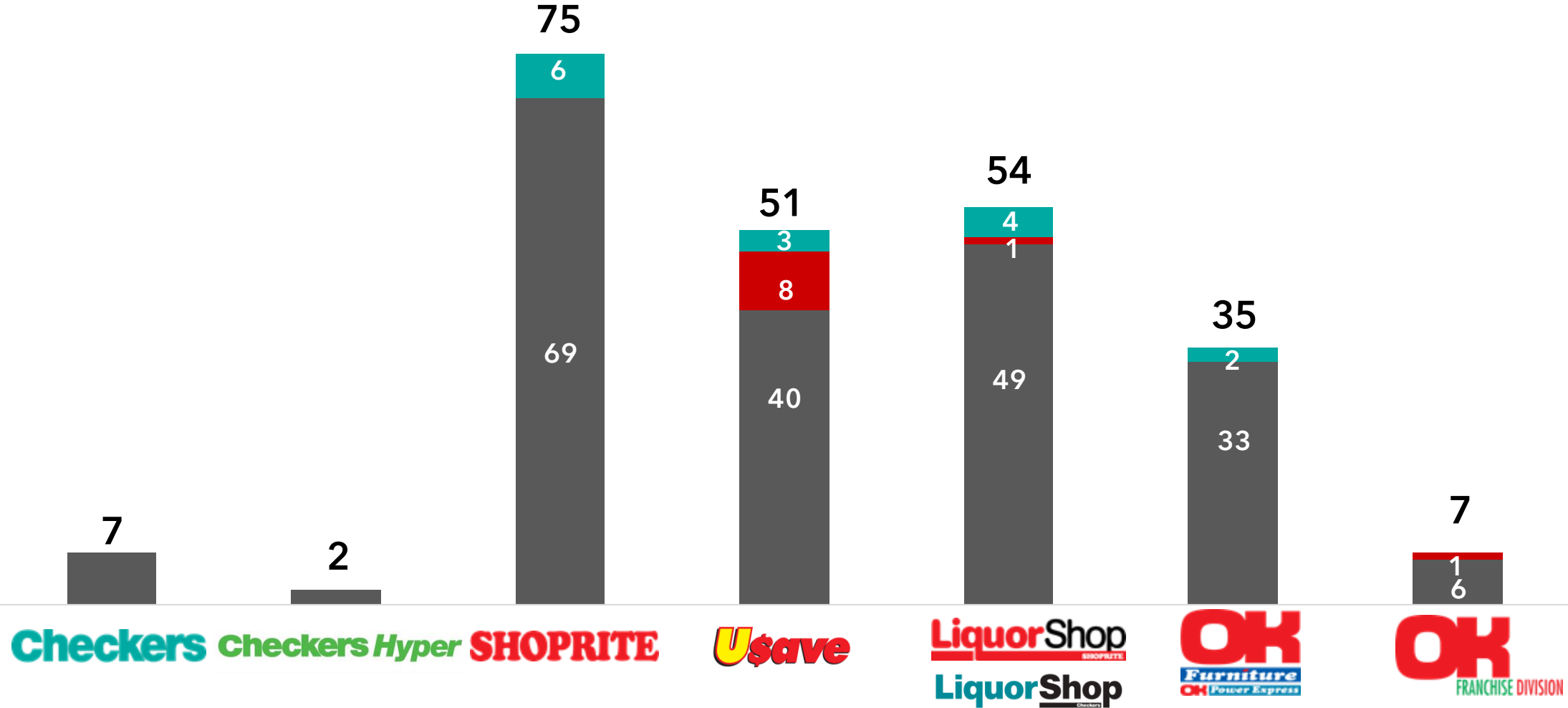
Store status from social unrest in July 2021

231
stores impacted

206
stores re-opened

15
stores to re-open

10
stores permanently closed



- Total stores re-opened
- Total stores to re-open
- Total stores permanently closed

Financial metrics

	H1 2023			Restated* FY 2022		
	ROIC Rm	IFRS 16 impact Rm	ROIC excl. IFRS 16 Rm	ROIC Rm	IFRS 16 impact Rm	ROIC excl. IFRS 16 Rm
Trading profit	11 752	(2 695)	9 057	11 278	(2 241)	9 037
Effective tax rate	31.1%		31.1%	30.6%		30.6%
Trading profit after tax	8 097	(1 857)	6 240	7 827	(1 559)	6 268
Invested capital	66 142	(26 693)	39 449	67 760	(26 011)	41 749
Average invested capital	64 121		38 473	61 481		37 275
ROIC	12.6%		16.2%	12.7%		16.8%
ROE			26.4%			27.1%
WACC			14.0 - 14.5%			15.1%

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations and the reclassification of share of profit of equity accounted investments to trading profit which previously was included in profit before income tax.

DEFINITIONS: ROIC: Trading profit over the last 12 months after tax (applying the effective tax rate) expressed as a percentage of average invested capital for the period
 Invested capital: Net asset value excluding borrowings, lease liabilities and bank overdraft
 ROE: Headline earnings from continuing operations expressed as a percentage of equity at the beginning of the period
 WACC: Weighted average cost of capital calculated in terms of Group policy

Trading profit analysis



	Change %	26 weeks 1 Jan '23 Rm	Trading margin 1 Jan '23 %
Continuing operations			
Trading profit	8.6	6 014	5.7
Exclusions:			
Additional diesel used for generators		465	
Shoprite Employee Trust distributions to eligible employees in South Africa and equivalent awards granted by subsidiaries in countries outside South Africa		121	
Additional insurance premiums		90	
Deduct:			
Additional insurance claim relating to loss of profits		(232)	
Trading profit excluding above	16.6	6 458	6.1

Diluted headline earnings per share (DHEPS)



	Change %	26 weeks 1 Jan '23 cents	Restated* 26 weeks 2 Jan '22 cents
DHEPS continuing operations	10.2	577.5	524.1
DHEPS discontinued operations	(>100)	(18.8)	1.0
DHEPS including discontinued operations	6.4	558.7	525.1
DHEPS continuing operations	10.2	577.5	524.1
Adjusted for the impact of:			
Shoprite Employee Trust distributions to eligible employees in South Africa and equivalent awards granted by subsidiaries in countries outside South Africa		22.2	-
Exchange rate differences	(>100)	(4.5)	22.8
Angola hyperinflation	58.1	4.9	3.1
Lease modifications and terminations	>100	(8.2)	(3.0)
Related income tax effect	>100	3.5	(6.1)
Adjusted DHEPS from continuing operations	10.1	595.4	540.9
Adjusted HEPS from continuing operations	10.1	599.3	544.2

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations and the reclassification of share of profit of equity accounted investments to trading profit which previously was included in profit before income tax.

Adjusted DHEPS reconciliation



	1 Jan '23 Headline earnings Rm	1 Jan '23 DHEPS* cents
Headline earnings including discontinued operations	3 052	558.7
Headline loss discontinued operations	103	18.8
Headline earnings continuing operations	3 155	577.5
Adjusted for the impact of:		
Shoprite Employee Trust distributions to eligible employees in South Africa and equivalent awards granted by subsidiaries in countries outside South Africa	121	22.2
Exchange rate differences	(24)	(4.5)
Angola hyperinflation	26	4.9
Lease modifications and terminations	(45)	(8.2)
Related income tax effect	20	3.5
Adjusted headline earnings from continuing operations	3 253	595.4

*DHEPS based on 546 322 753 weighted average number of ordinary shares adjusted for dilution

Items of a capital nature

	26 weeks 1 Jan '23 Rm	Restated* 26 weeks 2 Jan '22 Rm
Continuing operations		
Impairment of property, plant and equipment	(9)	(74)
Impairment of right-of-use assets	(7)	(91)
Non-financial asset impairments	(16)	(165)
Profit/(loss) on disposal and scrapping of property, plant and equipment and intangible assets	92	(275)
Insurance claims receivable	50	242
Other	3	(1)
Total income/(expenditure) of a capital nature	129	(199)

Notes to the results:

Non-financial asset impairments/(reversals) by segment	Restated* 26 weeks 1 Jan '23 Rm
Supermarkets RSA	2
Supermarkets Non-RSA	15
Furniture	(1)
Other operating segments	-
Consolidated continuing operations	16

* Restated for the classification of the Group's DRC operations as discontinued operations in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations.

Capital spend

TOTAL OPERATIONS
Rm

