

2024

Interim Results Presentation

For the 26 weeks
ended 31 December 2023



01

Operational Review
Pieter Engelbrecht

02

Financial Results
Anton de Bruyn

03

Strategy Update
Questions
Pieter Engelbrecht



Operational Review

Pieter Engelbrecht

Chief Executive Officer



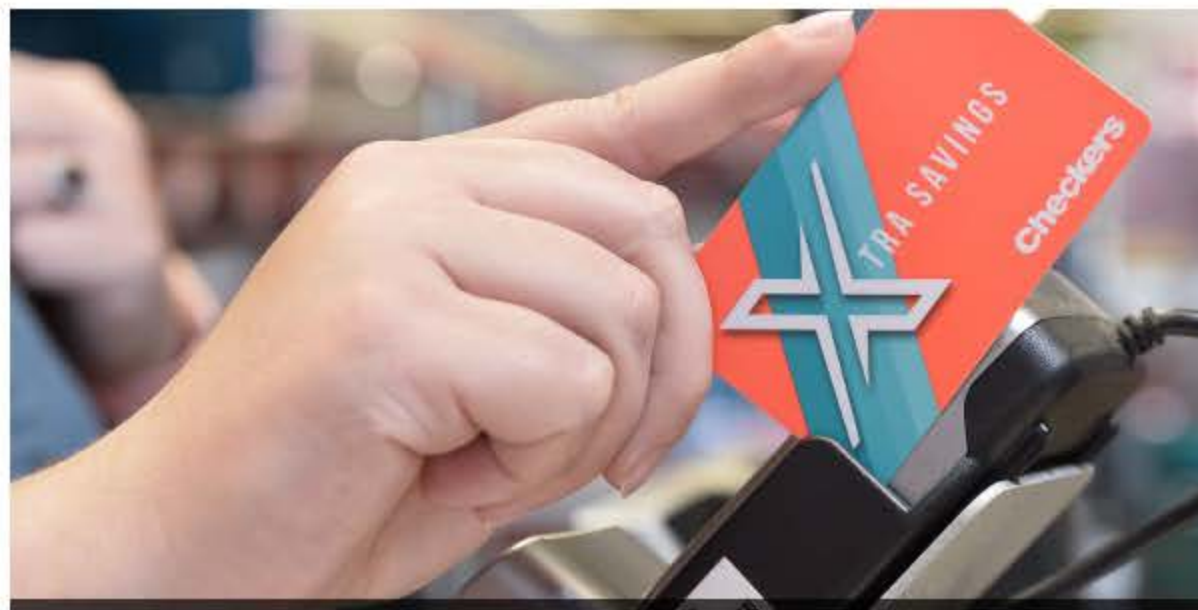
Executing with precision and impact in H1



**Employed 2 617
new team members and
opened 197 net new stores**



**Delivered the
South African
spirit to the RWC
in France in
support of the
Springboks**



**Xtra Savings was voted the
#1 rewards programme in South
Africa for the 3rd year in a row**



**Launched Xtra
Savings Plus,
SA's first grocery
subscription plan**



**Launched a leadership
development
programme with
1 251 participants**



**Shoprite Money Market account
now integrated to allow for
low-cost social grant payments
and collection at stores**



**Supported 232 community food
gardens to help combat food insecurity**



**Opened our 60th
ChicRite
fast food outlet**

Executing with precision and impact in H1



Outperformance vs peers continued as sales accelerated



+R14.8bn
additional sales

Sales

R121.1bn



Gross profit

R28.6bn

+14.7%



DHEPS

+7.6%



Sales growth

+13.9%

+6.5% Like-for-like*



Gross margin

23.6%

+10 bps



267c dividend

+7.7%

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

Customer momentum and expansion driving record market share



Customer visits
+6.9%



Item volume
+5.1%



Share gains
+R4.0bn

H1 RSA market share*



Basket size
+6.4%
ZAR



Products sold
3.5bn



58
months of uninterrupted
RSA market share
gains

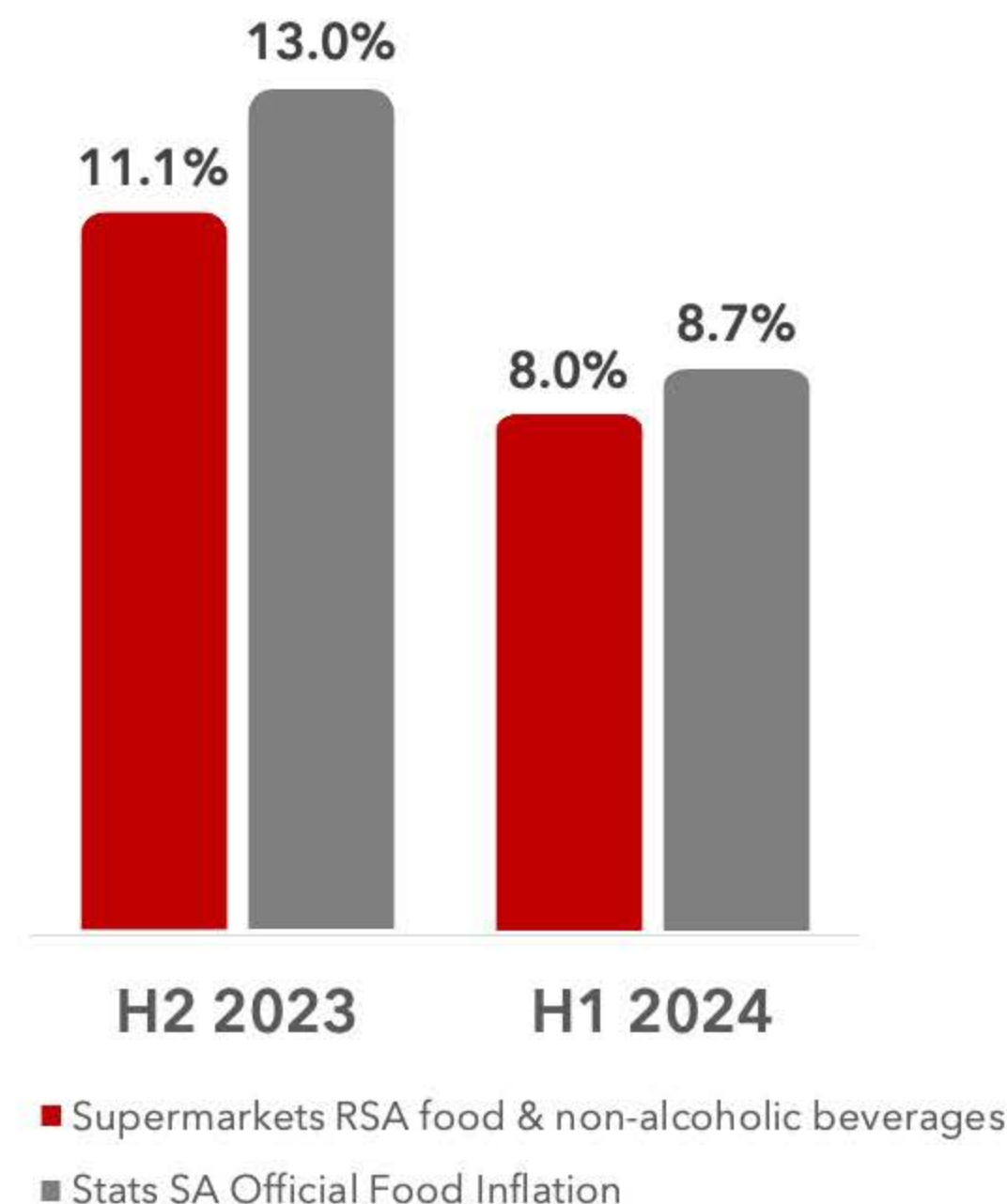
* Value of above-market share growth

Source: NielsenIQ, 26 weeks, December 2023 incl. liquor. Rest of Market universe includes Pick n Pay, Boxer, Spar, Clicks, Woolworths, Dis-Chem, Food Lover's Market, Game, PEP, KitKat and OK Foods

Winning with customers, outpacing competitors

- **Supermarkets RSA sales growth +14.6% (6.3% like-for-like)**
 - ~2x the pace of the rest of the market*
 - Excl. Massmart acquisition sales increased 11.2%
 - Checkers remains the fastest growing premium grocer for the 3rd year in a row*
 - Checkers Sixty60 online sales growth surged +63.1%
- **LiquorShop sales growth of +25.2% resulted in healthy market share gains**
 - Excl. Massmart acquisition sales increased 17.4%
- **Multi-year Smarter Shoprite investments** assisted growth despite no economic tailwinds, and only marginal respite from blackouts in December 2023
- **Invested into lower prices to shield customers**
 - Internal inflation moderating in H1 and remains below official food inflation

Supermarkets RSA Internal Inflation vs Official Food Inflation



Price Champion for Customers: Every Rand Matters



454m

PERSONALISED OFFERS

sent directly to customers



XTRA SAVINGS REWARDS

R8.4bn

in instant cash savings back to members



WIN-WIN-WIN PROMOTIONS

H1 promo contribution increased 2 percentage points to 35.2%



AFFORDABILITY OBSESSION

+1.5m R5 products subsidised every week



CHEAPEST ON SHELF

2.8m new shoppers purchasing entry-level Private Label



Checkers housebrand RITEBRAND

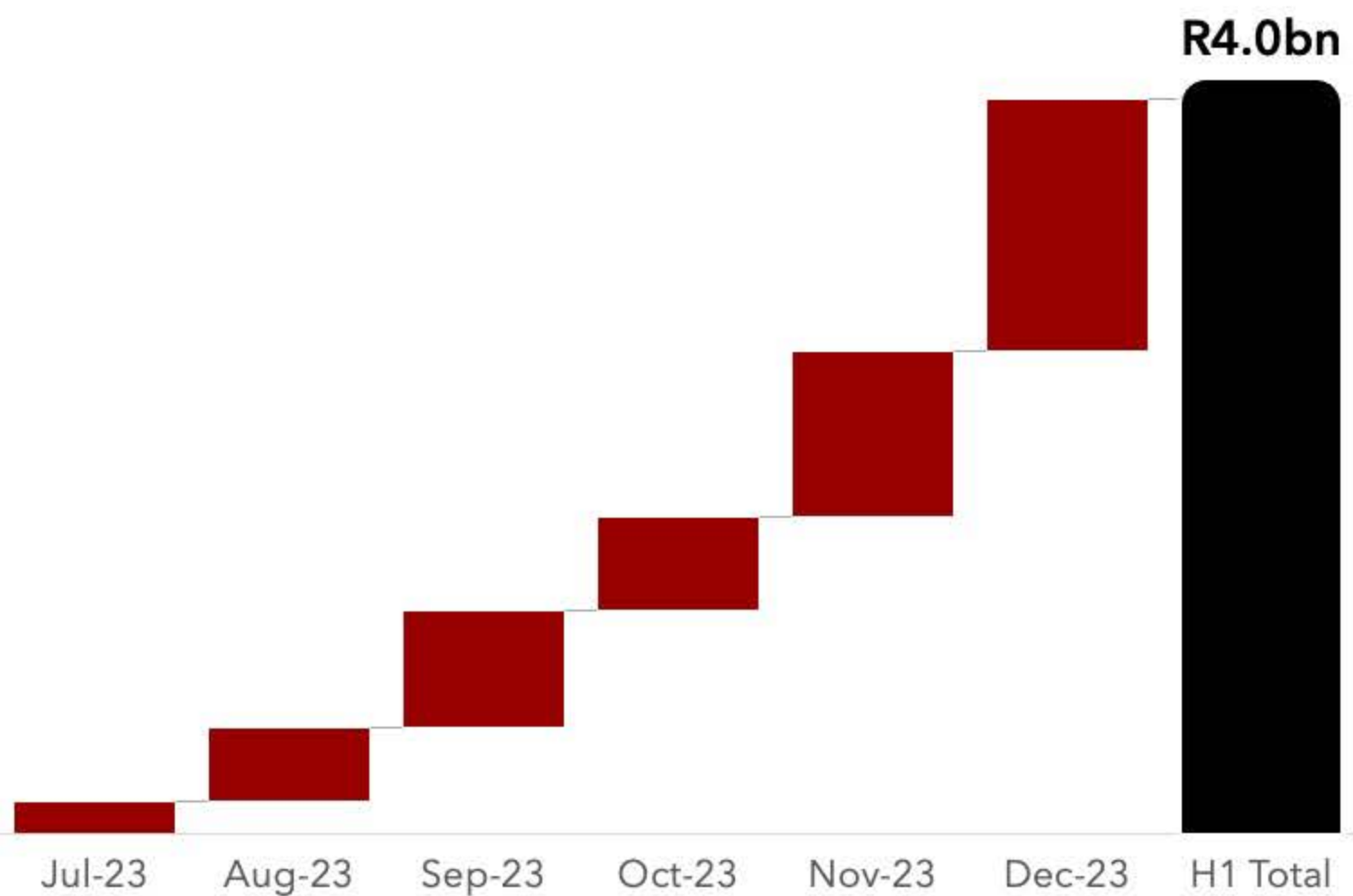


EVERY DAY LOW PRICES ON ESSENTIAL FOODS

Execution against strategy delivered record market share

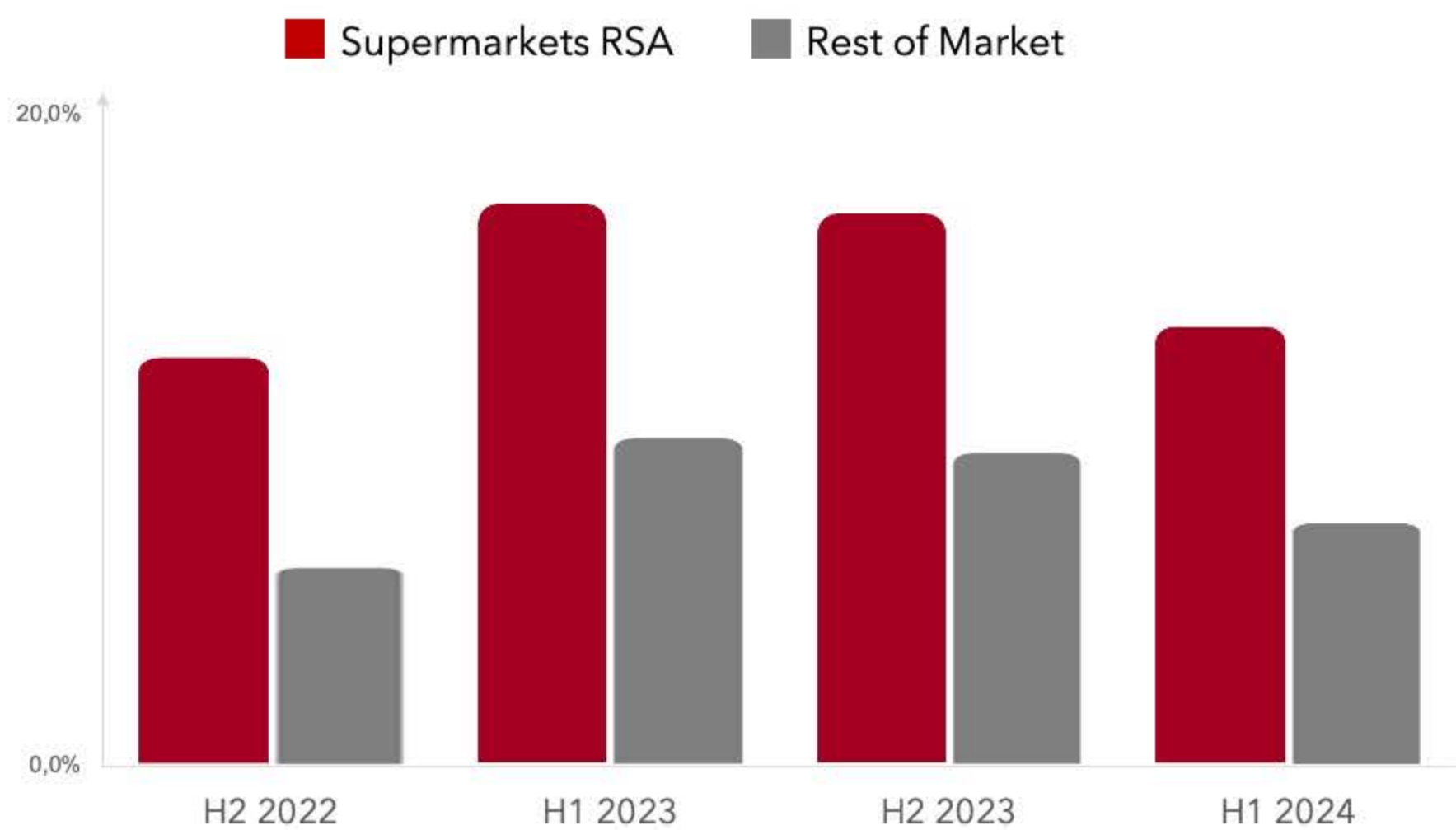
- ✓ New stores, new customers, increased shopping frequency and higher adoption of online
- ✓ Investment into inventory for on-shelf availability
- ✓ R500m diesel cost for generators to keep stores open and food fresh
- ✓ Record Black Friday and festive sales saw market share gains for all banners

Continued monthly market share gains in H1



Market share gains per month - H1
(NielsenIQ, Dec 2023)

Sustained sales growth ahead of Rest of Market



Supermarkets RSA Sales Growth vs Rest of Market by half
(NielsenIQ, Dec 2023)

Established RSA brand portfolio with distinct customer propositions

SHOPRITE

Africa's low-price grocery leader

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

U\$ave

Limited assortment food discounter

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

Checkers

Best value in fresh and premium foods

Omni-channel market leader in value on fresh, groceries and premium food for upmarket customers.

Checkers Hyper

Amplified value on wider ranges

Checkers format with wider ranges in bulk groceries, general merchandise and key categories like Pet, Baby and Electronics.

OK

One-stop convenience shopping

Franchise arm of the Group, offering groceries, fresh foods and liquor closer to communities.

Store positioning and numbers



Established brand portfolio with distinct customer propositions

- Petshop**
science

Upmarket pet shop specialist store stocking premium food and pet accessories.
- Outdoor**
Checkers

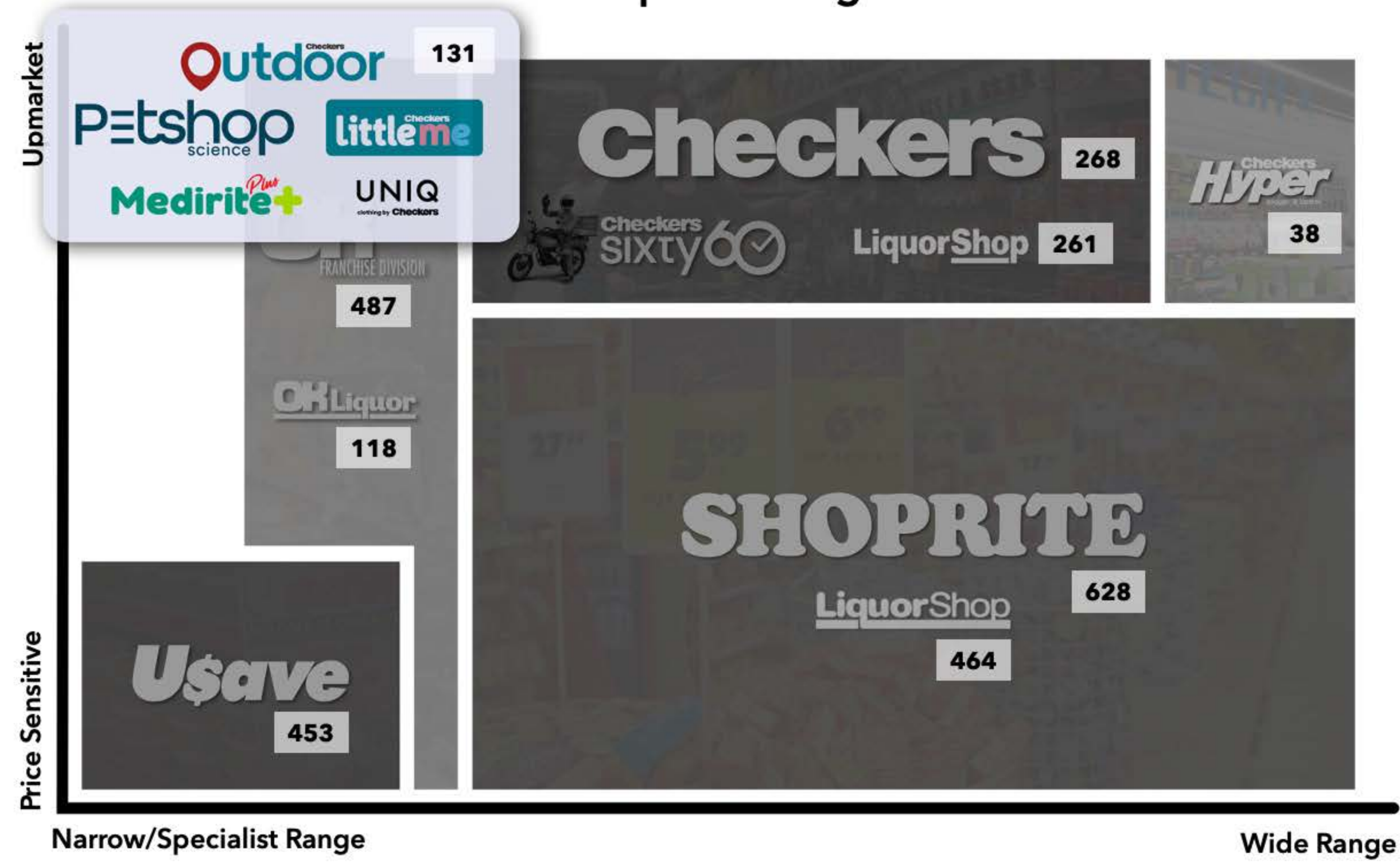
Specialist outdoor store with exclusive ranges of outdoor general merchandise including pool, gardening, camping, braai accessories and tech gadgets for nature enthusiasts.
- littleme**
Checkers

Specialist baby store with exclusive brands and extended ranges in baby accessories, furniture, clothing, food as well as maternity clothing.
- Medirite**
Plus

Standalone one-stop health and wellness destination with value across various health and beauty product ranges.
- UNIQ**
clothing by Checkers

A standalone apparel brand that provides discerning trend-forward customers with premium quality wardrobe basics at great value.

Store positioning and numbers



Checkers & Hyper

bigger & better

Supermarkets RSA excl. LiquorShop

R38.5bn
Sales

13.7%
Sales growth

15.2%

Annual market share
(NielsenIQ, 52 wks Dec 2023)

20.6%

Private label
participation
(excl. liquor)

11.3m

Xtra Savings
members



SHOPRITE & U\$ave

Supermarkets RSA excl. LiquorShop

R49.5bn
Sales

13.1%
Sales growth

19.7%

Annual market share
(NielsenIQ, 52 wks Dec 2023)

20.5%

Private label
participation
(excl. liquor)

18.1m

Xtra Savings
members



Supermarkets Non-RSA, Furniture and Other Operating Segments

Supermarkets Non-RSA

+6.2%
Sales growth
+20.0% Constant currency

Narrowed regional scope (9 countries) reducing operational complexity

- Trading profit increased by 37.3% to R434m
- Visit growth +9.8%
- Total 258 stores (opened net 9 stores over 12 months)

Supermarkets Non-RSA
trading profit



Furniture

R4.0bn Sales
+1.7%

Home improvement demand muted

- 15.3% Credit sales participation
- Total 432 stores (no net new stores)

OK FURNITURE
House & Home

Other operating segments

R9.0bn Sales
+23.1%

Transpharm and Medirite performing well, increasing sales by 18.5%

OK Franchise gaining share with double-digit sales growth

- Total 605 stores (opened net 70 stores over 12 months)

 **COMPUTICKET**

 | Transpharm

 **Medirite+**
Pharmacy

 **OK**
FRANCHISE DIVISION

 **RED STAR**
WHOLESALE

SHOPRITE
HOLDINGS LTD

2024 Interim Financial Results

Financial Results

Anton de Bruyn
Chief Financial Officer



Financial highlights



Sales
R121.1bn

+13.9%
+6.5% Like-for-like*



Total income
R31.4bn

+13.9%



Total expenses
R24.7bn

+14.8%



Trading profit
R6.7bn

+10.7%



EBITDA
R10.2bn

+10.3%



DHEPS
+7.6%

+4.6%
EPS



ROIC excl. IFRS 16
17.0%

13.7%
WACC



Interim dividend per share
+7.7%

25.4%
ROE

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

Sales unpacked

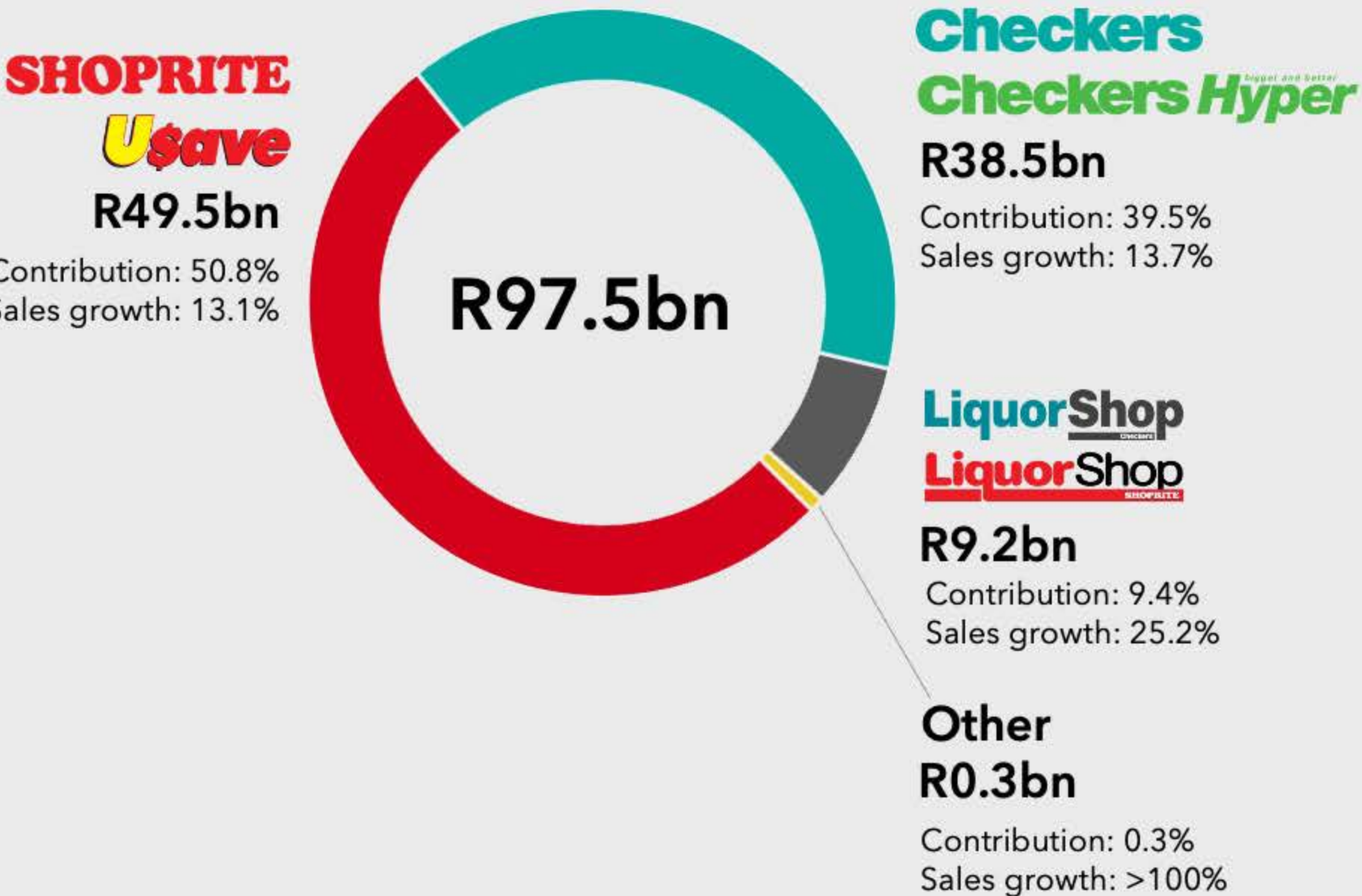
| Sales | Change % | 26 weeks 31 Dec '23 Rm | 26 weeks 1 Jan '23 Rm | Like-for-like % |
|--|-------------|------------------------------|-----------------------------|-----------------|
| Supermarkets RSA | 14.6 | 97 517 | 85 084 | 6.3 |
| Supermarkets Non-RSA | 6.2 | 10 606 | 9 987 | 4.8 |
| Furniture | 1.7 | 3 975 | 3 909 | 0.7 |
| Other operating segments | 23.1 | 8 983 | 7 296 | 13.4 |
| Total continuing operating segments | 13.9 | 121 081 | 106 276 | 6.5 |

Supermarkets RSA notes

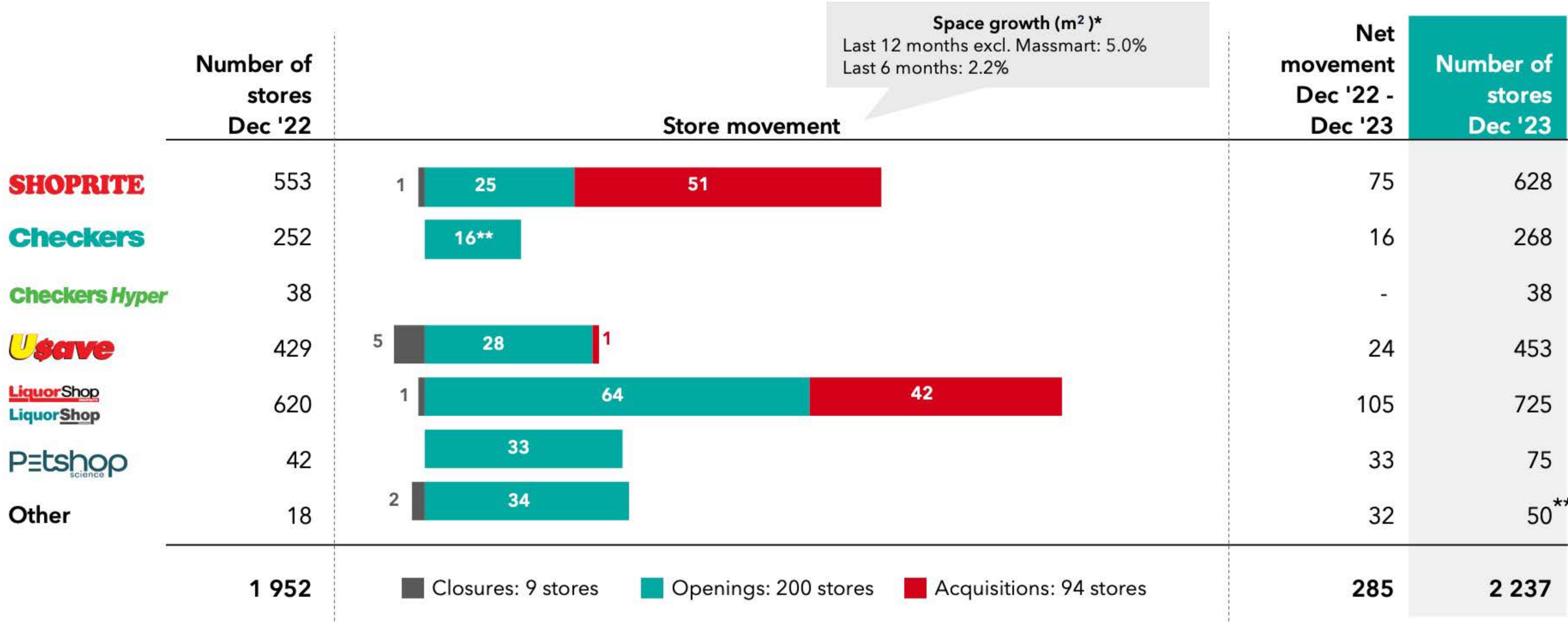
- 7.7%** Internal inflation
- R2.9bn** Sales contribution from Massmart stores
- 11.2%** Supermarkets RSA sales growth excl. Massmart

Supermarkets RSA

Brand contribution and sales growth



Supermarkets RSA store expansion



* Space growth represents growth in lettable area (GLA).

** Included in the 16 Checkers store openings are two Checkers Foods stores.

*** Included in other: K’nect (5), Little Me (11), Outdoor (15) and UNIQ clothing by Checkers (19).

Trading profit: total income unpacked



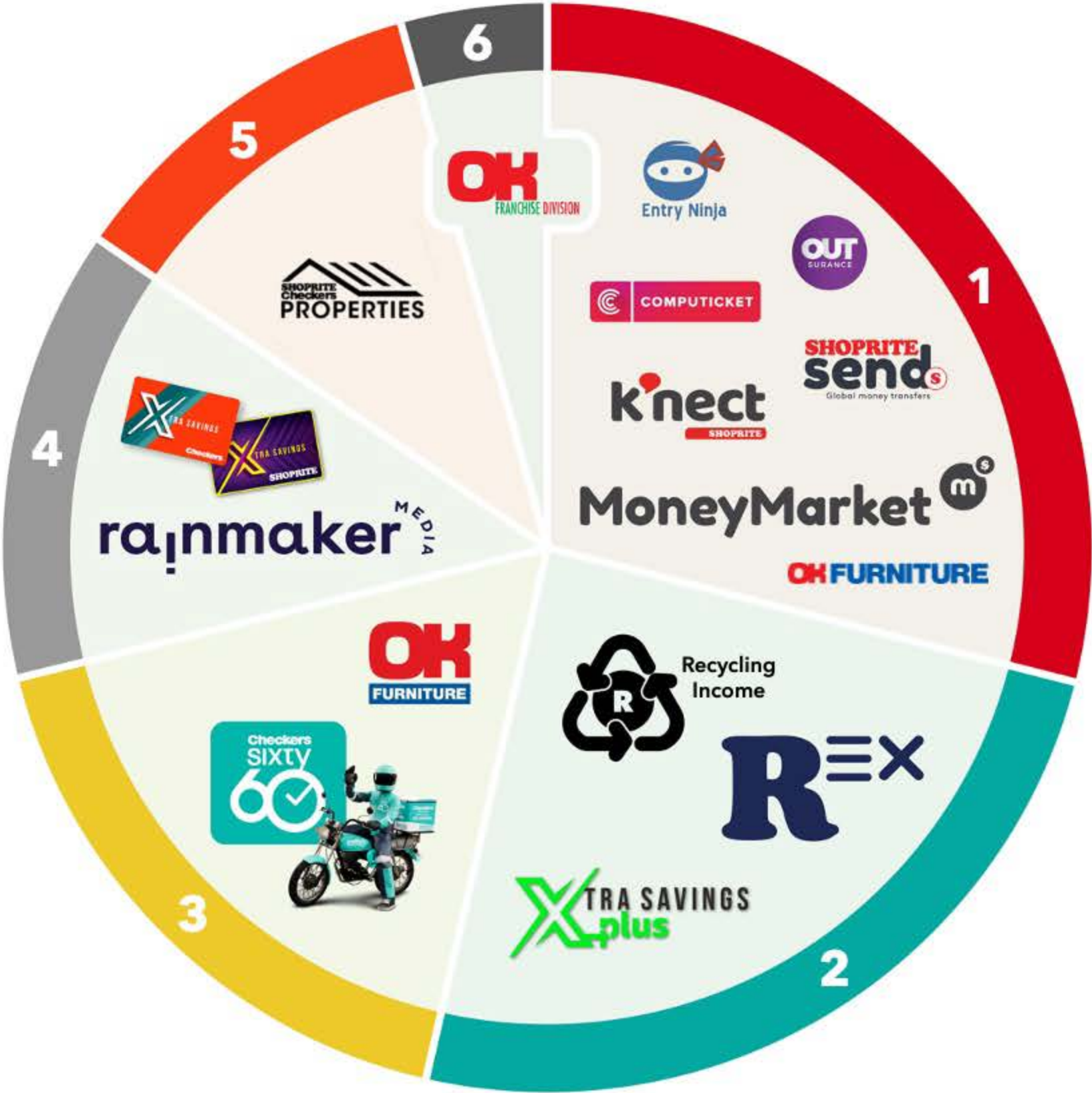
| Continuing operations | Change % | 26 weeks | Restated* | Margin |
|---|-------------|------------------|-----------------------------|-----------------------------|
| | | 31 Dec '23 Rm | 26 weeks 1 Jan '23 Rm | 26 weeks 31 Dec '23 % |
| Gross profit | 14.7 | 28 599 | 24 933 | 23.6 |
| Other operating income* | 1.8 | 2 102 | 2 064 | 1.7 |
| Interest revenue* | 16.7 | 385 | 330 | 0.3 |
| Share of profit of equity accounted investments | | 128 | 128 | 0.1 |
| Insurance revenue* | 24.8 | 141 | 113 | 0.1 |
| Net monetary gain | | 41 | - | - |
| Total income included in trading profit | 13.9 | 31 396 | 27 568 | 25.9 |
| Non-recurring income relating to loss of profit insurance claim which was accounted for as part of other operating income in the prior year | | - | (244) | - |
| Total income included in trading profit excluding non-recurring income | 14.9 | 31 396 | 27 324 | 25.9 |

15.5%
excl. non-recurring
income relating to loss of
profit insurance claim**

* Restated for the adoption of IFRS 17: Insurance Contracts.

** The Group received non-recurring income of R244 million relating to a loss of profit insurance claim due to the 2021 social unrest which was accounted for as part of other operating income in the prior period.

Other operating income analysis



| | Change % | 26 weeks 31 Dec '23 Rm | Restated* 26 weeks 1 Jan '23 Rm |
|--|-------------|------------------------------|--|
| 1 Commissions received* | 8.6 | 606 | 558 |
| 2 Sundry income** | (23.3) | 514 | 670 |
| 3 Delivery recoveries | 32.5 | 379 | 286 |
| 4 Marketing and media | 24.0 | 279 | 225 |
| 5 Operating lease income | (3.7) | 232 | 241 |
| 6 Franchise fees received | 9.5 | 92 | 84 |
| Total other operating income | 1.8 | 2 102 | 2 064 |
| Non-recurring insurance income | | - | (244) |
| Total other operating income excluding non-recurring income | 15.5 | 2 102 | 1 820 |

* Restated for the adoption of IFRS 17: Insurance Contracts.

** The Group received non-recurring income of R244 million relating to a loss of profit insurance claim due to the 2021 social unrest which was accounted for as part of other operating income in the prior period.

Trading profit: total expenses unpacked

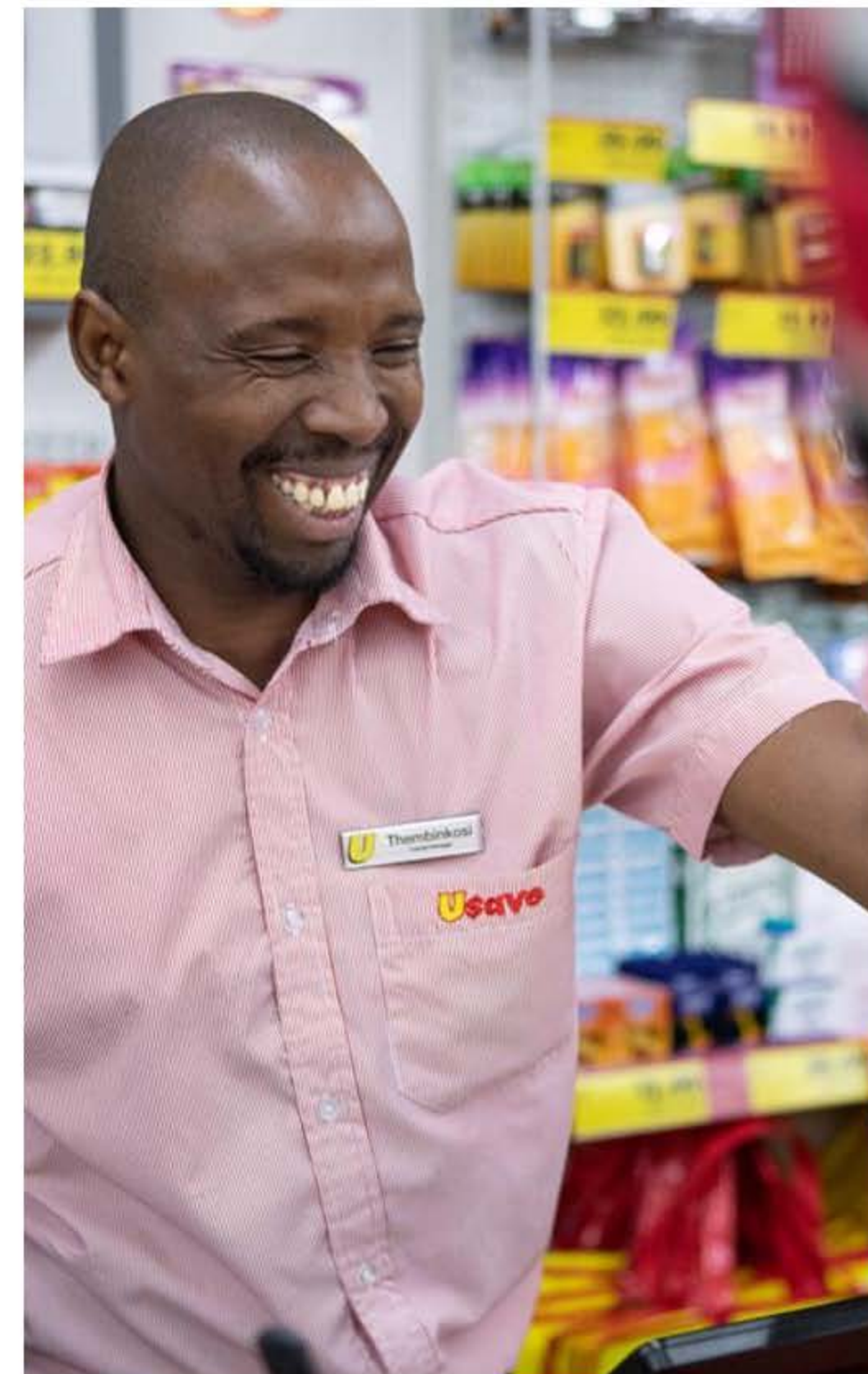
| | Change % | 26 weeks 31 Dec '23 Rm | Restated* 26 weeks 1 Jan '23 Rm |
|--|-------------|------------------------------|--|
| Continuing operations | | | |
| Depreciation and amortisation | 16.9 | 3 471 | 2 968 |
| Employee benefits | 14.2 | 9 453 | 8 280 |
| Electricity and water | 14.5 | 2 651 | 2 316 |
| Insurance service expense* | 21.9 | 78 | 64 |
| Other operating expenses* | 14.6 | 9 083 | 7 924 |
| Total expenses included in trading profit | 14.8 | 24 736 | 21 552 |
| Expense margin (%) | | 20.4 | 20.3 |

Notes:

Electricity and water:

R500m spent on diesel to operate generators in Supermarkets RSA over the period.

*Restated for the adoption of IFRS 17: Insurance Contracts.



Trading profit by segment



| | Change % | 26 weeks 31 Dec '23 Rm | Restated* 26 weeks 1 Jan '23 Rm | Trading margin 26 weeks 31 Dec '23 % |
|--|-------------|------------------------------|--|---|
| Continuing operations | | | | |
| Supermarkets RSA | 8.8 | 5 844 | 5 370 | 6.0 |
| Supermarkets Non-RSA | 37.3 | 434 | 316 | 4.1 |
| Furniture* | (3.1) | 125 | 129 | 3.1 |
| Other operating segments | 18.1 | 268 | 227 | 3.0 |
| Total continuing operating segments | 10.4 | 6 671 | 6 042 | 5.5 |
| Hyperinflation effect | | (11) | (26) | |
| Consolidated continuing operations | 10.7 | 6 660 | 6 016 | 5.5 |

5.9%
excl. diesel spent in
Supermarkets RSA

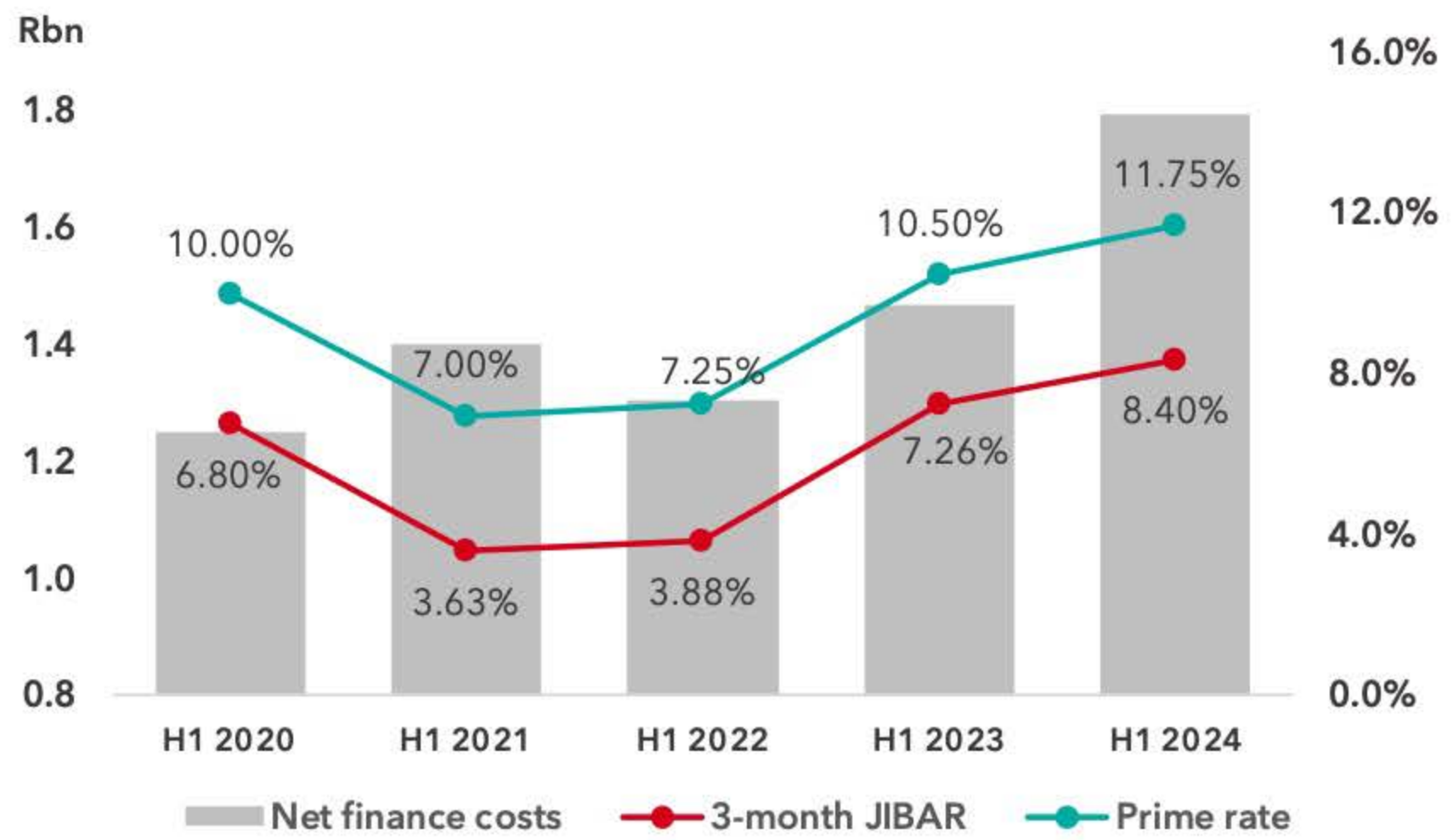
*Restated for the adoption of IFRS 17: Insurance Contracts.

Net finance costs

| | Change % | 26 weeks 31 Dec '23 Rm | Restated* 26 weeks 1 Jan '23 Rm |
|--|-------------|------------------------------|--|
| Continuing operations | | | |
| Interest received from bank account balances | 16.7 | 259 | 222 |
| Borrowings and other finance charges* | 39.7 | (366) | (262) |
| Lease liabilities finance charges | 18.2 | (1 692) | (1 432) |
| Net finance costs | 22.2 | (1 799) | (1 472) |

*Restated for the adoption of IFRS 17: Insurance Contracts.

The impact of increasing rates on finance costs



Financial overview



Borrowings
R6.3bn

R6.4bn
H1 2023



Borrowings to equity
23.8%



US dollar borrowings
US\$28m

8.2%
of total borrowings



Change in right-of-use assets
+R3.7bn
+R5.2bn
Change in lease liabilities



Net changes in working capital*
R2.4bn

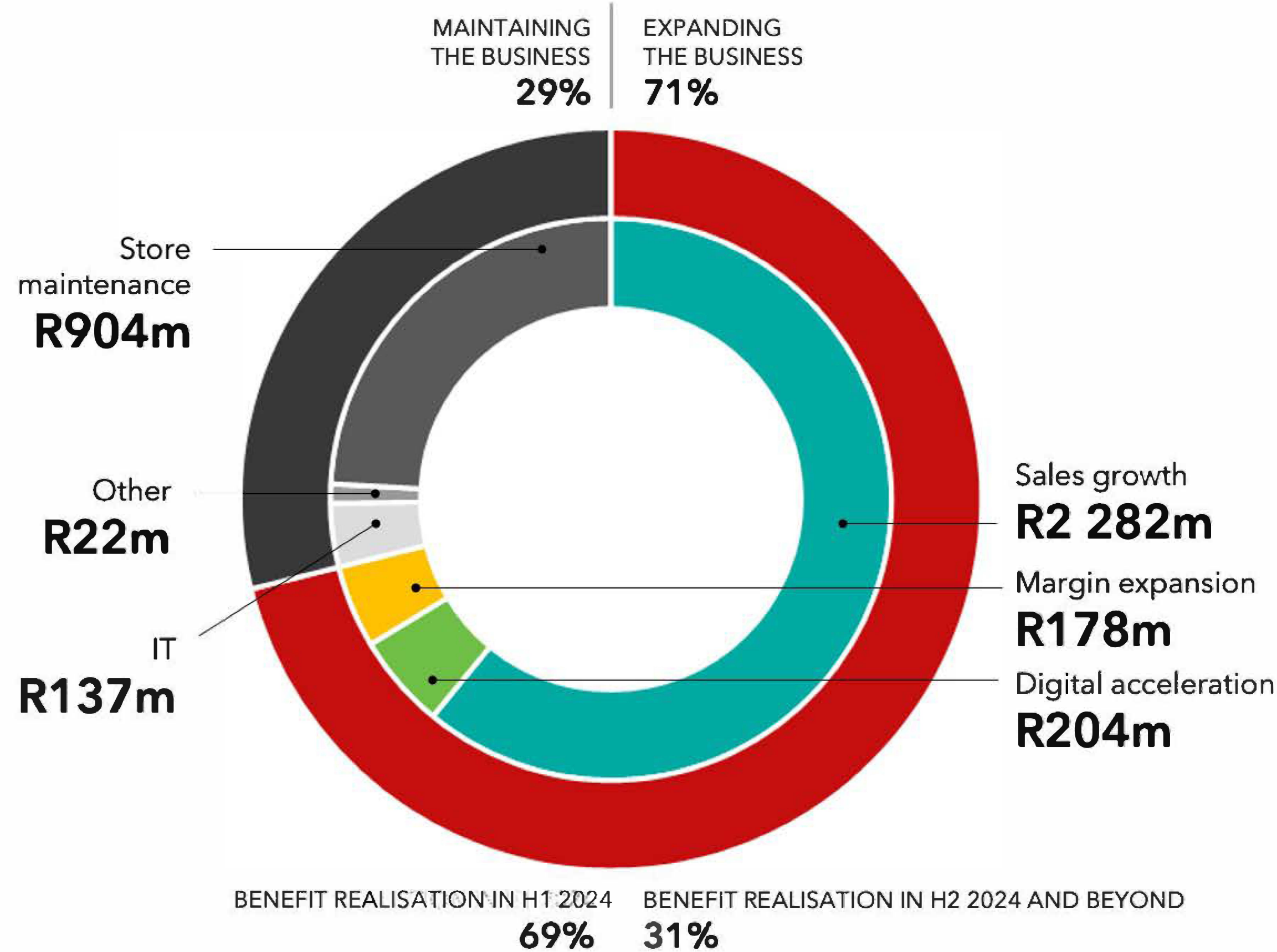
| | |
|-------------------------------|----------|
| Inventories | (R4.5bn) |
| Trade and other receivables | (R0.8bn) |
| Short-term supplier financing | (R0.6bn) |
| Trade and other payables | R8.3bn |



Net cash
R8.3bn

* Net inflows/(outflows) as per statement of cash flows.

Capital spend



CAPITAL SPEND
H1 2024: R3 727m
H1 2023: R3 360m

+10.9%

CAPITAL SPEND AS % OF SALES
H1 2024: 3.1%
H1 2023: 3.2%

EXCLUDING CAPITAL SPEND ON
MASSMART AND SUPPLY CHAIN
H1 2024: 2.7%

| | Rm |
|--------------|-----|
| Massmart | 203 |
| Supply chain | 239 |
| Total | 442 |

Supply Chain Expansion

'24

Canelands DC (KwaZulu-Natal)

| | |
|---------------------------|---|
| Expansion funded through | Retail Logistics Fund (RF) (Pty) Ltd |
| Lease commencement date | Feb 2024 |
| Size | 41 208m² |
| Shoprite funded capex | cR74m |
| Estimated inventory build | cR300m |

Feb
2024

Mar
2024

Centurion Transport Facility (Gauteng)

| | |
|--------------------------|---|
| Expansion funded through | Retail Logistics Fund (RF) (Pty) Ltd |
| Lease commencement date | Mar 2024 |
| Size | 9 012m² |
| Shoprite funded capex | cR32m |

'25

Riverfields DC (Gauteng)

| | |
|---------------------------|----------------------------------|
| Expansion funded through | Equites Property Fund Ltd |
| Lease commencement date | Jul 2024 |
| Size | 94 223m² |
| Shoprite funded capex | cR284m |
| Estimated inventory build | cR730m |

Jul
2024

Jan
2025

Wells Estate DC (Eastern Cape)

| | |
|---------------------------|---|
| Expansion funded through | Retail Logistics Fund (RF) (Pty) Ltd |
| Lease commencement date | Jan 2025 |
| Size | 80 531m² |
| Shoprite funded capex | cR230m |
| Estimated inventory build | cR600m |

Inventories

| Inventories as % of sales (52 weeks) from continuing operations | H1 2024 % | H1 2023 % |
|--|--------------|--------------|
| Supermarkets RSA | 12.7 | 12.6 |
| Supermarkets Non-RSA | 11.7 | 12.1 |
| Furniture | 28.6 | 27.7 |
| Other operating segments | 7.6 | 7.0 |
| Total continuing operations | 12.7 | 12.7 |

Excluding the impact of stock held in the distribution centres:
Total continuing operations 8.8% (H1 2023: 9.2%)
Supermarkets RSA 8.6% (H1 2023: 8.8%)

- Expanded footprint with the opening of 315 corporate stores over the last 12 months.
- Increase in supply chain network capacity to manage additional safety stock levels.
- Increased inventory holding in distribution centres to support elevated levels of sales growth.

INVENTORIES
H1 2024: R29.3bn
H1 2023: R25.4bn

+15.4%

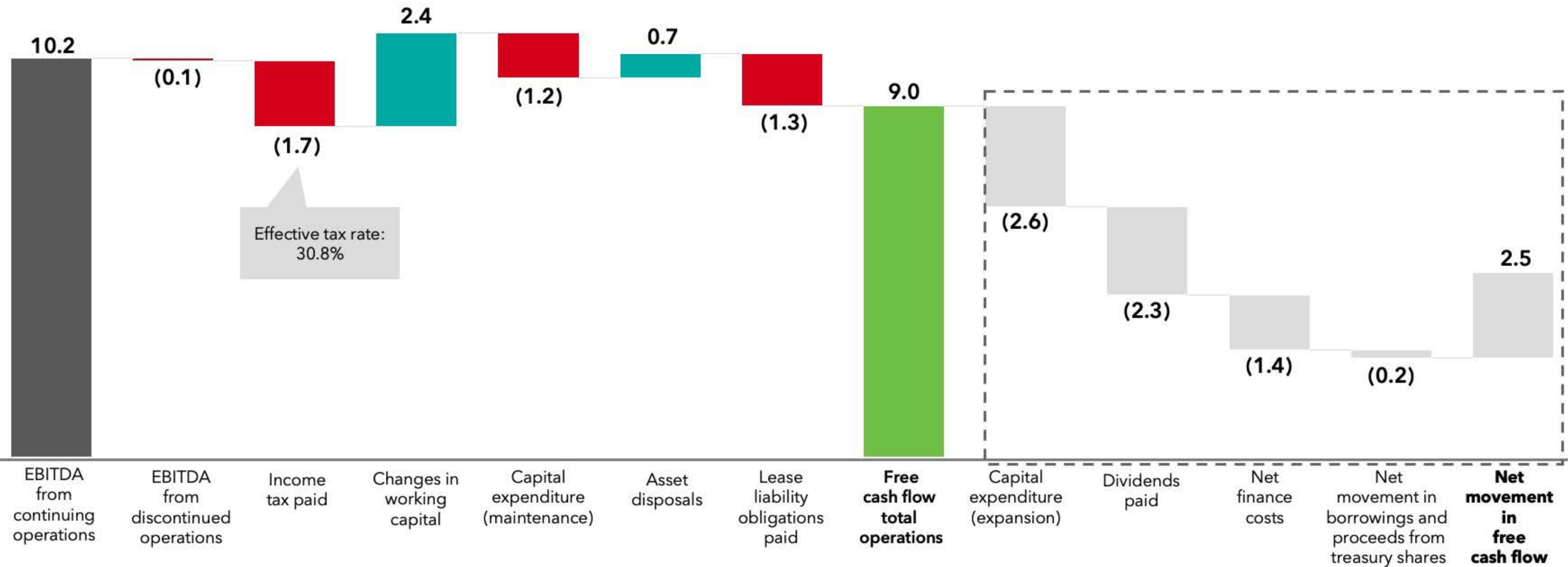


- SUPERMARKETS RSA
R23.6bn
(H1 2023: R20.2bn)
- SUPERMARKETS NON-RSA
R2.4bn
(H1 2023: R2.2bn)
- FURNITURE
R2.0bn
(H1 2023: R2.0bn)
- OTHER OPERATING SEGMENTS
R1.3bn
(H1 2023: R1.0bn)

Free cash flow

Rbn

FREE CASH FLOW CONVERSION RATIO
H1 2024: 88.6%
OPERATING CASH CONVERSION RATIO
H1 2024: 122.3%



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

H2 2024 Guidance considerations



| | |
|----------------------------|--|
| Sales | Massmart is in the base from H2 2024. Supermarkets RSA January 2024 inflation measured 6.3%. |
| Operating margin | Diesel generator expense to continue, in the base. Insurance claim included in 2023 other income, will not repeat. |
| Tax | Effective tax rate 30% - 31%. |
| Capital allocations | Dividend cover at discretion of Board per policy of 1.75 times full year DHEPS (continuing operations). Share buy-back authority in-place, usage will be determined during the year, however capital allocation prioritises core business expansion and acquisition capex. |
| Capex | cR8.5bn which includes additional spend for: <ul style="list-style-type: none"> • Massmart store upgrades • Investment in supply chain • Continued store openings and refurbishments |
| Non-RSA | Currency volatility and devaluations are expected to continue in H2 compared to a prior year foreign exchange rate gain of R384 million. Volatility driving inflation expected to weigh on affordability. Investment in Angola Government Bonds and Bills anticipated to decline which will impact interest earned. Majority of proceeds relating to the sale of Retail Supermarkets Nigeria Ltd repatriated. |
| New stores | 140 new stores planned for H2, which includes 81 stores in Supermarkets RSA. |
| Inventories | Excluding the impact of Riverfields DC, inventory levels as a % of sales expected to be in line with prior year. |

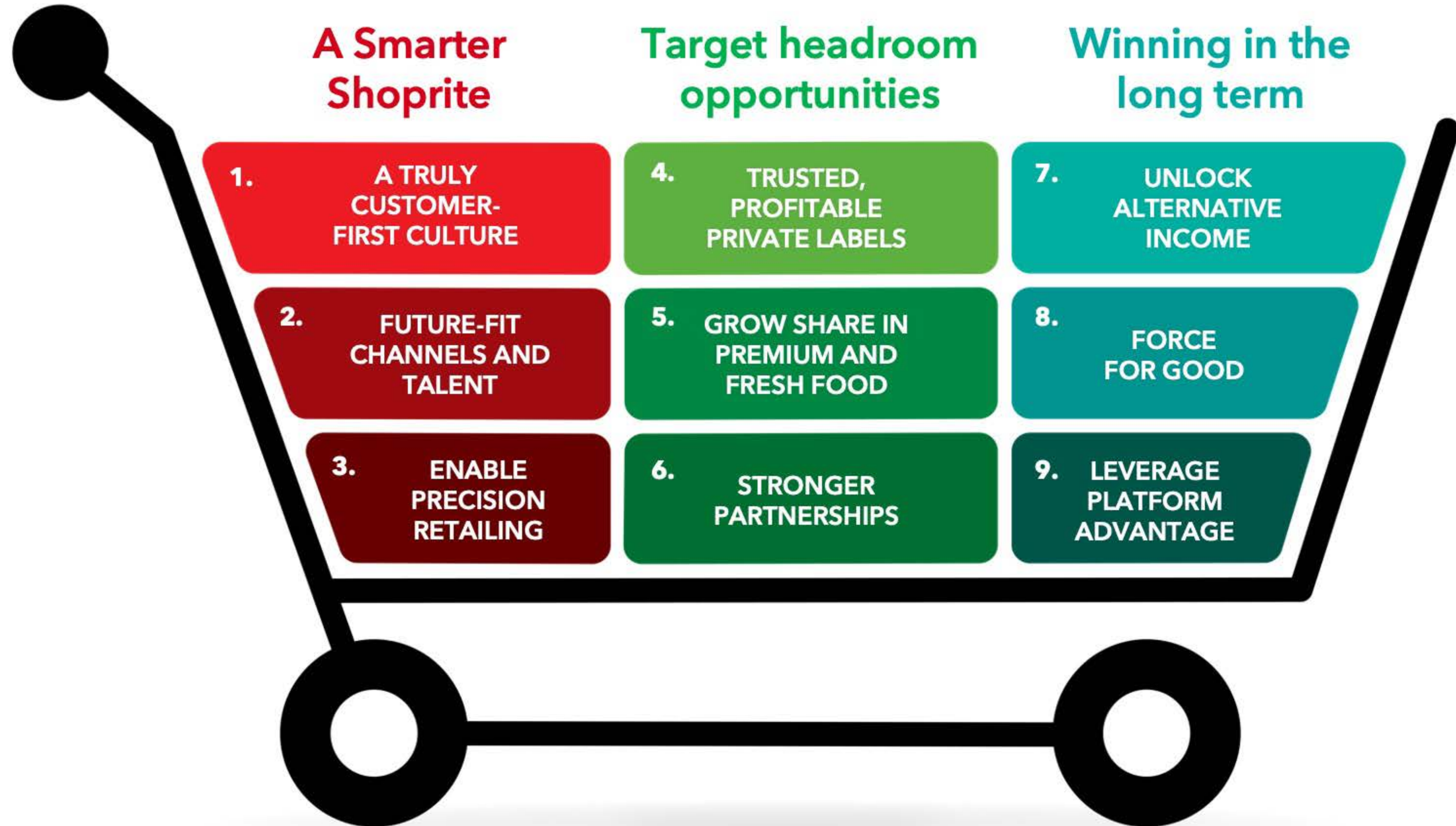
Strategy Update

Pieter Engelbrecht

Chief Executive Officer



Strategic priorities remain future-fit for long-term growth



Shoprite^x powering tomorrow's retail capabilities

SHOPRITE^x

pingo

Last-mile
Logistics

checkers
SIXTY60

Digital Commerce
Platform

XTRA SAVINGS
plus

Subscription
Service

XTRA SAVINGS

Customer
Rewards Platform

SHOPRITE^x

Advanced
Analytics

rainmaker^{MEDIA}

Retail Media
Network

R^x

RETAIL TO THE POWER OF X

Customer Insights
Monetisation



Personalisation



Data Science &
Engineering



Software
Engineering



Pricing
Optimisation



Agile
Innovation

Pioneering rapid grocery delivery



- Sales momentum of 1-hour delivery service continues
- Sixty60 sales increased 63.1% despite rising competition, as online adoption and frequency improved

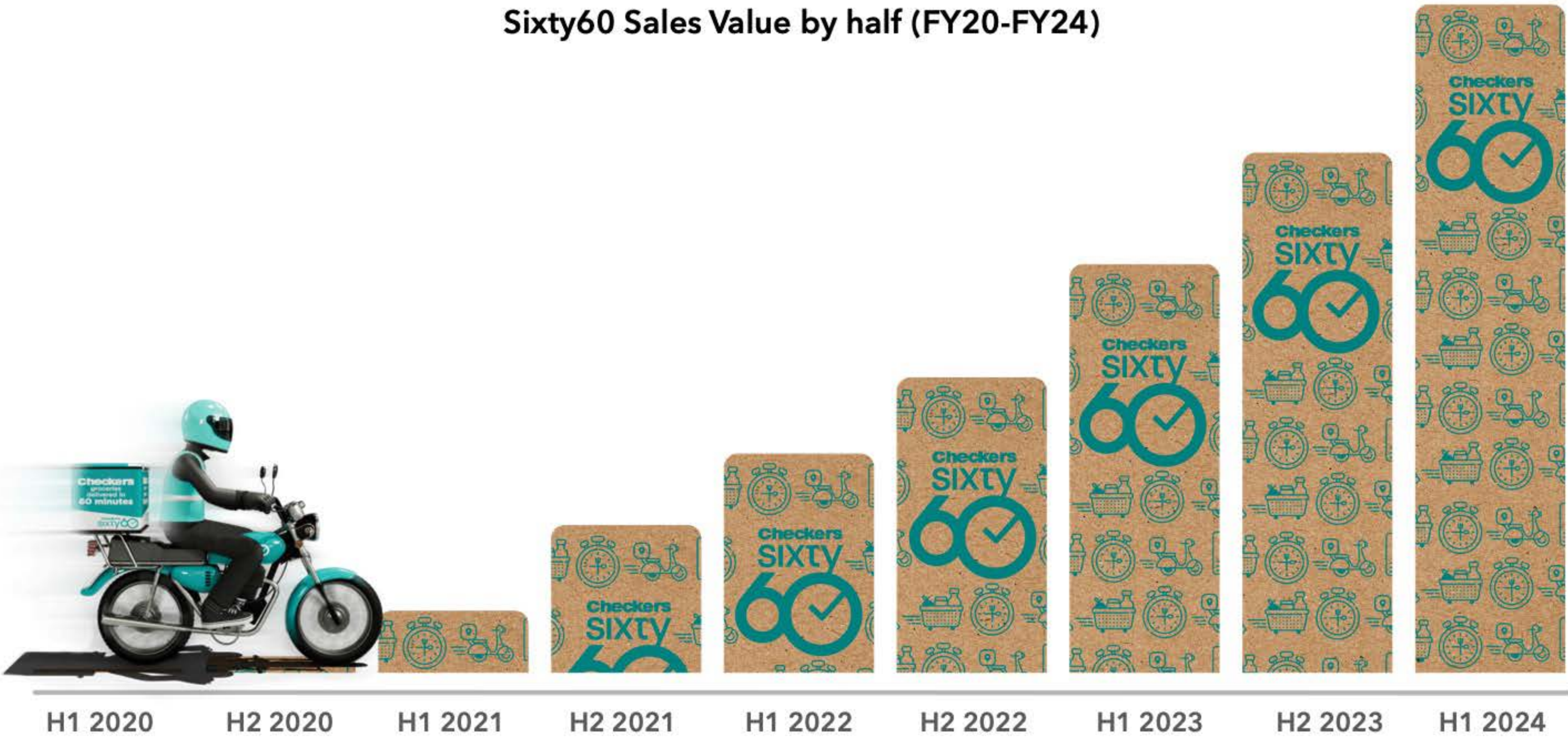
No. 1
Grocery App
(4.5m downloads)

505
Locations

9 903
New jobs
since launch

Sales increased
10.7x
since H1 2021


Sixty60 Sales Value by half (FY20-FY24)



Customer relevance is building brand advocacy



WHO WORE IT BEST?



#Springboks Checkers squad delivered in 60 minutes! 🤖
18-3
#RWC2023



A sustainable digital advantage

Building SA's largest, most profitable, omnichannel retailer

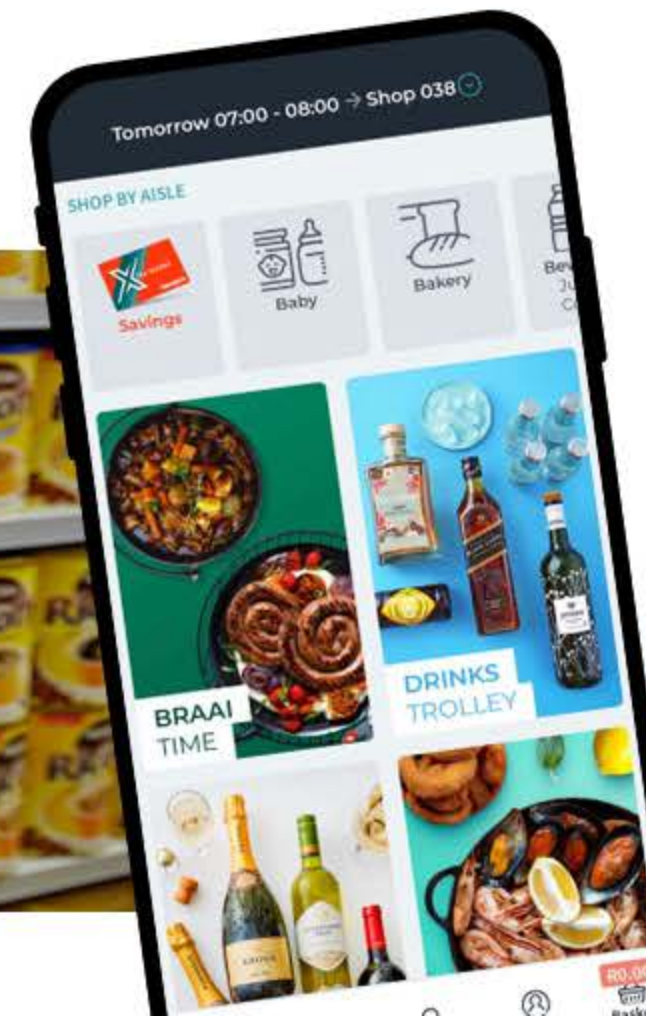
- ✓ Defended position as **No.1 online grocery platform**, adding advanced capabilities in new categories
- ✓ Data from an integrated **customer platform** with 29.4m members and 2 500 swipes per minute
- ✓ **Personalisation at scale** helping customers save money effortlessly
- ✓ Launched **SA's first Retail Subscription** plan maximising loyalty from most valuable customers
- ✓ **Advanced Analytics** capabilities brought in-house to enable Precision Retailing
- ✓ Investment into **AI-led Pricing and Promotion engines**

checkers
SIXTY60



XTRA SAVINGS
plus

SHOPRITE^x



Growing higher margin, data-driven alternative income

- ✓ **Customer Insights monetisation** through own insights platform for FMCG partners
- ✓ **Rainmaker Retail Media Network** commercialising precision targeting capabilities and increasing return on ad spend
- ✓ Affordable and accessible **Financial Services** – cheapest bank account in South Africa, insurance and lending



rainmaker MEDIA



Maximising share of wallet with every shop

New sales opportunities identified in under-indexed categories



Building lighthouse private label brands

- Building customer loyalty with differentiated own brands
 - 25 own brands now exceed R100m in sales each in H1
 - Forage and Feast brand building momentum with +21.9% sales growth
- RSA Private label H1 sales contribution largely flat at 20.6%*
 - Impacted by availability challenges amidst avian flu and port delays



413
New products
launched in the last
6 months



Stronger partnerships

Winning together with partners aligned to our customer values



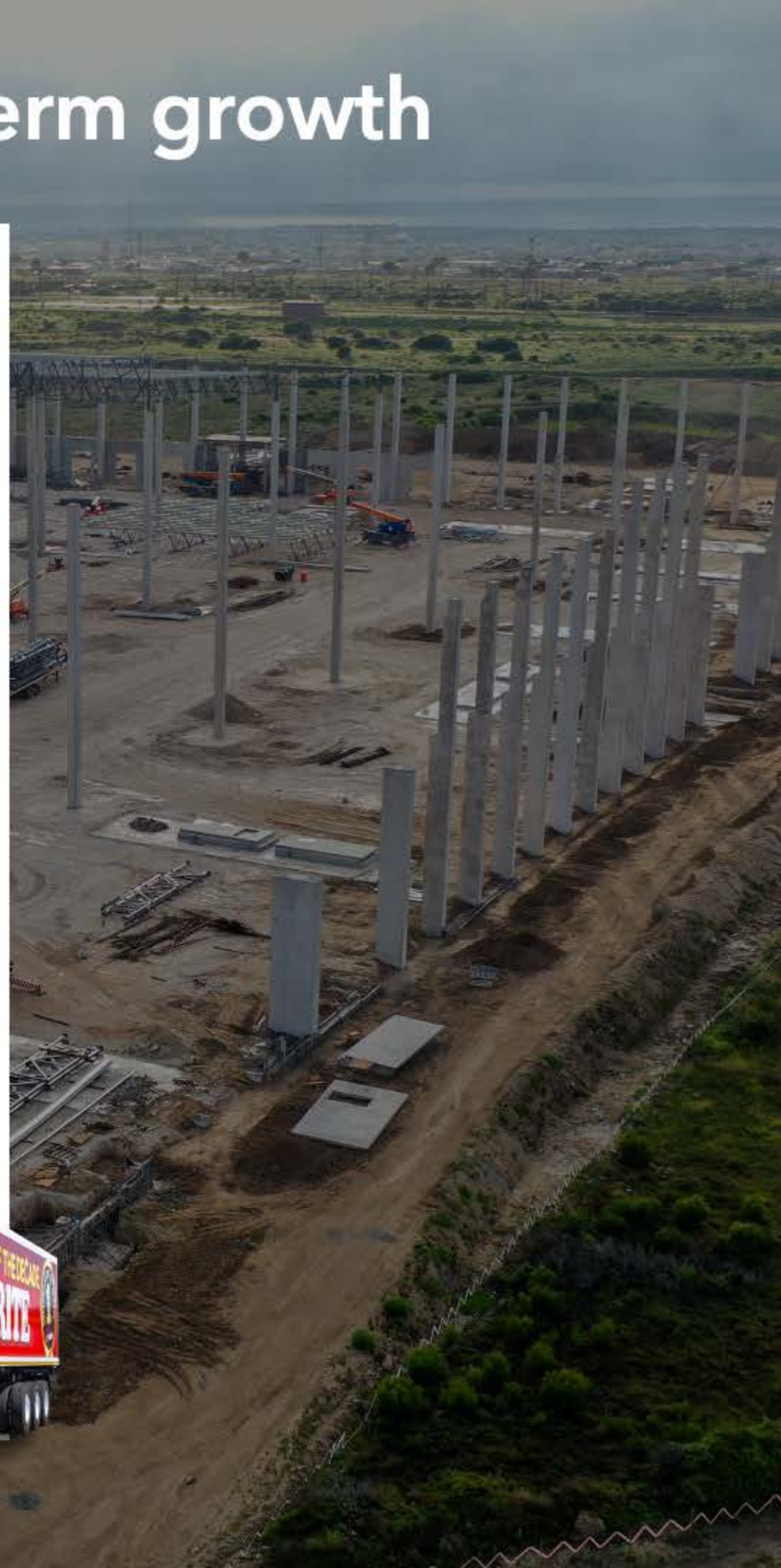
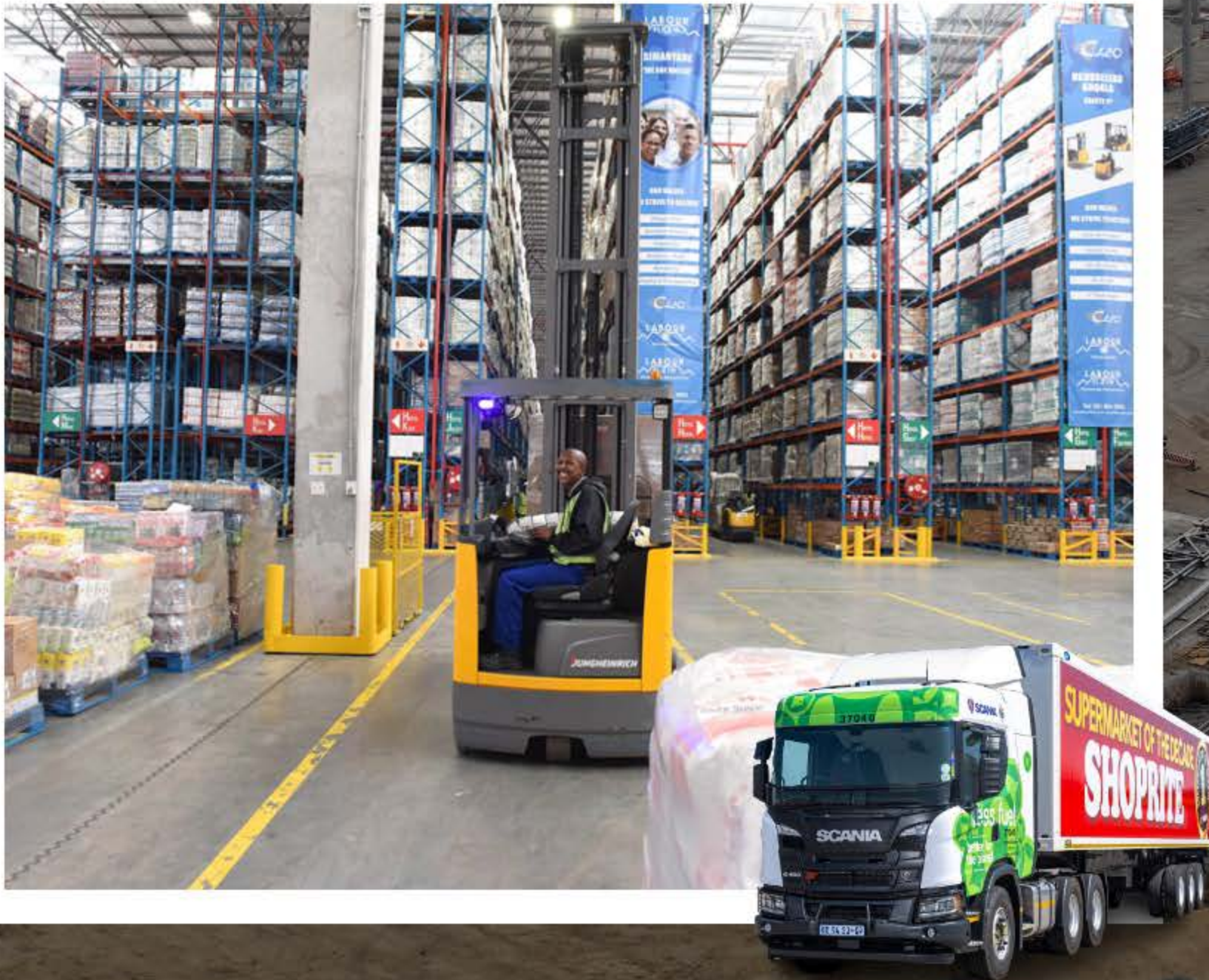
- Market share gains with industry-leading franchise sales growth
- 605 stores (+70 net new stores over 12 months)



Investing in capacity for long-term growth

Future-Fit Supply Chain Expansion

- Increasing centralised supply chain capacity through Retail Logistics Fund by over 200 000m² over the next 12 months



Canelands DC, KwaZulu-Natal
41 208m²



Centurion Transport Facility, Gauteng
9 012m²



Riverfields DC, Gauteng
94 223m²



Wells Estate DC, Eastern Cape
80 531m²

Investing in capacity for long-term growth

Future-Fit Supply Chain Expansion

- Increasing centralised supply chain capacity through Retail Logistics Fund by over 200 000m² over the next 12 months



Build Our Store Network To Leverage Proximity Advantage

- Enterprise **point-of-sale upgrade** commenced - modernising store checkout system and processes
- 215 new stores** opened in H1 with **140 planned** for the remainder of the financial year



Force for Good: Society

R117m

worth of surplus food and goods donated in H1

754 000

nutritious meals served to 7 300 children at 113 early childhood development centres

4.1 million

meals served by 31 mobile soup kitchens

60 535

community members benefitting from 232 community food gardens and 3 750 household food gardens

Recognised for
transformative youth employment
initiatives at the YES programme's inaugural ESG Awards

YES: Youth Employment Service

ESG: Environmental, social, and governance



Force for Good: Planet

100%

of in-store paper and board packaging used in delis, bakeries and fresh fish departments is responsibly sourced

Recycled and reused
32 487 tons
of cardboard and plastic
(+14.4%)

36.0 MWp
installed solar PV capacity,
equivalent to more than
7 000 homes
fitted with solar PV

5.8%

of our electricity is now
sourced from
renewables

99.4%

of in-store used packaging is now reusable,
recyclable or compostable,
with **82.1%** recycled content

Solar Power Generated
Total kWh Generated

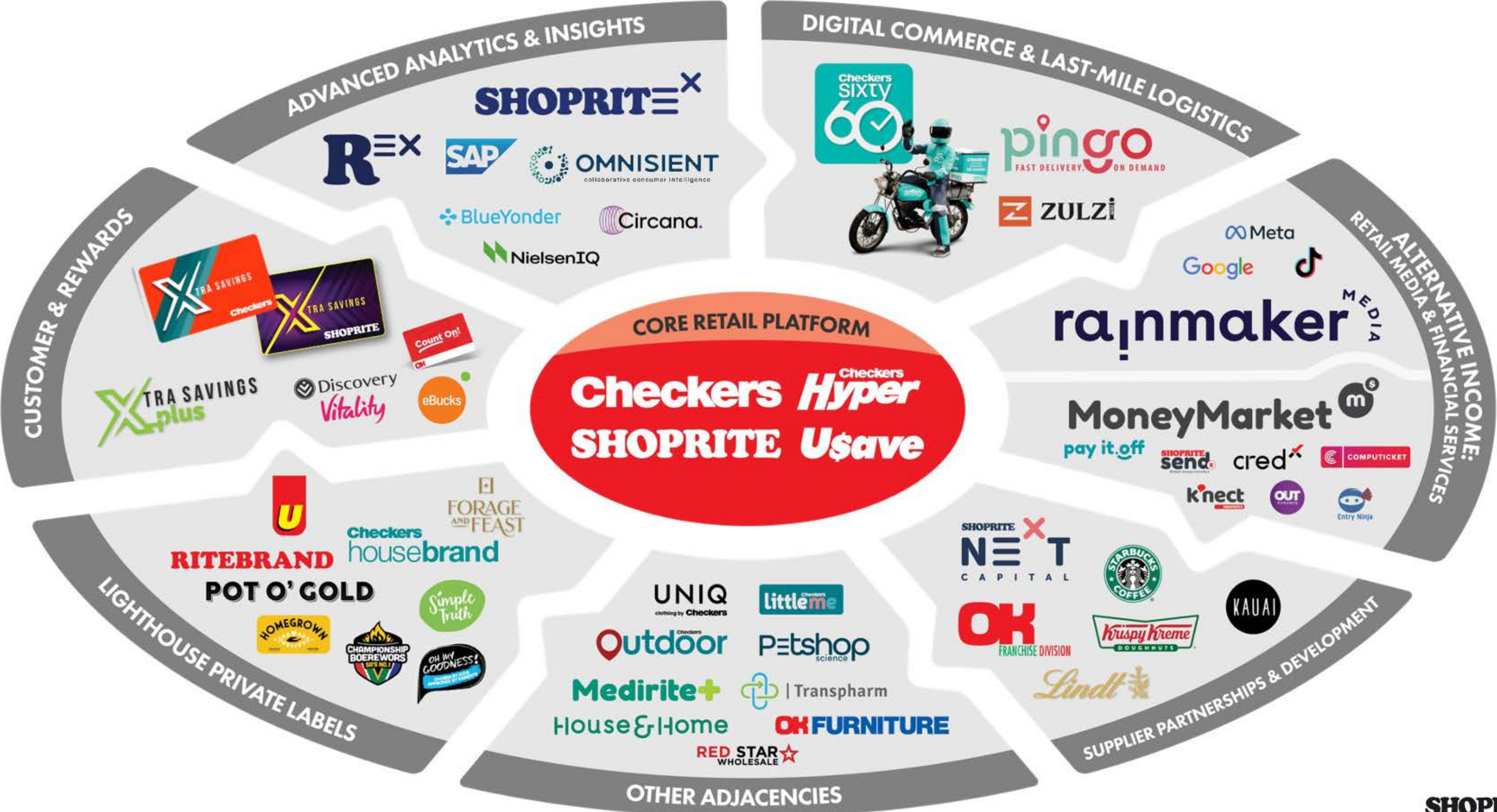


**A-
Leadership
Level**

rating for CDP climate
change and water
security disclosures

CDP: Carbon Disclosure Project

Leveraging our ecosystem of value



Our Outlook

Shoprite is more Customer-centric and Digitally-fit than ever before

- Supermarkets RSA sales growth rate for the first six weeks achieved low double digits and ahead of the market, albeit lower than H1
- H2 sales growth will be impacted by:
 - Supermarkets RSA internal inflation for February was 5.3%, off its peak of 11.9% in February 2023
 - Supermarkets RSA H2 sales growth comparable period 18.2%
 - Massmart acquisition in base
- Investing in DC stock builds, product availability and price leadership
- New store openings contributing ~5% new space for the full year, however not translating directly to sales given store formats and maturity curve of our developments
- Optimistic about our investments that will continue to deliver long-term growth and returns



Thank You Questions



Additional Information

Anton de Bruyn

Chief Financial Officer



Financial metrics

| | H1 2024 | | | Restated* H1 2023 | | |
|---------------------------------|---------------|-------------------|-----------------------|-------------------|-------------------|-----------------------|
| | ROIC Rm | IFRS 16 impact Rm | ROIC excl. IFRS 16 Rm | ROIC Rm | IFRS 16 impact Rm | ROIC excl. IFRS 16 Rm |
| Trading profit | 12 563 | (2 568) | 9 995 | 11 754 | (2 695) | 9 059 |
| Effective tax rate | 30.8% | | 30.8% | 31.1% | | 31.1% |
| Trading profit after tax | 8 694 | (1 776) | 6 918 | 8 099 | (1 857) | 6 242 |
| Invested capital | 72 501 | (30 758) | 41 743 | 66 142 | (26 693) | 39 449 |
| Average invested capital | 69 322 | | 40 596 | 64 121 | | 38 473 |
| ROIC | 12.5% | | 17.0% | 12.6% | | 16.2% |
| | H1 2024 | | | H1 2023 | | |
| ROE | 25.4% | | | 26.4% | | |
| WACC | 13.7% | | | 14.0 - 15.0% | | |

*Restated for the adoption of IFRS 17: Insurance Contracts.

DEFINITIONS: ROIC: Trading profit over the last 12 months (52-week basis) after tax (applying the effective tax rate) expressed as a percentage of average invested capital for the period on a 52-week basis.
 Invested capital: Net asset value excluding borrowings, lease liabilities and bank overdrafts.
 ROE: Headline earnings from continuing operations expressed as a percentage of equity before non-controlling interest at the beginning of the period.
 WACC: Weighted average cost of capital calculated in terms of the Group’s policy.

Diluted headline earnings per share (DHEPS)



| | Change % | 26 weeks 31 Dec '23 cents | 26 weeks 1 Jan '23 cents |
|---|-------------|---------------------------------|--------------------------------|
| DHEPS continuing operations | 7.6 | 621.4 | 577.5 |
| DHEPS discontinued operations | (28.7) | (13.4) | (18.8) |
| DHEPS including discontinued operations | 8.8 | 608.0 | 558.7 |
| DHEPS continuing operations | 7.6 | 621.4 | 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 | 0.5 | 22.3 | 22.2 |
| Exchange rate differences | | 4.9 | (4.5) |
| Hyperinflation | (59.2) | 2.0 | 4.9 |
| Lease modifications and terminations | 3.7 | (8.5) | (8.2) |
| Related tax effect | (80.0) | 0.7 | 3.5 |
| Adjusted DHEPS from continuing operations | 8.0 | 642.8 | 595.4 |
| Adjusted HEPS from continuing operations | 7.7 | 645.5 | 599.3 |

Adjusted headline earnings reconciliation



| | Headline earnings 31 Dec '23 Rm | DHEPS* 31 Dec '23 cents |
|---|---------------------------------------|-------------------------------|
| Headline earnings including discontinued operations | 3 322 | 608.0 |
| Headline loss from discontinued operations | 73 | 13.4 |
| Headline earnings from continuing operations | 3 395 | 621.4 |
| 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 | 122 | 22.3 |
| Exchange rate differences | 27 | 4.9 |
| Hyperinflation | 11 | 2.0 |
| Lease modifications and terminations | (46) | (8.5) |
| Related tax effect | 1 | 0.7 |
| Adjusted headline earnings from continuing operations | 3 510 | 642.8 |

*DHEPS based on 546 084 550 weighted average number of ordinary shares adjusted for dilution

Items of a capital nature

| | 26 weeks 31 Dec '23 Rm | 26 weeks 1 Jan '23 Rm |
|---|------------------------------|-----------------------------|
| Continuing operations | | |
| Impairment of property, plant and equipment | (7) | (9) |
| Impairment reversal/(impairment) of right-of-use assets | 7 | (7) |
| Impairment of intangible assets | (12) | - |
| Non-financial asset impairments | (12) | (16) |
| Profit on disposal and scrapping of plant and equipment and intangible assets | 72 | 92 |
| Insurance claims receivable | 23 | 50 |
| Other | (42) | 3 |
| Total expenditure of a capital nature | 41 | 129 |

Notes to the results:

| Non-financial asset impairments/(reversals) by segment | 26 weeks 31 Dec '23 Rm |
|--|------------------------------|
| Supermarkets RSA | 19 |
| Supermarkets Non-RSA | 5 |
| Furniture | (10) |
| Total continuing operating segments | 14 |
| Hyperinflation effect | (2) |
| Consolidated continuing operations | 12 |