

CASHBUILD LIMITED

(Registration number: 1986/001503/06)

(Incorporated in the Republic of South Africa)

JSE share code: CSB

ISIN: ZAE000028320

("Cashbuild" or "the Group")

SECOND QUARTER OPERATIONAL UPDATE – FY 2022

Cashbuild herewith provides its voluntary quarterly operational update for the second quarter ended 26 December 2021 ("second quarter" or "Q2 FY2022").

Shareholders are reminded of the SENS announcement released on 14 July 2021 relating to violence and looting in South Africa, that affected 36 of the Group's stores. Excluding the results of the 36 looted stores, revenue for the second quarter for the Group was down 5% on the second quarter of the prior financial year ("the comparative period" or "Q2 FY2021"). This, combined with the results reported in the first quarter ("Q1 FY2022"), equates to a decrease in revenue for the half year ended 26 December 2021 ("half year" or "HY2022") of 5% compared to the prior half year ended 27 December 2020 ("prior half year" or "HY2021").

On a statutory basis, revenue for the second quarter for the Cashbuild Group was down 11% on the comparative period. For the 305 existing stores (in existence prior to July 2020), revenue decreased by 13% while the 12 new stores contributed 2%. This, combined with the results reported in the first quarter, equates to a decrease in revenue for the half year of 12% compared to the prior half year.

Transactions through the tills during the second quarter for the Cashbuild Group decreased by 18% (half year: 21% down) to that of the comparative period, with existing stores decreasing by 20% (half year: 23% down) while new stores increasing by 2% (half year: 2%).

Selling inflation was 8.8% at the end of December 2021 when compared to December 2020.

A revenue performance breakdown per operating segment is reflected in the following table:

Revenue performance HY2022 versus HY2021					
Operating Segment		Percentage of Total Sales	Total Growth %	New Growth %	Existing Growth %
Cashbuild South Africa	Q1 FY2022	80	(13)	2	(15)
	Q2 FY2022	80	(11)	2	(13)
	Half year	80	(12)	2	(14)
Cashbuild Common Monetary Areas	Q1 FY2022	7	4	6	(2)
	Q2 FY2022	7	3	5	(2)
	Half year	7	4	6	(2)
Cashbuild Other *	Q1 FY2022	5	(1)	-	(1)
	Q2 FY2022	5	(7)	-	(7)
	Half year	5	(4)	-	(4)
P&L Hardware South Africa	Q1 FY2022	8	(27)	1	(28)
	Q2 FY2022	8	(22)	1	(23)
	Half year	8	(24)	1	(25)

Total Group	Q1 FY2022	100	(13)	2	(15)
	Q2 FY2022	100	(11)	2	(13)
	Half year	100	(12)	2	(14)

*Botswana, Malawi and Zambia

During the second quarter, the Group opened one new Cashbuild store (half year: two Cashbuild), no refurbishments were completed (half year: five Cashbuild), relocated one Cashbuild (half year: one Cashbuild) and closed one looted Cashbuild store and one P&L Hardware store at the expiration of its lease agreement (half year: three looted Cashbuild and one P&L Hardware).

Since the looting mentioned above, 29 (26 Cashbuild and 3 P&L Hardware) of the 36 stores have reopened for trading. The total number of stores at the end of the second quarter is 317 (313 trading and 4(looted stores currently being refitted for reopening).

A store breakdown by operating segment is reflected in the following table:

Number of stores – end of second quarter	Percentage of total	Total	New	Existing
Cashbuild South Africa	73	232	9	223
Cashbuild Common Monetary Areas	6	18	2	16
Cashbuild Other *	4	13	-	13
P&L Hardware South Africa	17	54	1	53
Total Group	100	317	12	305

*Botswana, Malawi and Zambia

The information contained in this operational update has not been reviewed or reported on by Cashbuild's auditors.

25 January 2022

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited