



INTERIM RESULTS AND DIVIDEND DECLARATION

for the six months ended 26 December 2021





Summary consolidated interim income statement - Reviewed

R'000	ended 26 December 2021	Six months ended 27 December 2020 (26 weeks)	% change	Year ended 27 June 2021 (52 weeks)
Revenue	5 888 708	6 694 502	(12)	12 615 629
Cost of sales	(4 324 404)	(4 929 613)	(12)	(9 226 014)
Gross profit Selling and marketing expenses Administrative expenses Other operating expenses Other income	1 564 304	1 764 889	(11)	3 389 615
	(1 017 278)	(1 050 005)	(3)	(1 995 881)
	(136 286)	(161 173)	(15)	(385 536)
	(23 140)	(1 560)	>100	(3 363)
	104 726	23 502	>100	33 984
Operating profit Finance cost Finance income	492 326	575 653	(14)	1 038 819
	(82 763)	(77 769)	6	(162 502)
	37 920	46 971	(19)	91 327
Profit before income tax Income tax expense Profit for the period	447 483	544 855	(18)	967 644
	(151 116)	(180 611)	(16)	(297 557)
	296 367	364 244	(19)	670 087
Profit attributable to: - Owners of the company - Non-controlling interests	293 141 3 226	361 932 2 312	· · ·	664 682 5 405
Earnings per share (cents) Diluted earnings per share (cents)	296 367	364 244	(19)	670 087
	1 294.8	1 594.7	(19)	2 935.7
	1 292.7	1 594.1	(19)	2 932.6

Summary consolidated interim statement of comprehensive

income - Reviewed

R'000	Six months ended 26 December 2021 (26 weeks)	Six months ended 27 December 2020 (26 weeks)	Year ended 27 June 2021 (52 weeks)
Profit for the period Other comprehensive income:	296 367	364 244	670 087
Total movement in foreign currency translation reserve (FCTR) Attributable to:	(14 890)	(10 896)	(17 308)
- Owners of the company - Non-controlling interests	(15 637) 747	(6 720) (4 176)	(11 578) (5 730)
Total comprehensive income for the period	281 477	353 348	652 779
Total comprehensive income attributable to: - Owners of the company - Non-controlling interests	277 504 3 973 281 477	355 212 (1 864) 353 348	653 104 (325) 652 779

Summary consolidated interim statement of cash flows – Reviewed

R'000	Six months ended 26 December 2021	Six months ended 27 December 2020	Year ended 27 June 2021
Cash flows from operating activities Cash generated from operations Interest paid Interest received – non-investing Taxation paid	289 910 (82 763) 132 (158 194)	1 195 401 (77 769) - (55 708)	1 507 716 (162 502) 11 (239 643)
Net cash generated from operating activities Cash flows from investing activities Net investment in assets	(139 434)	(81 476)	(173 233)
Interest received Net cash used in investing activities Cash flows from financing activities	37 788 (101 646)	46 971 (34 505)	91 316 (81 917)
Shares purchased by Cashbuild SA for FSP Finance lease payments Dividends paid:	(36 646) (74 630)	(13 591) (88 851)	(13 591) (180 149)
- Own equity - Non-controlling interests Net cash used in financing activities	(513 172) (4 003) (628 451)	(62 367) (1 980) (166 789)	(229 915) (1 980) (425 635)
Net increase in cash and cash equivalents	(681 012)	860 630	598 030
Cash and cash equivalents at beginning of period Effect of exchange rate movements on cash and cash equivalents	2 546 380 11 568	1 951 582 6 874	1 951 582
Cash and cash equivalents at end of period	1 876 936	2 819 086	2 546 380

Summary consolidated interim segmental analysis - Reviewed

Commentary

Nature of business Cashbuild is southern Africa's largest retailer of quality building materials and associated products, selling direct to a cash-paying customer base through our chain of stores (317 at the end of this reporting period, which includes 54 P&L Hardware stores). Cashbuild carries an in-depth quality product range tailored to the specific needs of the communities we serve. Our customers are typically home-builders and improvers, contractors, farmers, traders, as well as all other customers requiring quality building materials at the

Cashbuild has built its credibility and reputation by consistently offering its customers quality building materials at the best value and through a purchasing and inventory policy that ensures customers' requirements are always met.

International Financial Reporting Standards The Group is reporting its reviewed results in accordance with International Financial Reporting Standards ("IFRS").

Financial highlights Revenue for the period declined by 12%. Revenue for stores in existence prior to July 2020 (pre-existing stores - 305 stores) declined with 14% and our 12 new stores contributed 2% growth. Gross profit decreased by 11% with gross profit margin percentage increasing from 26.4% to 26.6% mainly due to the store looting stock recovery claim net of

Operating expenses, including new stores, were well controlled considering the revenue decline, reducing by 10% (existing stores 12%

write off. Selling price inflation for December 2021 was 8.8% compared

partially offset by a 2% increase in new stores) resulting in the operating profit decreasing by 14%. Basic earnings per share declined by 19% with headline earnings per share also declining by 27% from the prior period. The effective tax rate of 33.8% for the period is higher than that of the previous period due to the withholding tax on inter-group dividends declared in countries.

Cash and cash equivalents is 33% lower than the prior period mainly as a result of the substantial final dividend paid and costs of looted stores not yet recovered from insurance. Stock levels, including new stores have increased by 10% with stockholding at 79 days (December 2020: 68 days; June 2021: 74 days) at period end. Net asset value per share decreased by 5%, from 9 640 cents (December 2020) to 9 175 cents.

During the period, Cashbuild opened 2 new Cashbuild stores refurbished 5 Cashbuild stores and relocated 1 Cashbuild store. 3 looted Cashbuild stores and 1 P&L Hardware store were closed at the expiration of their lease agreements. 25 Cashbuild stores and 3 P&L Hardware stores that were looted have since been reopened. Cashbuild will continue its store expansion, relocation and refurbishment strategy in a controlled manner, applying an even more rigorous process, due to the Covid-19 pandemic and associated economic uncertainties.

Group revenue for the six weeks subsequent to period end is 10% lower than the comparative prior six weeks period. Management expects trading conditions to remain uncertain due to Covid-19 and its economic impact. This information has not been reviewed nor audited by the Company's auditor.

During the period, 36 (32 Cashbuild and 4 P&L Hardware) stores across the Group were impacted by the unrest and looting in July 2021. Stores were looted and damaged which led to the scrapping of various categories of property, plant and equipment (R20.4 million) and inventory (R136 million). Cashbuild has insurance cover for such events to minimise losses to the Group and submitted insurance claims of R143 million for inventory, R71 million for property, plant and equipment and R65 million for business interruption to its respective insurers.

The insurance recoveries expected have been recognised in cost of sales (R143 million) and other income (R71 million). Cashbuild expects that compensation for business interruption would be finalised after the full-year results of the Group have been determined. No receivable has been recognised for the business interruption due to not finalising the claim value which therefore is not virtually certain. The Group received interim payments for its asset claims of R132 million on 23 November 2021 and R82 million (VAT inclusive) after period end.

For illustrative purposes, the Consolidated Income Statements table below has been presented on a comparative basis to highlight the civil unrest and looting effects in the current and prior period. This has been provided so that users may be able to assess the impact of looting and the trading results of the remaining business and is the responsibility of the directors of Cashbuild. Due to the nature of the information presented below, it may not fairly present the financial position, changes in equity, results of operations or cash flows of

Civil unrest and looting effects

to December 2020.

	December 2021	December 2021	December 2021		December 2020	December 2020	December 2020
	Statutory results	Looted stores	Excluding looted stores	Variance %	Excluding looted stores	Looted stores	Statutory results
Revenue Cost of sales	5 888 708 (4 324 404)	225 354 (155 042)	5 663 354 (4 169 362)	(5) (5)	5 942 241 (4 370 783)	752 261 (558 830)	6 694 502 (4 929 613)
Gross profit Gross profit %	1 564 304 26.6	70 312 31.2	1 493 992 26.4	(5)	1 571 458 26.4	193 431 25.7	1 764 889 26.4
Selling and marketing expenses	(1 017 278)	(93 918)	(923 360)	(1)	(934 874)	(115 131)	(1 050 005)
Administrative expenses Other operating expenses	(136 286) (23 140)	(20 384)	(136 286) (2 756)	(15) 77	(161 173) (1 560)	-	(161 173) (1 560)
Other income	104 726	71 488	33 238	41	23 502	-	23 502
Operating profit Operating profit %	492 326 8.4	27 498	464 828 8.2	(7)	497 353 8.4	78 300	575 653 8.6
Attributable earnings Earnings per share	293 141 1 294.8	15 903	277 238 1 224.6	(12) (12)	315 934 1 392.0	45 998	361 932 1 594.7
Headline earnings per share	1 130.4		1 246.3	(7)	1 338.1		1 540.7

Summary consolidated interim statement of financial position -Reviewed

R′000	26 December 2021	27 December 2020	27 June 2021	
ASSETS				
Non-current assets	3 061 706	2 997 140	3 090 832	
Property, plant and equipment	2 449 511	2 397 165	2 464 385	
Investment property	39 960	57 924	43 007	
Intangible assets	424 467	422 268	423 464	
Investment in associate	30 000	-	30 000	
Deferred income tax assets	117 768	119 783	129 976	
Current assets	3 950 297	4 641 458	4 241 101	2.
Assets held for sale	950	-	-	
Inventories	1 819 437	1 652 663	1 545 878	
Trade and other receivables	219 614	143 984	129 179	
Prepayments	33 360	25 725	19 664	
Cash and deposits	1 876 936	2 819 086	2 546 380	
Total assets	7 012 003	7 638 598	7 331 933	
EQUITY AND LIABILITIES				
Shareholders' equity	2 328 988	2 443 631	2 587 954	3.
Share capital and reserves	2 292 924	2 409 076	2 551 860	•
Non-controlling interests	36 064	34 555	36 094	
Non-current liabilities	1 485 922	1 462 937	1 517 518	4.
Lease liabilities	1 431 740	1 422 900	1 467 717	
Joint investment loan payable	15 369	-	16 783	
Deferred income tax liability	38 813	40 037	33 018	
Current liabilities	3 197 093	3 732 030	3 226 461	
Trade and other liabilities	2 895 374	3 391 570	2 914 923	
Lease liabilities	217 354	181 237	202 092	
Current income tax liabilities	84 365	159 223	109 446	

7 012 003

7 638 598

Additional information

Total equity and liabilities

R'000	ended 26 December 2021	ended 27 December 2020	Year ended 27 June 2021
Net asset value per share (cents)	9 175	9 640	10 212
Net asset value per share (excluding treasury shares)	10 128	10 615	11 258
Ordinary shares ('000s):			
- In issue	24 990	24 990	24 990
- Weighted-average	22 639	22 696	22 642
- Diluted weighted-average	22 676	22 704	22 665
Capital investment	143 239	95 941	196 096
Depreciation of property, plant and equipment	183 840	179 233	364 044
Amortisation of intangible assets	1 987	2 518	4 308
Capital commitments	65 326	133 963	74 502
Contingent liabilities	19 923	8 524	8 524

Notes to the summary consolidated interim financial information

1. Basis of preparation. The summary consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (*IFRS*), the presentation and disclosure requirements of IAS 34 – Interim Financial Reporting as required by the JSE Limited Listings Requirements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa applicable to summary interim financial statements. The accounting policies applied in the preparation of the consolidated interim financial statements from which the summary consolidated interim financial statements were derived, are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements.

The consolidated interim financial statements have been prepared under the supervision of the Finance Director, Mr AE Prowse CA(SA), and approved by the board on 1 March 2022.

Independent review by the auditor. These summary consolidated interim financial statements were derived from the reviewed consolidated interim financial statements for the six months ended 26 December 2021. The independent auditor's review has been conducted in accordance with International Standards on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor, PricewaterhouseCoopers Inc., and their unmodified review report is available for inspection at the Company's registered office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Group's external auditors. The auditor's review report does not necessarily report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's review report together with the accompanying financial statements from the

Reporting period. The Group adopts the retail accounting calendar, which comprises the reporting period ending on the last Sunday of the month (2021: 26 December (26 weeks); 2020: 27 December (26 weeks); June 2021: 27 June (52 weeks)).

Declaration of dividend. The board has declared an interim dividend (No. 58), of 587 cents (2020: 724 cents) all shareholders of Cashbuild. The dividend per share is calculated based on 24 989 811 (2020: 24 989 811) shares in issue at date of dividend declaration. Net local dividend amount is 469.6 cents per share for shareholders liable to pay Dividends Tax and 587 cents per share for shareholders exempt from paying Dividends Tax. Local dividend tax is 20%. Cashbuild's tax reference number is 9575168712.

Date dividend declared: Last day to trade "CUM" the dividend: Date to commence trading "EX" the dividend: Record date: Date of payment:

Tuesday, 1 March 2022 Tuesday, 22 March 2022 Wednesday, 23 March 2022 Friday, 25 March 2022 Monday, 28 March 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 23 March 2022 and Friday, 25 March 2022, both dates inclusive

5. Earnings per share. Earnings per share is calculated by dividing the earnings attributable to owners of the company for the period by the weighted-average number of 22 638 936 ordinary shares in issue at period-end (2020: 22 695 705 shares; June 2021: 22 641 722). Headline earnings per ordinary share. The calculations of headline earnings and diluted headline earnings per ordinary share are based on headline earnings of R255,9 million (2020: R349,7 million; June 2021:

R650.4 million) and a weighted-average of 22 638 936 (2020: 22 695 705 shares; June 2021: 22 641 722) shares and fully diluted of 22 676 476 (2020: 22 704 069; June 2021: 22 665 031) ordinary shares in issue. Reconciliation between net profit attributable to the equity holders of the company and headline earnings

R'000	Six months ended December 2021	Six months ended December 2020	% change	Year ended June 2021
Net profit attributable to the owners of the company Loss/(profit) on sale of assets after taxation Impairment/(Impairment reversal) after taxation Net profit effect of property, plant and equipment from insurance income after taxation	293 141 455 4 463 (42 150)	361 932 (927) (11 322)	(19)	664 682 (2 268) (11 999)
Headline earnings	255 909	349 683	(27)	650 415
Headline earnings per share (cents)	1 130.4	1 540.7	(27)	2 872.6

1 128.5

1 540.2

Alistair Knock

On behalf of the board

7 331 933

Werner de Jage Chief Executive

Diluted headline earnings per share (cents)

Johannesbura 1 March 2022

2 869.7

Summary consolidated interim statement of changes in equity - Reviewed Attributable to owners of the compan

R'000	Share capital	Share premium	Share-based payments reserve	FCTR	Retained earnings	Non- controlling interests	Total equity	
Balance at 28 June 2020	227	(274 414)	95 262	24 372	2 271 169	38 399	2 155 015	
Total comprehensive income for the period	-	-	_	(6 720)	361 932	(1 864)	353 348	
Dividends paid	_	-	-	-	(62 367)	(1 980)	(64 347)	
Shares purchased by Cashbuild SA for Forfeitable Share Plan	_	(13 591)	-	-	_	_	(13 591)	
Recognition of share-based payments	-	-	13 206	-	-	-	13 206	
Balance at 27 December 2020	227	(288 005)	108 468	17 652	2 570 734	34 555	2 443 631	
Total comprehensive income for the period	-	-	_	(4 858)	302 750	1 539	299 431	
Dividends paid	_	-	-		(167 548)	-	(167 548)	
Recognition of share-based payments	-	-	12 440	-	-	-	12 440	
Balance at 27 June 2021	227	(288 005)	120 908	12 794	2 705 936	36 094	2 587 954	
Total comprehensive income for the period	-	-	-	(15 637)	293 141	3 973	281 477	
Shares purchased by Cashbuild SA for Forfeitable Share Plan	-	(36 646)	-	-	-	-	(36 646)	
Dividends paid	-	-	-	-	(513 172)	(4 003)	(517 175)	
Recognition of share-based payments	-	-	13 378	-	-	-	13 378	
Balance at 26 December 2021	227	(324 651)	134 286	(2 843)	2 485 905	36 064	2 328 988	

		South Africa													
	Group Cashbuild business P&L Hardware business					3	Other members of common monetary area* Botswana, Malawi and Zambia					nbia			
		hs ended ember	Year ended June	Six montl Dece		Year ended June		hs ended ember	Year ended June	Six mont		Year ended June		hs ended ember	Year ended June
R'000	2021	2020	2021	2021	2020	2021	2021	2020	2021	2021	2020	2021	2021	2020	2021
Income statement															
Revenue	5 888 708	6 694 502	12 615 629	4 717 373	5 364 089	10 154 307	494 818	654 952	1 158 633	398 568	384 559	732 188	277 949	290 902	570 501
Operating profit	492 326	575 653	1 038 819	412 406	495 553	872 124	15 703	11 710	28 907	41 183	40 626	80 278	23 034	27 764	57 510
Statement of financial position															
Segment assets	7 012 003	7 638 598	7 331 933	5 043 142	5 619 749	5 397 017	845 398	904 218	824 852	691 936	710 878	704 450	431 527	403 753	405 614
Segment liabilities	4 683 015	5 194 967	4 743 979	3 335 640	3 797 825	3 491 978	794 634	864 666	777 623	251 754	282 961	243 514	300 987	249 515	230 864
Other segment items															
Number of stores	317	317	319	232	229	233	54	58	55	18	17	18	13	13	13
Depreciation	183 840	179 233	364 044	152 357	144 958	296 166	15 062	18 005	36 160	8 547	6 999	14 727	7 874	9 271	16 991
Amortisation	1 987	2 518	4 308	1 932	2 438	4 170	41	21	51	-	25	33	14	34	54
Capital investment	143 239	95 941	196 096	138 627	57 836	161 533	4 071	28 989	18 421	484	8 541	15 261	57	575	881

Includes Namibia, Swaziland and Lesotho