

# Shoprite's annual profit rises as inflation-hit South Africans drive demand

South Africa's biggest grocery retailer Shoprite Holdings has reported a 10.3% increase in annual profit as shoppers flocked to discount store chains for everything from groceries to household supplies in the face of higher inflation.



Source: Shoprite Group

Shoprite's more affluent customers, who have largely shrugged off the impact of inflation, also boosted profit and sales at its upmarket Checkers supermarket chain, which also offers on-demand grocery delivery.

Shoprite, with more than 2,900 stores in 11 African countries, said headline earnings per share, the main profit measure in South Africa, rose to 1,055 cents in the 52 weeks to 3 July, up from 956.3 cents in the prior year.



## Woolworths steps up battle for affluent shoppers

Nqobile Dlodla 31 Aug 2022



Shoprite managed to chalk up group sales growth of R184.1bn, up 9.6% as its core South African supermarkets business grew sales by 10.1%, despite the impact of civil unrest last year that damaged its 231 stores.

Within this unit, its discount namesake Shoprite and Usave supermarket businesses, which together make up 52.8% of supermarkets South Africa sales, increased sales by 7.2%, while its Checkers supermarket business, which makes up 39.8% of revenue, increased sales by 9.1%.

The retailer had more shoppers at its stores in the financial year, with visits up by 5% and average basket spend increased by 4.9%. Internal selling price inflation was kept below the country's inflation, measuring at 3.9% for the group, it said.

## ABOUT THE AUTHOR

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