

TRUWORTHS

TRADING STATEMENT FOR THE 3RD QUARTER ENDED 10 APRIL 2021

HEADLINE

- The business did not trade in the months of January and February due to the Covid 19 Lockdown.
- The business traded for 5 weeks in the quarter instead of 13 weeks.

IMPACT

- There was a negative impact on profitability and cash flow for the quarter due to trading for 5 weeks instead of 13 weeks.
- Debtors collection teams worked virtually for the months of January and February and achieved the following Collections against target:

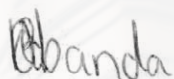
January	83.6%
February	99.4%
March	73.6%

- Debtors collections on their own without cash sales are inadequate to cover the fixed operating expenses of the business.
- We are continuously negotiating with landlords on feasible and sustainable rentals going forward.
- There were no merchandise receipts in the months of January and February.
- Unit Sales after re-opening in March were 23.7% up on the similar month last year and -0.7% on a like for like basis.
- In value terms the quality of sales was as follows:
69.7% cash and 30.3% credit.

OUTLOOK

- Merchandise and fabric supplies for winter were disrupted due to the lockdown in the region.
- Liquidity in the Economy will remain constrained until a bail-out relief package is implemented.
- Should there be no further lockdowns and with improved cereal production in the macro economy, we expect the business to continue in its positive trajectory as experienced in the months of March and April albeit from a low base last year which was adversely affected by the lockdowns in the months of April 2020 and May 2020.

By Order of the Board



B.M. CHIBANDA
COMPANY SECRETARY
13 May 2021