

Shoprite plans to close stores in Kenya

Shoprite Holdings plans to dispose of its Kenyan operations, and close its remaining two stores in the East African country by year-end.



Shoprite CEO Pieter Engelbrecht

"Kenya, with three stores at year-end, has continued to underperform relative to our return requirements. Post year-end, one store has been closed. Given the ensuing economic impact of Covid-19 and our experience to date, we expect to close or dispose of our remaining two stores in the region in the year ahead," the company said in its financial results published this week.

Shoprite, Africa's largest grocery retailer, opened its first supermarket in Kenya at Westgate Mall, Nairobi, in December 2018. The announcement of its planned exit from the country comes one month after Shoprite said it was [considering reducing or selling all of its stake](#) in its Nigerian subsidiary.



Shoprite to discontinue operations in Nigeria

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With more than 2,300 stores across Africa, Shoprite reported record sales of R156.9bn, up 6.4% for the year ended 28 June, with like-for-like sales up 4.4% as customers spent more at its discount Usave and mid-to-upper market Checkers stores.

However, reported sales at its non-RSA operations declined 1.4%. The segment experienced ongoing currency devaluations in certain key regions during the year and was further impacted by lockdown regulations pertaining to store closures and limitations in trade and transport in different regions at different times.

Commenting on performance in the rest of Africa, Shoprite Group chief executive officer Pieter Engelbrecht, said, "Overall, it has been a difficult six months for Supermarkets Non-RSA given lockdown regulations which impacted store openings, days and hours of trade, as well as severely restricting transport in some countries, impeding our employees and customers' ability to get to our stores."

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