

HOMECHOICE INTERNATIONAL p1c
(Incorporated in the Republic of Malta)
Registration number: C66099
JSE share code: HIL
ISIN: MT0000850108
("HIL" or "the group")

AUDITED SUMMARISED GROUP FINANCIAL RESULTS
for the year ended 31 December 2019 and cash dividend declaration

SUSTAINING STRATEGIC DIRECTION DESPITE DIFFICULT TRADING PERFORMANCE

271 000 new customers acquired
Revenue up 7.3% to R3.5 billion
Retail sales up 4.9% to R2.0 billion
Loan disbursements up 27.0% to R2.3 billion
Cash conversion rate increased to 58.2% of revenue
Investments in technology and improving customer experience
Milestone R2 billion credit extended on digital channels
EBITDA declined by 8.5% on lower gross profit margin
Earnings per share down 14.0% to 436.0 cents
Headline earnings per share down 14.1% to 436.0 cents
Final dividend of 79 cents per share, down 20.2%
Annual dividend of 166 cents, down 14.4%

Chief Executive Officer South Africa, Shirley Maltz, commented: "The financial results were a product of a tough economic environment as well as operational challenges. Our 7.3% growth in revenue disappointingly did not convert to profit growth. Higher clearance sales on the overhang of stock from the 2018 SAPO strike and non-comparable debtor costs negatively impacted the results. Trading expenses were well controlled while continuing to invest in the key strategies. Cash conversion improved.

We are pleased with the strategic traction that we have gained in 2019, in accelerating our digital transformation, increasing the Retail footprint and improving our customer experience. For the first time we granted R2 billion of credit on our digital channels, 40% of total credit extended. Our brands and products continue to resonate with customers. 271 000 new customers were acquired in the year, increasing our total active customer base to 912 000 and keeping us on track to achieve our target of 1.2 million customers by 2022."

DIVIDEND DECLARATION

Notice is hereby given that the board of directors has declared a final gross cash dividend of 79.0000 cents (63.2000 cents net of dividend withholding tax) per ordinary share for the year ended 31 December 2019. The dividend has been declared from income reserves. HIL is registered in the Republic of Malta and the dividend is a foreign dividend. Withholding tax of 20% will be applicable to all South African shareholders who are not exempt.

The issued share capital at the declaration date is 105 376 146 ordinary shares.

The salient dates for the dividend will be as follows:

- Last day of trade to receive a dividend being Tuesday, 19 May 2020
- Shares commence trading "ex" dividend being Wednesday, 20 May 2020
- Record date being Friday, 22 May 2020
- Payment date being Monday, 25 May 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 20 May 2020 and Friday, 22 May 2020, both days inclusive.

SHORT-FORM NOTICE

This short-form announcement is the responsibility of the directors of HIL. It is a summary of the information contained in the full announcement and does not contain full or complete details.

Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement. The full announcement and a more comprehensive analysis of HomeChoice International's results and outlook, can be accessed on the following JSE link: <https://senspdf.jse.co.za/documents/2020/JSE/ISSE/HILE/FY2019.pdf> and published on www.homechoicelnternational.com/financial-results/

The annual financial statements, incorporating the external auditor's report, which sets out a key audit matter and their basis for their unqualified opinion, are available at www.homechoicelnternational.com/financial-results/

Copies of the full announcement may be requested from the company secretary at governance@homechoicelnternational.com

CORPORATE INFORMATION

Registered office: 93 Mill Street, Qormi, QRM3012, Republic of Malta
Non-executive directors: S Portelli (Chairman), A Chorn, E Gutierrez-Garcia*, R Hain, P Joubert, C Rapa, A Ogunsanya* (alternate) * Non-independent
Executive directors: G Lartigue (Chief Executive Officer), P Burnett, S Maltz
Company secretary: G Said
Sponsor: Rand Merchant Bank (A division of FirstRand Bank Limited)
Qormi, Malta, 12 March 2020