

HOMECHOICE INTERNATIONAL plc
(Incorporated in the Republic of Mauritius)
Registration number: C171926
JSE share code: HIL
ISIN: MT0000850108
("HIL" or "the group")

SUMMARISED GROUP FINANCIAL RESULTS
for the six months ended 30 June 2020

STRONG CASH POSITION AND SHARP ACCELERATION IN DIGITAL ENGAGEMENT

Cash balance of R379 million
Cash conversion of 197.8%
Revenue down 4.9% to R1.6 billion
Retail revenue down 6.7%
Digital sales up 39%
Loan disbursements curtailed by R400 million, down 29.8%
Funeral insurance premiums up 33%
Operating profit declines by 46.7% to R184 million, on lower sales and prudent debtor provisions
R778 million credit extended on digital channels, 42.0% of all credit
Earnings per share 104.4 cents, down 54.6%
Headline earnings per share 104.4 cents, down 54.6%

Executive chairman, Shirley Maltz, commented: "This has possibly been one of the most challenging periods the company has experienced and the impact thereof is clearly visible in our financial results. To be able to still show strong strategic traction under these conditions reflects positively on the quality of our staff, as well as the fact that our brands and products continue to resonate with customers and that our customer experience keeps her coming back."

The acceleration of our digital transformation during the period was particularly pleasing. Retail digital transactions more than doubled from 19% in the first quarter, to 39% in the second quarter. The Financial Services business increased its already high digital transactions from 85% to 90%. Despite the lockdown and a reduced ability to trade in the second quarter, in the six months to 30 June 2020 the Retail business attracted 123 000 new customers, while 18 000 new loan customers and 11 000 new insurance customers joined the FinChoice family. We had a strong focus on conserving cash amidst the pandemic, resulting in cash balances up 212% to R379 million, providing a robust shield against uncertain economic conditions and with unutilised facilities of a further R505 million, puts the company in a strong position to support future growth.

DIVIDEND DECLARATION

In light of the current economic environment and the levels of uncertainty posed by the impact of Covid-19, the board has decided that it would be prudent not to declare an interim dividend for this reporting period (2019: 79.0 cents per share).

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/HY2020.pdf> and published on www.homechoiceinternational.com/financial-results/

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

CORPORATE INFORMATION

HomeChoice International plc
(Incorporated in the Republic of Mauritius)
(Registration number C171926)
JSE share code: HIL
ISIN: MT0000850108

Registered office:
c/o Sanlam Trustees International Limited, Labourdonnais Village, Mapou,
Riviere du Rempart, 31803, Mauritius

Executive directors:
S Maltz (Chairperson)*, G Lartigue (Chief Executive Officer), P Burnett

Non-executive directors:
A Chorn, A Ogunsanya* (alternate), E Gutierrez-Garcia*, R Hain, P Joubert (Lead Independent Director)
* Non-independent

Company secretary: Sanlam Trustees International Limited

Sponsor: Rand Merchant Bank
(A division of FirstRand Bank Limited)

Mauritius, 31 August 2020