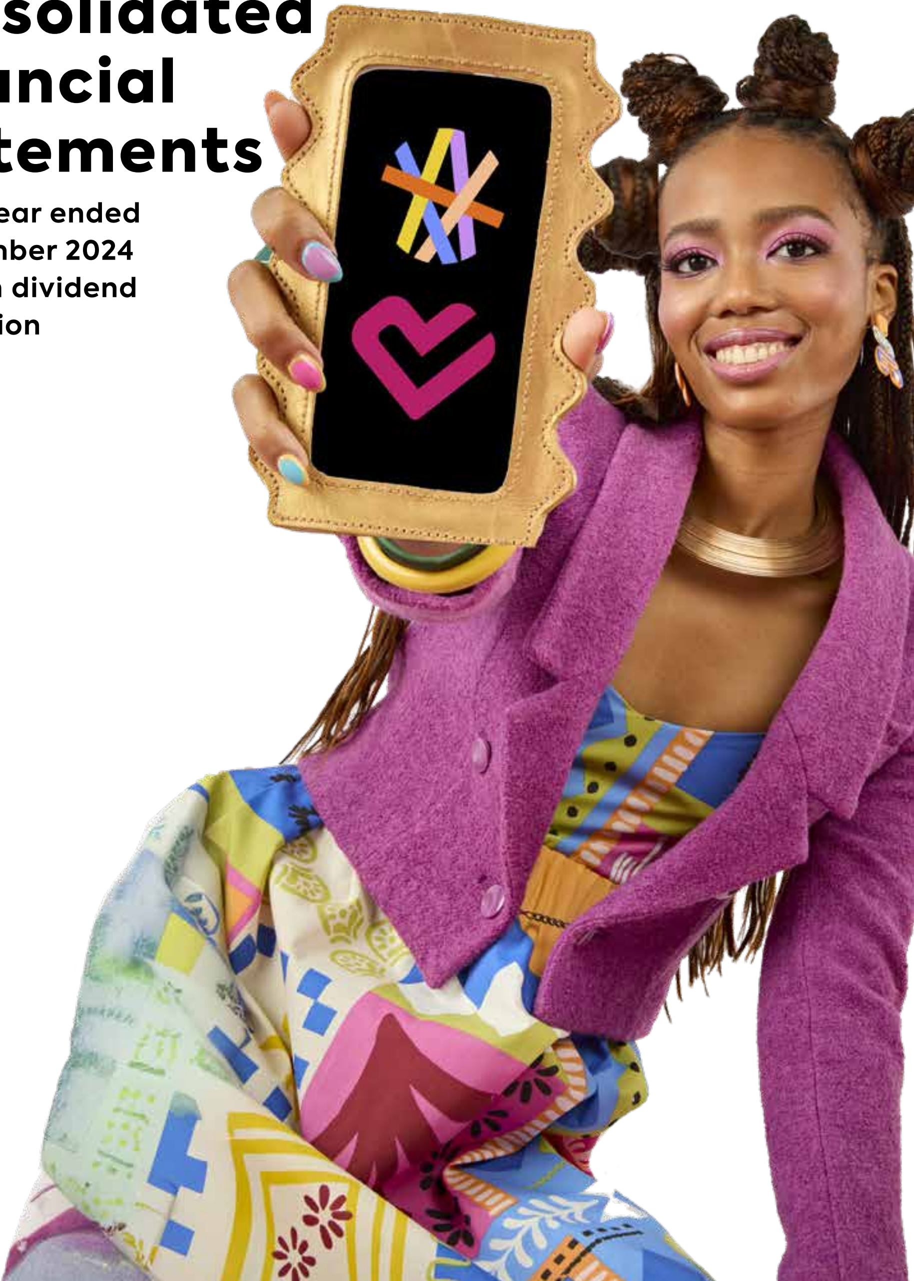
Condensed Consolidated Financial Statements

for the year ended 31 December 2024 and cash dividend declaration



Who we are

HIL has always been committed to serving and enabling female consumers who have been disproportionately excluded from the traditional banking system and unable to access credit.

The group has grown substantially from being a homeware provider to a fast-growing and highly profitable fintech-focused group providing financial solutions and homeware products to the mobile-savvy connected urban African female in South Africa.

With more than 3.1 million customers across the group, our customer is a digitally connected urban African female. 64% of our customer base is made up of Millennials and GenZs who are very comfortable transacting digitally with our fintech and homeware products.

Weaver Fintech offers digital personal lending, payment solutions, engagement services and insurance products using innovative mobile-first platforms. Deploying software, applications and digital platforms, Weaver improves, innovates and streamlines financial services accessible anywhere and at any time. It is a market leader in the digital payments market – Buy Now, Pay Later (BNPL) solution powered by PayJustNow.

HomeChoice is an omni-channel retailer, focused on quality homewares with a growing physical footprint. With an integrated shopping experience, our customers can interact with the brand across multiple platforms. Customer purchases are delivered direct to their homes, with the added option of click and collect from our regional showroom footprint.

3.1 million
customers growing rapidly

Strong revenue increases
+21%

Profit before tax
operating leverage drives +31% to
R517 million

Weaver FinTech
momentum contributes
92% to segmental profit before group costs

Headline earnings per share
up 27.3% to
393.9 cents

Final dividend declared of
97.0 cents
per share

59% contribution from digital revenue

Cash collections
strongly up 41.9% to
R12 billion

R1.2 billion
of cash and undrawn facilities

COMMENTARY

Financial results

		31 December 2024	31 December 2023	% change
GROUP				
Financial				
Total revenue	(Rm)	**4 427**	3 672	20.6
Fee income contribution	(%)	**25.5**	22.2	
Lending income contribution	(%)	**44.5**	44.4	
Profit before tax	(Rm)	**517**	394	31.2
Operating profit margin	(%)	**18.5**	16.9	
Earnings per share (EPS)	(cents)	**395.2**	313.4	26.1
Headline EPS	(cents)	**393.9**	309.3	27.3
Final dividend declared/paid	(cents)	**97.0**	83.0	16.9
Operational				
Customers	(000's)	**3 105**	2 034	
Digital transactions	(Rm)	**90**	84	
Digital revenue contribution	(Rm)	**59**	57	
Cash (used)/generated in operations	(Rm)	**(356)**	256	<(100.0)
Cash collected	(Rm)	**12 149**	8 560	41.9
Available funding	(Rbn)	**1.2**	1.5	
Gross loans, payments and trade receivable	(Rm)	**7 402**	5 870	26.1
Debtor costs as a % of revenue*	(%)	**32.3**	29.7	

* *Debtor costs include bad debts written off net of recoveries and movement in provisions.*

Momentum across our group fuels 31% surge in group's profit growth

The group's fintech operations with its growing customer base continues to deliver a formidable portion of the group's operating profit before group costs – 92% (2023: 92%).

Group revenue grew 20.6% to R4.4 billion with a notable operating profit growth of 32.5% to R820 million. We continue to focus on increasing our fee income, growing 38.7% and contributing 25.5% of group revenue (2023: 22.2%).

Weaver's ecosystem is expanding rapidly, with an average of over 100 000 new customers joining each month, along with an increasing number of merchants. Our customer-centric ecosystem creates a strong opportunity to cross-sell our financial services to the 2.7 million-strong customer base.

A strategic allocation of resources to Weaver delivered topline revenue growth of 33.8%. This impressive growth is driven by our investment in the fintech ecosystem, which benefits both customers and merchants while supporting Weaver's product evolution, encouraging customers to adopt multiple financial services from our offerings.

Sales in HomeChoice, our omni-channel retailer, increased by 8.3% to R1.3 billion (2023: R1.2 billion). H2 sales performed particularly well, increasing by 14.5% over H22023, increasing our market share. This, along with a dedicated focus on gross profit and cost management, delivered a 22.6% increase in operating profit.

Trading expenses increased by 14.3%, well below the revenue growth. We are particularly pleased with the marginal increase in Retail expenses of 2.2%, despite the inclusion of non-comparable showroom costs. This has been off-set with investments in the ecosystem to support Weaver's rapid growth. The adoption and deployment of artificial intelligence (AI) across various areas of the group, and the scalable growth of the ecosystem, has reduced the expense percentage of revenue from 35.1% to 33.3%.

Debtor costs increased 31.0%, above the increase in our debtors' book of 26.1% to R7.4 billion. Weaver experienced higher write-offs resulting from booking higher-risk acquisition business in H22023. The Weaver portfolio was rebalanced in H22024 with a stronger focus on existing customer demand, improving the Stage 1 book mix to 77.9% by year-end (FY2023: 73.5%). Higher Retail debtor costs have been affected by several non-comparable items in FY2023, notably the decrease in provision in Retail, which was a function of lower FY2023 sales.

The group's customer collections continue to perform well. Cash collections increased 41.9% to R12.1 billion (2023: R8.6 billion) significantly above the 26.1% increase of the debtors' books – a credible performance in the constrained financial position of consumers. Cash customers increased by 35.6% to 61 000, primarily driven by the expansion of our Retail showroom footprint.

Cash used in operations is R356 million (2023: generated R256 million). R1.3 billion was invested in working capital, mainly used to fund the higher growth in loan disbursements and the rapid growth of Buy Now, Pay Later (BNPL). In December 2024 we successfully concluded accessing R750 million from our accordion facility, as our funders continue to support Weaver's profitable growth. R1.2 billion of cash and undrawn facilities are available to fund future growth plans. Net debt:equity (commercial term loans, overdrafts and cash) increased from 47% to 72% as we have taken on additional debt to fund Weaver's profitable growth.

R126 million capital expenditure (2023: R99 million) was invested in the roll-out of 16 new Retail showrooms, and Weaver's ecosystem product innovation and digital technology platform.

Our revenue of R4.4 billion has converted into a strong 32.5% increase in operating profit, reaching R820 million. Net interest expense rose by 34.7%, driven by increased funding for Weaver Fintech's growth and the high interest rate environment sustained throughout much of the year.

Profit before tax increased by 31.2% to R517 million (2023: R394 million). Headline earnings per share grew by 27.3% to 393.9 cents per share. A final dividend of 97.0 cents has been declared by the board. The dividend cover of 2.0 times is unchanged.

Weaver Fintech ecosystem scales rapidly unlocking significant profits

		31 December 2024	31 December 2023	% change
Weaver Fintech				
Loan disbursements	(Rm)	**6 360**	4 849	31.1
Buy Now, Pay Later gross merchant value	(Rm)	**3 924**	1 527	160.0
Insurance gross written premium	(Rm)	**182**	148	23.0
Revenue	(Rm)	**2 524**	1 886	33.8
Fee income contribution	(%)	**36.1**	33.8	
Profit before tax	(Rm)	**561**	426	31.7
Cash collections	(%)	**10 532**	6 870	53.3
Customers	('000)	**2 717**	1 615	68.2
Digital revenue	(%)	**90**	86	
Gross trade and loans receivable	(Rm)	**5 785**	4 254	36.0
Provision for impairment as a % of gross receivables	(%)	**15.5**	17.0	
Stages 2 and 3 loans cover	(%)	**70.1**	64.3	

In 2024 Weaver added over 100 000 new customers per month to our ecosystem.

The rapid growth in our customer base, with a 68.2% increase to 2.7 million, presents a significant market opportunity for Weaver. Our two-sided ecosystem creates symbiotic benefits for our 2.7 million customers and over 2 800 merchants. By offering a comprehensive range of financial services, lending, payments and engagement services, Weaver is well positioned to sustain strong earnings growth. As a key driver of the group's revenue and profit expansion, Weaver plays a crucial role in our continued success.

The ecosystem offers a substantial opportunity to cross-sell financial products to our expanding customer base. Currently, 20% of customers engage with two or more products within our ecosystem, with a long-term goal of reaching 50%.

Revenue grew 33.8% to R2.5 billion (2023: R1.9 billion). The digital business continued to deliver cost efficiencies despite investments in technology, the acquisition of new customers, and the short-term credit portfolio was well managed, resulting in profit before tax increasing to 31.7% to R561 million (2023: R426 million). In line with Weaver's revenue increase, the gross debtors' book increased by 36.0% to R5.8 billion (2023: R4.3 billion). Weaver's shorter-term nature of the debtors' books enables us to react quickly to market conditions and manage our credit risk. Pleasingly, cash collections from customers shows continued growth, increasing 53.3% to R10.5 billion (2023: R6.9 billion).

The 28.2% increase in expenses has been focused on investment in our design, data and engineering resources, and our digital platform infrastructure. The influence and use of AI will unlock the next wave of customer, product and profit generation. Deploying AI tools in the business has enabled operational efficiencies, which include accelerating our engineering development cycles, quicker identification of fraud, and reducing time to manage customer queries using GenAI chat agents.

Non-interest-bearing fee income has shown exceptional growth, increasing by 43.0% contributing 36.1% (2023: 33.8%) to revenue. The rapid growth of our digital payment BNPL fees of 132.1% was supported by a 23.0% growth in gross written stand-alone insurance premiums. More than a third of Weaver's revenue is fee income with a long-term target of 50% as we add new products and services to our ecosystem.

Debtor costs were R1.0 billion, an increase of 34.7% versus the 33.8% revenue growth and 36.0% debtors' book growth. The rise in debtors was primarily driven by operational challenges during the implementation of a new arrears collections' dialler, coupled with the impact of higher-risk business written in H22023. In H22024 the portfolio was rebalanced through driving product progression to better-performing existing customers. This achieved a notable improvement in the Stage 1 book mix to 77.9% (FY2023: 73.5%).

The credit impairment provision has reduced to 15.5%, recognising the quality of the closing debtors' book.

Lending

Loan disbursements rose by 31.1% to R6.3 billion for the full year. Existing customers account for 85% (2023: 84%) of the disbursement mix, as their risk profile is substantially lower.

FinChoice MobiMoney™, our accessible three-month credit-backed wallet, continues to generate a high proportion of our lending income. With strong customer appeal, MobiMoney wallet customers grew by 16.8% to 300 000, with withdrawal transactions up 18% to 1.1 million. Since the inception of MobiMoney withdrawals total R8.1 billion.

Payments

Currently, our digital BNPL payment product leads our payment offering. Gross merchant value (GMV), on which we earn fee income, grew by 160% to R3.9 billion (2023: R1.5 billion), generating fees of R188.0 million (2023: R81 million). With over 100 000 new customers joining each month, BNPL is our fastest-growing product in the ecosystem, reaching 2.4 million customers (2023: 1.3 million) as of 31 December 2024. Customer loyalty within the ecosystem is strong, with repeat customers generating 1.4x higher GMV than new customers.

The appeal of BNPL within our two-sided ecosystem lies in the virtuous network effect between our expanding customer and merchant base. As we attract more customers, we provide merchants with increased trade opportunities, while our growing merchant base offers customers more shopping options. Over 2 800 merchants are part of our ecosystem, spanning 10 000 online and in-store points of sale. Our merchant network includes well-known retailers such as Superbalist, Edgars, Makro and Cape Union Mart. The visibility of our suite of merchants on the PayJustNow (PJN) platform drove 24.7 million customer leads to our valued merchants through the search and discovery service used by customers over the past 12 months.

In Q4 we expanded our payment offering and launched a pilot of our new digital payment product, PayStretch™. Offered by PJN and powered by our FinChoice credit engine, this product allows customers the option to pay for their purchases over 12 months. Complementing our BNPL payment option at both online and in-store points of sale, we will scale the roll-out of PayStretch™ in 2025.

Engagement services

Engagement services provide additional services and products offered to both customers and merchants.

Our funeral insurance suite and newly launched personal accident offering continue to show good growth rates. Gross written premiums (GWPs) increased by 23.0% to R182 million. As customers trust our digital infrastructure 41% of new policies are now booked end-to-end through digital channels (FY2023: 36%), reducing the cost of acquisition. Personal accident insurance was introduced in H2 with pleasing response from our existing customer base and will be aggressively marketed in FY2025. Only 16% of Weaver's customers have an insurance policy, providing significant runway to increase the adoption of an insurance policy.

Deploying relational graph technology, we have recently launched Marketing as a Service (MaaS) to our merchants, allowing them to target the PJN customer base for a fee. Though still in its early stages, we see significant potential to expand this offering and generate additional fee income. Additional merchant-focused services will be made available in FY2025.

Successful Retail transformation is fuelling growth

		31 December 2024	31 December 2023	% change
Retail				
Retail sales	(Rm)	**1 329**	1 227	8.3
Revenue	(Rm)	**1 909**	1 789	6.7
Gross profit margin	(%)	**45.7**	43.0	
Segmental operating profit	(Rm)	**76**	62	22.6
Cash collections	(Rm)	**1 617**	1 891	
Active customer base	(‘000)	**426**	402	6.0
Digital revenue	(%)	**20**	29	
Showrooms	(number)	**37**	22	
Showroom sales contribution to total sales	(%)	**26**	18	
Gross trade receivables	(Rm)	**1 617**	1 616	–
Provision for impairment as a % of gross receivables	(%)	**25.4**	29.4	
Stages 2 and 3 loans cover	(%)	**67.0**	65.7	

Our focused strategies, with an emphasis on topline growth, are yielding benefits.

Revenue rose by 6.7% to R1.9 billion (2023: R1.8 billion). The growth in Retail sales, a significant improvement in gross profit margin, lower trading expenses and well-managed debtor costs all contributed to the operating profit of R76.0 million, reflecting a 22.6% increase and demonstrating strong operational leverage and a great basis for future growth.

Retail sales rose by 8.3%, reflecting the success of our topline growth strategies and our ability to capture greater market share. Sales in the second half of the year surged by 14.5%, demonstrating a substantial acceleration compared to the 1.7% growth in the first half.

Expanding our showroom network is a central strategy for driving revenue growth and attracting new customers. In the past year we opened 16 new showrooms, increasing our total to 37 locations across seven of the nine provinces. The average size of these new showrooms is 250 m^2, an efficient format that delivers four times the trading density of our larger stores. We plan to open an additional 22 showrooms in FY2025 and reach 100 by FY2027.

The sales contribution from showrooms has increased from 18% to 26%.

The operating metrics for these showrooms are very compelling:

- Acquisition of 66 000 new customers, 153% higher than FY2023
- have a higher cash sales contribution of 21% compared to the overall average of 7%
- debtor costs as a percentage of revenue are significantly lower than the traditional channels, making them more profitable by nature.

We are very pleased with the 270-basis point increase in our gross profit margin, which reached 45.7% (up from 43.0% in 2023). This improvement was driven by reduced markdowns, successful supplier negotiations and strong sell-throughs of our innovative products. Efficiencies gained from the implementation of the Smart Fulfilment system and the closure of our Johannesburg distribution centre have not only enhanced our gross profit but also improved customer service. Stock levels have been closely managed, in line with FY2023.

Notwithstanding the determined focus on acquiring better quality customers, our active credit and cash customer base has increased by 6% to 426 000. The acquisition of 181 000 better-quality customers (growth of 42% year on year) was pleasing. Cash customers increased by 35.6%, primarily driven by the expansion of our showroom network.

Retail's strategic credit tightening during 2023 has been maintained into 2024. Our retail debtors' book remains stable at R1.6 billion, consistent with FY2023. Debtor costs have increased by 16.3% to R386 million (up from R332 million in 2023). This increase is largely due to the reduction in provisions influenced by lower sales in FY2023 and the inclusion of rehabilitation books in-house. The impairment provision rate has improved to 25.4%, the lowest in the past five years and is significantly lower than the 29.4% reported in FY2023. This improvement is a result of the credit tightening and better collections leading to higher proportion of the early Stage 1 book.

A key aspect of Retail's transformation involved aligning the cost structure with the size of the business. Expenses were effectively managed, resulting in only a slight increase of 2.2% from FY2023 levels – R746 million compared to R730 million in 2023. This was accomplished despite the investments in new showrooms and increased marketing expenses to drive additional sales.

Building on the strong presence of Gen Z and Millennial customers, who are highly comfortable with digital engagement, we will continue to expand our digital chat channels. Over 140 000 unique customers engage with our WhatsApp sales and services channel, with 42% of the customer base using our App.

Appreciation

We are deeply grateful to our employees for their energy, creativity and dedication to innovation, which have been key drivers in advancing the group's technology. Their contributions have been instrumental in achieving the outstanding results for the group.

The guidance and support from our board members have been vital in leading the group through its significant transformation. Gregoire Lartigue joined the board, effective 29 April 2024. There were no other changes to the board during the year.

Looking forward

We are optimistic that Weaver will continue to outpace the market as the ecosystem and embedded financial products drive profitable growth. The ecosystem will grow as we attract new lending and payment customers, cross-sell products, onboard more merchants and introduce new products for both customers and merchants. As the ecosystem evolves, it will not only drive profitability but provide high-quality products that offer access to finance, especially for those historically excluded, fostering greater financial inclusion. Newly launched PayStretch™ is showing strong customer and merchant adoption.

The deployment of AI tools along with our expertise in digital and data technology will be crucial in delivering innovative products that both attract and retain customers.

Retail's showroom strategy will become a crucial sales channel moving forward. The potential to grow to a fleet of 100 showrooms, along with the digital chat channel, presents an exciting opportunity to accelerate growth.

Trading results to 28 February are strong, in line with management expectations.

Any reference to future financial performance included in this announcement has not been reviewed or reported on by the group's external auditors and does not constitute an earnings forecast.

S Maltz
Executive Chair

S Wibberley
Chief Executive Officer

Mauritius, 11 March 2025

Dividend declaration

Notice is hereby given that the board has declared a final gross cash dividend per ordinary share (dividend) of 97.0 cents (77.6 cents net of dividend withholding tax) for the year ended 31 December 2024 (period), being a 16.9% increase on the prior period's 83.0 cents. This brings the total dividend for the period to 192.0 cents, representing a 25.5% increase on the year ended December 2023's total gross cash dividend of 153.0 cents. The dividend has been declared from income reserves and therefore does not constitute a distribution of "contributed tax capital" as defined in the Income Tax Act, No. 58 of 1962. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The issued share capital at the declaration date is 106 730 376 ordinary shares.

The salient dates for the dividend are as follows:

Last day of trade to receive a dividend	Tuesday, 8 April 2025
Shares commence trading "ex" dividend	Wednesday, 9 April 2025
Record date	Friday, 11 April 2025
Payment date	Monday, 14 April 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 9 April 2025 and Friday, 11 April 2025, both days inclusive.

Sanlam Trustees International Limited
Company Secretary

Mauritius, 11 March 2025

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Condensed consolidated statement of profit or loss and other comprehensive income

	Notes	2024 Rm	% change	2023 Rm
Revenue		**4 427**	20.6	3 672
Fees	2	**552**	41.9	389
Insurance		**390**	13.0	345
BNPL* fees		**188**	>100.0	81
Finance income		**1 968**	20.7	1 630
Retail sales	3	**1 329**	8.3	1 227
Retail cost of sales		**(722)**	3.3	(699)
Other operating costs		**(2 904)**	21.9	(2 382)
Credit impairment losses	4	**(1 430)**	31.0	(1 092)
Insurance expenses		**(226)**	19.6	(189)
Trading expenses	5	**(1 248)**	13.4	(1 101)
Other net gains	6	**2**	(50.0)	4
Other income	7	**17**	(29.2)	24
Operating profit		**820**	32.5	619
Interest income		**10**	42.9	7
Interest expense		**(313)**	34.9	(232)
Profit before taxation		**517**	31.2	394
Taxation		**(106)**	58.2	(67)
Profit and total comprehensive income for the period		**411**	25.7	327
Profit and total comprehensive income for the period attributable to:				
Owners of the parent		**413**	23.3	335
Non-controlling interest		**(2)**	(75.0)	(8)
		411	25.7	327
Earnings per share (cents)				
Basic	8	**395.2**	26.1	313.4
Diluted		**390.8**	25.8	310.6
Headline earnings per share (cents)				
Basic	8	**393.9**	27.4	309.3
Diluted		**389.5**	27.1	306.5

* *Buy Now, Pay Later.*

Condensed consolidated statement of financial position

	Notes	2024 Rm	% change	2023 Rm
Assets				
Non-current assets				
Property, plant and equipment		**449**	4.9	428
Intangible assets		**244**	12.4	217
Right-of-use assets		**89**	>100.0	38
Insurance contract assets		**86**	–	86
Other investments		**20**	(13.0)	23
Deferred taxation		**115**	35.3	85
		1 003	14.4	877
Current assets				
Inventories	9	**276**	(3.2)	285
Trade and other receivables	10	**6 249**	30.9	4 773
Trade receivables – Weaver Fintech		**4 890**	38.6	3 529
Loans receivable – Retail		**1 207**	5.8	1 141
Other receivables		**152**	47.6	103
Cash and cash equivalents		**144**	5.1	137
		6 669	28.4	5 195
Total assets		**7 672**	26.4	6 072
Equity and liabilities				
Capital and reserves				
Stated and share capital		**1**	–	1
Share premium		**3 039**	–	3 039
Reorganisation reserve		**(2 961)**	–	(2 961)
Treasury shares		**(38)**	(20.8)	(48)
Other reserves		**44**	(22.8)	57
Retained earnings		**3 789**	6.3	3 566
Equity attributable to equity holders of the parent		**3 874**	6.0	3 654
Non-controlling interest		**(17)**	13.3	(15)
Total equity		**3 857**	6.0	3 639
Non-current liabilities				
Interest-bearing liabilities	11	**2 957**	55.5	1 901
Lease liabilities		**63**	>100.0	24
Deferred taxation		**–**	(100.0)	10
Other payables		**19**	(38.7)	31
		3 039	54.6	1 966
Current liabilities				
Interest-bearing liabilities	11	**50**	16.3	43
Lease liabilities		**31**	72.2	18
Taxation payable		**30**	>100.0	9
Trade and other payables		**533**	66.0	321
Insurance contract liabilities		**31**	40.9	22
Bank overdraft		**101**	87.0	54
		776	66.2	467
Total liabilities		**3 815**	56.8	2 433
Total equity and liabilities		**7 672**	26.4	6 072

Condensed consolidated statement of changes in equity

	Stated and share capital Rm	Share premium Rm	Treasury shares Rm	Reorganisation reserve Rm	Other reserves Rm	Retained earnings Rm	Non-controlling interest Rm	Total Rm
Balance at 1 January 2023 – audited	1	3 039	(45)	(2 961)	49	3 386	(7)	3 462
Changes in equity								
Profit and total comprehensive income for the period	–	–	–	–	–	335	(8)	327
Dividends paid	–	–	–	–	–	(155)	–	(155)
Share incentive schemes	–	–	–	–	13	–	–	13
Shares purchased	–	–	(8)	–	–	–	–	(8)
Forfeitable shares vested	–	–	5	–	(5)	–	–	–
Total changes	–	–	(3)	–	8	180	(8)	177
Balance at 1 January 2024 – audited	**1**	**3 039**	**(48)**	**(2 961)**	**57**	**3 566**	**(15)**	**3 639**
Changes in equity								
Profit and total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**413**	**(2)**	**411**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(190)**	**–**	**(190)**
Transfer to share scheme incentive liability	**–**	**–**	**–**	**–**	**(12)**	**–**	**–**	**(12)**
Share incentive schemes	**–**	**–**	**–**	**–**	**13**	**–**	**–**	**13**
Shares purchased	**–**	**–**	**(4)**	**–**	**–**	**–**	**–**	**(4)**
Forfeitable shares vested	**–**	**–**	**14**	**–**	**(14)**	**–**	**–**	**–**
Total changes	**–**	**–**	**10**	**–**	**(13)**	**223**	**(2)**	**218**
Balance at 31 December 2024	**1**	**3 039**	**(38)**	**(2 961)**	**44**	**3 789**	**(17)**	**3 857**

Condensed consolidated statement of cash flows

	Notes	2024 Rm	% change	2023 Rm
Cash flows from operating activities				
Operating cash flows before working capital changes		**912**	32.9	686
Movements in working capital		**(1 268)**	>100.0	(430)
Cash (used)/generated in operations	12	**(356)**	<(100.0)	256
Interest received		**10**	42.9	7
Interest paid		**(307)**	42.8	(215)
Taxation paid		**(125)**	45.3	(86)
Net cash outflow from operating activities		**(778)**	>100.0	(38)
Cash flows from investing activities				
Additions of property, plant and equipment		**(52)**	44.4	(36)
Additions of intangible assets		**(74)**	17.5	(63)
Insurance contract assets		**24**	>100.0	–
Net cash outflow from investing activities		**(102)**	3.0	(99)
Cash flows from financing activities				
Purchase of shares to settle forfeiture share scheme obligations		**(4)**	(50.0)	(8)
Proceeds from interest-bearing liabilities		**1 880**	>100.0	742
Repayments of interest-bearing liabilities		**(819)**	>100.0	(343)
Cash flows from transaction costs		**–**	(100.0)	(2)
Principal elements of lease payments		**(27)**	(3.6)	(28)
Dividends paid		**(190)**	22.6	(155)
Net cash inflow from financing activities		**840**	>100.0	206
Net (decrease)/increase in cash and cash equivalents and bank overdrafts		**(40)**	<(100.0)	69
Cash and cash equivalents and bank overdrafts at the beginning of the period		**83**	>100.0	14
Cash and cash equivalents and bank overdrafts at the end of the period		**43**	(48.2)	83

Cash and cash equivalents comprise cash balances of R144 million and an overdraft balance of R101 million.

Group segmental information

		2024				
		Total Rm	**Retail Rm**	**Weaver Fintech Rm**	**Other Rm**	**Intragroup Rm**
Total revenue		**4 427**	**1 909**	**2 524**	**–**	**(6)**
Digital technology platforms		**2 625**	**382**	**2 243**	**–**	**–**
Showrooms and contact centre		**1 802**	**1 527**	**281**	**–**	**(6)**
% revenue earned						
Digital technology platforms	(%)	**59.0**	**20.0**	**89.0**		
Showrooms and contact centre	(%)	**41.0**	**80.0**	**11.0**		
Segmental revenue		**4 427**	**1 909**	**2 524**	**–**	**(6)**
Fees		**552**	**179**	**373**	**–**	**–**
Insurance		**390**	**40**	**350**	**–**	**–**
BNPL fees		**188**	**–**	**188**	**–**	**–**
Finance income		**1 968**	**355**	**1 613**	**–**	**–**
Retail sales		**1 329**	**1 329**	**–**	**–**	**–**
Intergroup rental income		**–**	**6**	**–**	**–**	**(6)**
EBITDA		**925**	**144**	**879**	**(94)**	**(4)**
Depreciation and amortisation		**(107)**	**(70)**	**(39)**	**(1)**	**3**
Net impairment reversal of assets		**2**	**2**	**–**	**–**	**–**
Segmental operating profit/(loss)[2]		**820**	**76**	**840**	**(95)**	**(1)**
Interest income		**10**	**4**	**6**	**3**	**(3)**
Interest expense		**(313)**	**(30)**	**(285)**	**–**	**2**
Profit/(loss) before taxation		**517**	**50**	**561**	**(92)**	**(2)**
Taxation		**(106)**	**(10)**	**(116)**	**20**	**–**
Profit/(loss) after taxation		**411**	**40**	**445**	**(72)**	**(2)**
Segmental assets		**7 672**	**2 306**	**6 223**	**116**	**(973)**
Segmental liabilities		**3 815**	**1 306**	**3 259**	**129**	**(879)**
Gross profit margin	(%)	**45.7**	**45.7**			
Segmental operating profit margin	(%)	**18.5**	**4.0**	**33.3**		
Capital expenditure						
Property, plant and equipment		**52**	**49**	**3**	**–**	**–**
Intangible assets		**74**	**16**	**58**	**–**	**–**
Credit impairment losses		**1 430**	**386**	**1 044**	**–**	**–**
Marketing costs		**241**	**200**	**56**	**–**	**(15)**
Staff costs		**700**	**417**	**221**	**62**	**–**
Insurance expenses		**226**	**40**	**186**	**–**	**–**

1. *The Property segment has been included as part of the Retail segment from 1 January 2024. The prior year segmental report has been restated for the same reason. Refer to note 1. The Weaver segment operating profit definition has changed to exclude interest paid.*
The Weaver segment 31 December 2023 operating profit has been amended to reflect this change.
2. *Refer to note 13 for further details on segments and segmental results.*

Group segmental information (continued)

		Total Rm	Retail Rm	Restated[1] 2023 Weaver Fintech Rm	Other Rm	Intragroup Rm
Total revenue		3 672	1 789	1 886	–	(3)
Digital technology platforms		2 095	473	1 622	–	–
Showrooms and contact centre		1 577	1 316	264	–	(3)
% revenue earned						
Digital technology platforms	(%)	56.4	29.4	83.7		
Showrooms and contact centre	(%)	43.6	70.6	16.3		
Segmental revenue		3 672	1 789	1 886	–	(3)
Fees		389	124	268	–	(3)
Insurance		345	57	288	–	–
BNPL fees		81	–	81	–	–
Finance income		1 630	381	1 249	–	–
Retail sales		1 227	1 227	–	–	–
Intergroup rental income		–	–	–	–	–
EBITDA		708	152	649	(48)	(45)
Depreciation and amortisation		(95)	(96)	(27)	–	28
Net impairment reversal of assets		6	6	–	–	–
Segmental operating profit/(loss)[2]		619	62	622	(48)	(17)
Interest income		7	1	6	–	–
Interest expense		(232)	(36)	(202)	(5)	11
Profit/(loss) before taxation		394	27	426	(53)	(6)
Taxation		(67)	7	(77)	2	1
Profit/(loss) after taxation		327	34	349	(51)	(5)
Segmental assets		6 072	2 296	4 719	99	(1 042)
Segmental liabilities		2 433	1 331	2 045	–	(943)
Gross profit margin	(%)	43.0	43.0			
Segmental operating profit margin	(%)	16.9	3.5	33.0		
Capital expenditure						
Property, plant and equipment		36	26	10	–	–
Intangible assets		63	22	41	–	–
Credit impairment losses		1 092	332	760	–	–
Marketing costs		245	198	47	–	–
Staff costs		527	334	176	17	–
Insurance expenses		189	52	137	–	–

1. *The Property segment has been included as part of the Retail segment from 1 January 2024. The prior year segmental report has been restated for the same reason. Refer to note 1. The Weaver segment operating profit definition has changed to exclude interest paid.*
The Weaver segment 31 December 2023 operating profit has been amended to reflect this change.
2. *Refer to note 13 for further details on segments and segmental results.*

Notes to the condensed consolidated financial statements

1. Basis of presentation and accounting policies

1.1 Basis of preparation

The condensed consolidated financial statements for the year ended 31 December 2024 have been prepared by the group's finance department, acting under the supervision of P Burnett, CA(SA), the chief financial officer of the group.

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements. The Listings Requirements require condensed financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS®) Accounting Standards and Financial Pronouncements as issued by the Financial Reporting Standards Council and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and to also, as a minimum, contain the information required by *IAS 34, Interim Financial Reporting*.

The accounting policies applied in the preparation of these condensed consolidated financial statements are in terms of IFRS Accounting Standards and are consistent with those applied in the previous consolidated annual financial statements.

The group no longer discloses the Property segment. The prior year segmental report has been restated to reflect this change. Refer to note 13.

2. Fees

	2024 Rm	% change	2023 Rm
Service fees	**359**	30.1	276
Arrear collection fees	**122**	> 100.0	59
Commission – insurance fees	**67**	24.1	54
Other	**4**	100.0	–
	552	41.9	389

3. Retail sales

	2024 Rm	% change	2023 Rm
Disaggregation of Retail sales by product type is as follows:			
Homeware	**861**	8.6	793
Appliances and electronics	**365**	14.8	318
Fashion and footwear	**20**	(33.3)	30
Furniture	**83**	(3.5)	86
	1 329	8.3	1 227
Disaggregation of Retail sales by channel is as follows:			
Contact centre	**724**	6.9	677
Digital	**266**	(17.9)	324
Showroom and ChoiceCollect	**315**	52.2	207
Sales agents	**24**	26.3	19
	1 329	8.3	1 227

Retail sales are settled at a point in time.

4. Credit impairment losses

	2024 Rm	% change	2023 Rm
Trade receivables – Weaver Fintech	**1 044**	37.4	760
Loans receivable – Retail	**386**	16.3	332
Total credit impairment losses	**1 430**	31.0	1 092

Loans receivable – Weaver Fintech includes modification losses of R94 million (2023: R85 million).

There were no significant recoveries in the current or prior period.

5. Trading expenses

	2024 Rm	% change	2023 Rm
Expenses by nature			
Auditor's remuneration	**10**	25.0	8
Amortisation of intangible assets	**49**	25.6	39
Depreciation of property, plant and equipment and right-of-use assets	**53**	1.9	52
Total depreciation of property, plant and equipment and right-of-use assets	**58**	3.6	56
Less: disclosed under insurance expenses	**(5)**	25.0	(4)
Marketing costs	**241**	(1.6)	245
Customer operations and support	**180**	51.3	119
IT costs	**39**	(4.9)	41
Facility expenses	**43**	10.3	39
Staff costs: short-term employee benefits	**591**	12.1	527
Total staff costs	**700**	13.3	618
Less: disclosed under Retail cost of sales	**(25)**	(10.7)	(28)
Less: staff costs capitalised to intangibles	**(54)**	92.9	(28)
Less: disclosed under insurance expenses	**(30)**	(14.3)	(35)
Other costs	**42**	35.5	31
Total other costs	**324**	14.9	282
Less: warehouse and fulfilment cost disclosed under Retail cost of sales	**(121)**	4.3	(116)
Less: disclosed under insurance expenses	**(161)**	19.3	(135)
Total other trading expenses	**1 248**	13.4	1 101

6. Other net gains/(losses)

	2024 Rm	% change	2023 Rm
Intangible asset impairment reversal	**3**	(78.6)	14
Impairment of intangible assets	**(1)**	(87.5)	(8)
Foreign exchange gain	**3**	(40.0)	5
Fair value loss	**(3)**	(57.1)	(7)
	2	(50.0)	4

7. Other income

	2024 Rm	% change	Audited Dec 2023 Rm
Prescription of trade and loans payable	**7**	>100.0	3
VAT refund recovery	**10**	(47.4)	19
Other	**–**	(100.0)	2
	17	(29.2)	24

8. Basic and headline earnings per share

The calculation of basic and headline earnings per share is based upon profit for the period attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue as follows:

	2024 Rm	% change	2023 Rm
Earnings attributable to ordinary shareholders	**413**	26.3	327
Adjusted for the effect of:			
Impairment of intangible assets	**1**	(87.5)	8
Impairment of intangible assets reversal	**(3)**	(78.6)	(14)
Taxation effect	**1**	(50.0)	2
Headline earnings for the period	**412**	27.6	323
Weighted average number of ordinary shares in issue ('000)	**104 506**		104 329
Weighted average number of diluted shares in issue ('000)	**105 669**		105 295
Earnings per share (cents)			
Basic	**395.2**	26.1	313.4
Headline	**393.9**	27.4	309.3
Basic – diluted	**390.8**	25.8	310.6
Headline – diluted	**389.5**	27.1	306.5

9. Inventories

	2024 Rm	% change	2023 Rm
Merchandise for sale	**204**	(24.2)	269
Provision for inventory obsolescence	**(24)**	26.3	(19)
Goods in transit	**96**	>100.0	35
	276	(3.2)	285

The total amount of inventories expensed to Retail cost of sales during the year ended 31 December 2024 was R576 million (31 December 2023: R555 million). Inventory sold at less than cost during the year ended 31 December 2024 amounted to R16 million (31 December 2023: R15 million) and inventory write-downs recognised as an expense during the year ended 31 December 2024 amounted to R4 million (31 December 2023: R4 million).

10. Trade and other receivables

		2024 Rm	% change	Restated* 2023 Rm
Group				
Trade and loan receivables		**7 402**	26.1	5 870
Provision for impairment		**(1 305)**	8.8	(1 200)
Merchant receivable		**29**	61.1	18
Legal book sale receivable		**18**	(52.6)	38
Value-added taxation		**40**	66.7	24
Other receivables		**65**	>100.0	23
		6 249	30.9	4 773
Provision for impairment as a % of gross receivables	(%)	**17.6**	(13.7)	20.4
Credit impairment costs as a % of revenue	(%)	**32.3**	8.8	29.7
Weaver Fintech				
Gross carrying amount		**5 785**	36.0	4 254
Performing (Stage 1)		**4 508**	44.2	3 127
Underperforming (Stage 2)		**608**	0.2	607
Non-performing (Stage 3)		**669**	28.7	520
Provision for impairment		**(895)**	23.4	(725)
Performing		**(175)**	42.3	(123)
Underperforming		**(270)**	3.4	(261)
Non-performing		**(450)**	32.0	(341)
Net carrying amount		**4 890**	38.6	3 529
Performing		**4 333**	44.2	3 004
Underperforming		**338**	(2.3)	346
Non-performing		**219**	22.3	179
Provision for impairment as a % of gross receivables	(%)	**15.5**	(9.2)	17.0
Performing	(%)	**3.9**	(1.3)	3.9
Underperforming	(%)	**44.4**	3.3	43.0
Non-performing	(%)	**67.3**	2.6	65.6
Credit impairment costs as a % of revenue	(%)	**41.4**	2.7	40.3
Stages 2 and 3 loans cover	(%)	**70.1**	9.0	64.3

10. Trade and other receivables (continued)

		2024 Rm	% change	2023 Rm
Retail				
Gross carrying amount		**1 617**	0.1	1 616
Performing (Stage 1)		**1 005**	12.5	893
Underperforming (Stage 2)		**225**	(7.8)	244
Non-performing (Stage 3)		**387**	(19.2)	479
Provision for impairment		**(410)**	(13.7)	(475)
Performing		**(98)**	(1.0)	(99)
Underperforming		**(86)**	(6.5)	(92)
Non-performing		**(226)**	(20.4)	(284)
Net carrying amount		**1 207**	5.8	1 141
Performing		**907**	14.2	794
Underperforming		**139**	(8.5)	152
Non-performing		**161**	(17.4)	195
Provision for impairment as a % of gross receivables	(%)	**25.4**		29.4
Performing	(%)	**9.8**		11.1
Underperforming	(%)	**38.2**		37.6
Non-performing	(%)	**58.4**		59.4
Credit impairment costs as a % of revenue	(%)	**20.2**		18.6
Stages 2 and 3 loans cover	(%)	**67.0**		65.7

* *In the previous year the gross carrying amount was not recalculated as required by IFRS to account for the modification of the revised contractual cash flows. Consequently, the gross carrying amount and the loss allowance have been restated to reflect the debt review modification loss of R85 million. Refer to note 1.34 in group annual financial statements.*

The restatement has had no impact on the primary financial statements, loans receivable net carrying amount or profit and loss.

Trade and loan receivables have repayment terms of between 1 and 36 months and attract interest based on rates as determined by the National Credit Act. Included in trade and loan receivables are amounts approximating R1 789 million (31 December 2023: R1 329 million) that contractually fall due in excess of one year. These amounts are reflected as current as they form part of the normal operating cycle.

11. Interest-bearing liabilities

	Mortgage bond Rm	Suspensive sale agreement Rm	Commercial term loan Rm	Total Rm
2023				
Balance at 31 December 2022 (audited)	178	36	1 313	1 527
Borrowings raised	–	3	739	742
Interest and administration fees	17	4	189	210
Capital payments made	(30)	(18)	(295)	(343)
Interest payments made	(17)	(4)	(175)	(196)
Deal origination costs raised (cash)	–	–	(2)	(2)
Deal origination costs amortised	–	–	6	6
Balance at 31 December 2023 (audited)	148	21	1 775	1 944
2024				
Borrowings raised	**–**	**57**	**1 823**	**1 880**
Non-cash borrowings raised	**–**	**–**	**750**	**750**
Interest and administration fees	**14**	**5**	**–**	**19**
Capital payments made	**(32)**	**(14)**	**261**	**215**
Non-cash capital payments made	**–**	**–**	**(750)**	**(750)**
Interest payments made	**(14)**	**(5)**	**(773)**	**(792)**
Deal origination costs raised (cash)	**–**	**–**	**(261)**	**(261)**
Deal origination costs amortised	**–**	**–**	**2**	**2**
Balance at 31 December 2024 (audited)	**116**	**64**	**2 827**	**3 007**

During the year the group upsized its interest-bearing loans and borrowings facilities from R3 billion to R3.75 billion. The facilities consist of a revolving credit facility and bullet term loan facilities. The upsizing of the facilities resulted in a non-cash repayment of R750 million on the revolving credit facility and created a new bullet term loan facility D of R750 million. The upsizing was sourced from the existing group of lenders.

12. Reconciliation of cash generated from operations

	2024 Rm	% change	2023 Rm
Profit before taxation	**517**	31.2	394
Deduct finance income earned	**(1 968)**	20.7	(1 630)
Add back finance income received	**1 920**	21.1	1 585
Profit from insurance cells	**(24)**	4.3	(23)
Depreciation and amortisation	**107**	12.6	95
Net reversal of impairment	**(2)**	(66.7)	(6)
Cash and equity-settled compensation plan	**56**	43.6	39
Fair value loss	**3**	(57.1)	7
Interest expense	**313**	34.9	232
Interest income	**(10)**	42.9	(7)
Operating cash flows before working capital changes	**912**	32.9	686
Movements in working capital	**(1 268)**	>100.0	(430)
Decrease in inventories	**9**	(92.4)	118
Increase in loans receivable – Weaver Fintech	**(1 339)**	83.6	(730)
(Increase)/decrease in trade receivables – Retail	**(40)**	<(100.0)	228
Increase in other receivables	**(49)**	>100.0	(14)
Increase/(decrease) in trade and other payables	**142**	<(100.0)	(29)
Increase/(decrease) in insurance contract liability	**9**	<(100.0)	(3)
	(356)	<(100.0)	256

13. Group segmental analysis

The group has three reportable operating segments: Weaver Fintech, Retail and Other.
The segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, being HomeChoice International plc's directors. They are separately monitored by the chief operating decision-maker for the purposes of decision-making for capital allocation and assessing performance against operating profit.

Weaver Fintech is a rapidly growing diversified digital fintech provider. The fintech ecosystem consists of payment, personal loans and insurance products for customers and services to merchants in the Buy Now, Pay Later solutions sold under the PayJustNow brand. Personal loans, insurance products and value-added services are sold under the FinChoice brand.

Retail trades under the HomeChoice brand. Focused on the sale of homeware categories, it is an omni-channel retailer with a rapidly growing physical footprint.

On 1 January 2024 the Retail and the Property segments were amalgamated to more appropriately reflect that the Retail segment is the primary use of the South African properties as part of their business operations. The Retail segment has been restated for FY2023.

The Other segment includes performance of holding companies and the HomeChoice Development Trust.

Intercompany loans are shown on a net basis.

The reportable segments are separately monitored by the chief operating decision-maker for the purposes of decision-making for capital allocation and assessing performance. All segments are measured against operating profit.

14. Related party transactions and balances

Related party transactions, similar to those disclosed in the group's annual financial statements for the year ended 31 December 2023, took place during the period and related party balances exist at the reporting date. Related party transactions include key management personnel compensation and intragroup transactions which have been eliminated on consolidation.

15. Capital commitments for property, plant and equipment and intangible assets

	2024 Rm	% change	2023 Rm
Approved by the directors	**1**	(90.9)	11

16. Fair value

In terms of paragraph 29(a) of IFRS 7, the carrying amounts reported in the balance sheet approximates fair value.

17. Contingent liabilities

The group had no significant contingent liabilities at the reporting date.

18. Going concern

The group assessed the going concern assumption at 31 December 2024 as a result of the current economic, trading and operational conditions on the group consolidated financial statements, as well as the financial statements of each statutory entity. The directors are comfortable, based on the forecast evaluation and current financial position, that the group will continue to operate as a going concern for the 12 months after 31 December 2024.

As at the reporting date, the group had unutilised banking and overdraft facilities of R1.2 billion (2023: R1.5 billion) and is well within the financial covenants with its financiers.

19. Events after the reporting date

No event material to the understanding of these condensed group financial statements has occurred between the year ended 31 December 2024 and the date of approval.

Administration

Country of incorporation
Republic of Mauritius

Date of incorporation
9 April 2020

Company registration number
C171926

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

Company secretary
Sanlam Trustees International (Mauritius)

Auditors
PricewaterhouseCoopers
Republic of Mauritius

Corporate bank
The Mauritius Commercial Bank Limited

JSE listing details
Share code: HIL
ISIN: MT0000850108

Sponsor
Rand Merchant Bank, a division of FirstRand Bank Limited

Transfer secretaries
Computershare Investor Services Proprietary Limited

Directorate

Executive directors
S Maltz (Chair*), S Wibberley (Chief Executive Officer), P Burnett (Chief Financial Officer)

Non-executive directors
E Gutierrez-Garcia*, M Harris, P Joubert (Lead Independent Director), G Lartigue, R Phillips, A Ogunsanya* (alternate)

* Non-independent

HiL PLC