

# HomeChoice increases its revenue despite challenging year

By [Matthew Stevens](#)

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Home-shopping and digital retailer HomeChoice International declared a dividend of 87c per share on Tuesday in the release of its financial statements for the year to end-December.



Shirley Maltz, CEO of HomeChoice. Credit: *Financial Mail*

The group's revenue rose by 19.3% to R2.7bn and total profit and comprehensive income increased 7.7% to R424.8m. This growth took place despite some challenges, said HomeChoice.

These challenges included the tough economic and trading conditions in SA during that year, the fall in the prescribed minimum interest rate and the increased restriction in the unsecured credit market, said HomeChoice. These led to a slight drop in the gross profit margin in its retail sector, a decrease in the finance charges its financial services division earned and increased operating and compliance costs.

HomeChoice said these challenges were offset by a number of factors. It said that good retail sales in the second half and improved disbursements of loans allowed revenue to grow while improved cost management allowed the group to mitigate the effects of increased expenses. The group also benefited from increased cash on hand, which resulted from lower capital expenditure, and a term loan of R350m it secured. Revenue in all its divisions increased but the strongest growth was in retail sales, which were up 25.1% to R1.5bn.

The HomeChoice group was incorporated in Malta and is listed on the JSE. It has two primary subsidiaries. HomeChoice, which is its retail sector and the largest home-shopping retailer in southern Africa, according to HomeChoice; and FinChoice, its financial services division, which provides loans and insurance products.

*Source: BDpro*

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