

Long4Life Limited  
("L4L", "the Group", or "the company")  
Incorporated in the Republic of South Africa  
Registration number: 2016/216015/06  
Share code: L4L  
ISIN: ZAE000243119

INTERIM RESULTS  
for the six months ended 31 August 2019

This is a summary of the information in the full results announcement, which is available on the Long4Life website [www.long4life.co.za](http://www.long4life.co.za)

#### Financial highlights

Sales  
R1.838 billion  
UP 20%  
2018: R1.530 billion

Gross profit  
R719 million  
UP 15%  
2018: R628 million

Trading profit  
R201 million  
Incl. IFRS 16 in 2019  
UP 13%  
2018: R178 million

R176 million  
Like-for-like\* excl.  
IFRS 16 impact  
for both years  
DOWN 1%

HEPS & EPSp  
14.5 cents  
Incl. IFRS 16 in 2019  
DOWN 9%  
2018: 16.0 cents

15.4 cents  
Like-for-like\* excl.  
IFRS 16 impact  
for both years  
DOWN 4%

\* The new lease standard IFRS 16, which requires the lessee to recognise all lease contracts on the balance sheet, has been adopted for the Group for its year ending 28 February 2020. To provide a more meaningful assessment of the current period's performance, and unless otherwise stated, the commentary below has been provided excluding the impact of IFRS 16 in both the current and prior periods.

Long4Life holds a portfolio of assets in the leisure and lifestyle sector incorporating retail, wholesale, manufacturing, service, merchandising, distribution and ecommerce.

The Group has delivered a reasonable performance for the six months ended 31 August 2019, considering the difficult trading environment. Revenue increased by 20% to R1.84 billion (Aug 2018: R1.53 billion) and the gross profit was higher at R718.9 million (Aug 2018: R627.5 million), at a gross margin of 39.1% (Aug 2018: 40.9%). The trading profit was relatively flat at R176.2 million (Aug 2018: R177.6 million) at a reduced margin of 9.6% (Aug 2018: 11.6%).

The Group has continued to invest in infrastructure, store development and marketing in order to enhance the competitiveness and sustainability of the businesses. This additional expenditure has impacted both margins and returns in the short term, resulting in a return on funds employed (ROFE) of 38%.

Notwithstanding that the trading environment is expected to remain difficult with constrained consumer spending, management remains confident of the Group's ability to execute in terms of its strategic imperatives. Long4Life is targeting earnings growth for the full year, which is underpinned by strong brands and services that remain appealing to many consumers. Given the seasonality of the businesses,

the divisions traditionally have higher operating leverage in the second half of the year. The Group's balance sheet strength continues to provide opportunities to assess internal and external possibilities.

The objective of creating the lifestyle group of choice in South Africa remains firm and intact.

The financial information contained in this publication has not been reviewed or reported on by the company's external auditors.

The short-term announcement is the responsibility of the company's directors and is a summary of the information contained in the full results announcement. The full announcement was released on 14 October 2019 on the Stock Exchange News Services of the JSE Limited and on the Company's website at [www.long4life.co.za](http://www.long4life.co.za). Copies of the full announcement may also be requested at the Company's registered office and sponsor, at no charge, during office hours. Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement.

[https://senspdf.jse.co.za/documents/2019/jse/isse/141e/HY\\_2019.pdf](https://senspdf.jse.co.za/documents/2019/jse/isse/141e/HY_2019.pdf)

On behalf of the board

Brian Joffe  
Chief executive officer

Mireille Levenstein  
Chief financial officer

#### CORPORATE INFORMATION

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Registered office  
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Box 521870, Saxonwold, 2132

Sponsor  
The Standard Bank of South Africa Limited  
30 Baker Street, Rosebank  
South Africa, 2196

Further information regarding our group can be found on the Long4Life website: [www.long4life.co.za](http://www.long4life.co.za)