

# Interim results

for the six months ended 30 June 2024



Consistent performance  
delivery and a growing  
presence across Africa

# Contents

|  |    |  |    |
|--|----|--|----|
| Commentary   | 2  | Condensed consolidated statement of cash flows                   | 10 |
| Condensed consolidated statement of profit or loss             | 6  | Free operating cash flow before capex per share                  | 11 |
| Headline and normalised earnings                               | 7  | Supplementary information  | 11 |
| Condensed consolidated statement of other comprehensive income | 7  | Notes to the condensed consolidated interim financial statements | 12 |
| Condensed consolidated statement of financial position         | 8  | Analysis of shareholders   | 14 |
| Condensed consolidated segmental report                        | 9  | Financial summary  | 15 |
| Condensed consolidated statement of changes in equity          | 10 | Definitions  | 16 |
|  |    | Corporate information  | 17 |

## Schools division

9 Brands (2023: 9) | 113 Schools (2023: 113)



## Tertiary/university division

8 Brands (2023: 8) | 33 Campuses (2023: 33)



## Resourcing division

6 Brands (2023: 6)





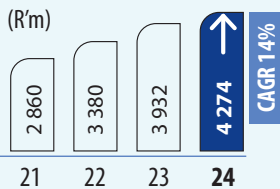
# ADvTECH delivers strong first half results

Strong demand for quality education persists across all of our chosen markets

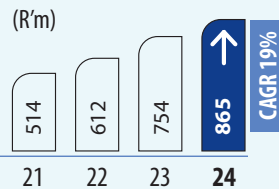
Cementing our position as the leading provider of private education on the African continent

## Highlights

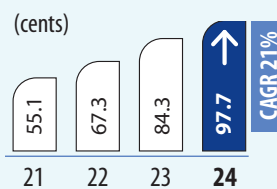
**Group revenue**  
R4 274 million  
▲ 9%



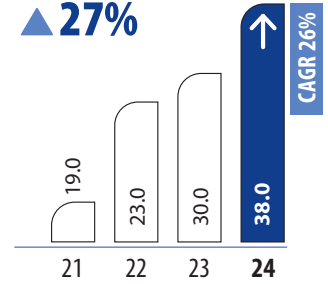
**Operating profit**  
R865 million  
▲ 15%



**Normalised earnings per share**  
▲ 16%



**Interim dividend per share**  
38.0 cents  
▲ 27%



## Divisional performance

(Comparison to previous period)

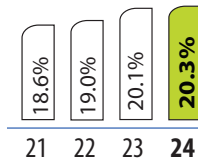
**SCHOOLS SOUTH AFRICA**



**Revenue**  
R1 556 million ▲ 11%

**Operating profit**  
R316 million ▲ 12%

**Operating margin**



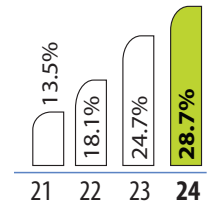
**SCHOOLS REST OF AFRICA**



**Revenue**  
R214 million ▲ 11%

**Operating profit**  
R62 million ▲ 29%

**Operating margin**

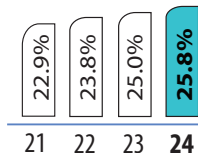


**TERTIARY**

**Revenue**  
R1 693 million ▲ 13%

**Operating profit**  
R436 million ▲ 16%

**Operating margin**

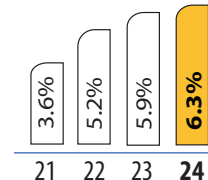


**RESOURCING**

**Revenue**  
R810 million ▼ 3%

**Operating profit**  
R51 million ▲ 3%

**Operating margin**



## Prospects

- Uniquely positioned to enrich people's lives
- Leaders in teaching and learning across the African continent
- Unrelenting focus on extending competitive advantage
- Strong demand for quality education persists across all of our chosen markets
- Growing scale and expertise in Africa
- Invest with confidence in areas of opportunity

# Commentary

## ADvTECH delivers strong first half results

The directors are pleased to announce another set of strong results for the six months ended 30 June 2024. These were achieved through healthy growth in enrolments, moderate fee increases and continued margin improvement, despite the challenging economic environment.

The group continues to build its competitive advantage through investing in the delivery of superior technology-enhanced teaching and learning, thereby cementing our position as the leading provider of private education on the African continent.

| Enrolments                    | Feb 2020 | Feb 2021 | Feb 2022 | Feb 2023 | Feb 2024      | Feb 2024 vs Feb 2023 % increase |
|-------------------------------|----------|----------|----------|----------|---------------|---------------------------------|
| Schools: South Africa         | 26 393   | 27 334   | 29 599   | 31 347   | <b>32 786</b> | 5%                              |
| Schools: rest of Africa       | 5 977    | 6 569    | 7 203    | 7 943    | <b>8 224</b>  | 4%                              |
| Schools division              | 32 370   | 33 903   | 36 802   | 39 290   | <b>41 010</b> | 4%                              |
| Tertiary: full qualifications | 44 975   | 45 647   | 47 539   | 49 341   | <b>52 718</b> | 7%                              |
| Total group enrolments        | 77 345   | 79 550   | 84 341   | 88 631   | <b>93 728</b> | 6%                              |

## Strong financial performance

| Group            | Percentage increase | Unaudited 6 months to 30 June 2024 R'm | Unaudited 6 months to 30 June 2023 R'm | Audited 12 months to 31 December 2023 R'm |
|------------------|---------------------|--|--|---|
| Revenue          | 9%                  | <b>4 274</b>                           | 3 932                                  | 7 860                                     |
| Operating profit | 15%                 | <b>865</b>                             | 754                                    | 1 577                                     |
| Operating margin |                     | <b>20.2%</b>                           | 19.2%                                  | 20.1%                                     |

The education division's revenue grew by 12% due to good enrolment growth in both the schools and tertiary divisions. However, due to the challenging operating environment in South Africa, together with some low margin contracts coming to an end in our rest of Africa operations, resourcing revenues declined by 3%. The combination of the above resulted in group revenue growing by 9% to R4 274 million for the period (2023: R3 932 million).

Group operating profit increased by 15% to R865 million (2023: R754 million) with the education division's operating profit increasing by 16%. Resourcing's operating profit increased by 3%, notwithstanding the decline in revenue. The group operating margin improved to 20.2% (2023: 19.2%).

The operating margin in the education divisions improved to 23.5% (2023: 22.8%) through the benefit of operating leverage and our continued drive for efficiency gains. This more than offset the additional costs incurred to enhance our offering through the introduction of additional global benchmarking measures, artificial intelligence tools to support personalised learning and student information systems.

Net finance costs increased marginally to R93 million (2023: R85 million) due to the increased finance costs on lease liabilities that resulted from several new leases being entered into or renewed, while net interest paid to banks declined because of the lower average net borrowings in the period.

The group's taxation rate decreased in the period to 27.6% (2023: 28.3%) due to a greater proportion of the group's profits being earned in countries with a lower taxation rate than South Africa.

Normalised earnings for the period increased by 17% to R535 million (2023: R459 million) while normalised earnings per share increased by 16% to 97.7 cents (2023: 84.3 cents) per share.

Gross trade receivables at 30 June 2024 increased by 10% to R997 million (2023: R906 million). Loss allowances decreased to R494 million (2023: R549 million), representing 49% (2023: 61%) coverage of gross trade receivables, due to the more favourable aging of the book and the improved collections at tertiary that accounts for 82% of the total loss allowance for the group. Notwithstanding the 9% increase in group revenue, credit losses for the group increased by only 6% to R126 million (2023: R119 million).

The strong cash generating capacity of the group is demonstrated by cash generated by operating activities increasing by 12% to R1 959 million (2023: R1 749 million). These funds were utilised to fund capital expenditure of R278 million, the payment of finance costs of R97 million, dividends of R335 million, taxation of R221 million, the repayment of the principal portion of lease liabilities of R44 million, the repurchase of shares of R36 million and the net settlement of debt amounting to R950 million.

Net borrowings, excluding lease liabilities, reduced to R189 million (2023: R422 million) as at 30 June 2024.

Capital expenditure of R278 million was focused on increasing capacity on existing sites to meet incremental demand, the development of a new school, acquiring equipment to enhance our teaching and learning through technology and enhancing business systems to enable standardisation of processes across the group to allow for further efficiency improvements.

## Operational review

### Schools

| Schools Division            | Percentage increase | Unaudited 6 months to 30 June 2024 R'm | Unaudited 6 months to 30 June 2023 R'm | Audited 12 months to 31 December 2023 R'm |
|-----------------------------|---------------------|--|--|---|
| Divisional revenue          | 11%                 | <b>1 770</b>                           | 1 595                                  | 3 191                                     |
| South Africa                | 11%                 | <b>1 556</b>                           | 1 402                                  | 2 810                                     |
| Rest of Africa              | 11%                 | <b>214</b>                             | 193                                    | 381                                       |
| Divisional operating profit | 15%                 | <b>378</b>                             | 329                                    | 684                                       |
| South Africa                | 12%                 | <b>316</b>                             | 282                                    | 570                                       |
| Rest of Africa              | 29%                 | <b>62</b>                              | 48                                     | 114                                       |
| Divisional operating margin |                     | <b>21.3%</b>                           | 20.6%                                  | 21.4%                                     |
| South Africa                |                     | <b>20.3%</b>                           | 20.1%                                  | 20.3%                                     |
| Rest of Africa              |                     | <b>28.7%</b>                           | 24.7%                                  | 30.0%                                     |

### Schools South Africa

#### Good enrolment growth and solid financial performance

Revenue increased by 11% to R1 556 million (2023: R1 402 million) and operating profit increased by 12% to R316 million (2023: R282 million) with the operating margin improving to 20.3% (2023: 20.1%).

All brands have shown volume and operating profit growth. This is testament to the recognition of ADvTECH's excellence in education coupled with a relentless focus on enhancing our value propositions. As a result, we continue to win market share in a tough operating environment.

To meet the demand for quality private education in the mid-fee sector, we are currently constructing a Pinnacle College campus in Ridgeview, Roodepoort, which will open in January 2025.

The success of Pinnacle College Raslouw in Centurion also continues with good enrolment growth, necessitating the build out of the balance of the school several years ahead of plan.

| Schools building capacity             | Feb 2020 | Feb 2021 | Feb 2022 | Feb 2023 | Feb 2024    |
|---------------------------------------|----------|----------|----------|----------|-------------|
| Students enrolled ('000)              | 32.4     | 33.9     | 36.8     | 39.3     | <b>41.0</b> |
| Existing building capacity ('000)     | 41.2     | 41.5     | 44.5     | 46.7     | <b>49.4</b> |
| % Existing building capacity utilised | 79%      | 82%      | 83%      | 84%      | <b>83%</b>  |
| Ultimate capacity ('000)              | 56.8     | 56.8     | 56.8     | 59.8     | <b>60.3</b> |
| % of ultimate capacity utilised       | 57%      | 60%      | 65%      | 66%      | <b>68%</b>  |

### Schools in the rest of Africa

#### Growing our footprint

All our school brands in the rest of Africa continued to experience strong enrolment growth, leading to revenue increasing by 11% to R214 million (2023: R193 million) and operating profit increasing by 29% to R62 million (2023: R48 million). The operating margin improved from 24.7% to 28.7%.

Construction of the next phase of Crawford International School in Kenya will commence in the fourth quarter of 2024 in response to the continued strong demand driven by their market leading academic offering.

Our Makini Cambridge International curriculum schools offering that was introduced in 2021 is experiencing strong demand, with parents increasingly choosing the Cambridge International curriculum over the national curriculum for their children. This curriculum is at a higher fee that has a positive impact on the financial performance of the schools.

Gaborone International School continues to perform exceptionally well with strong enrolment growth and excellent academic results. The second phase of the development to increase their capacity to accommodate 3 250 students and to refurbish the pre-primary school has been completed.

## Commentary (continued)

### Tertiary/University division

#### Growing demand for our well positioned brands

| Tertiary                    | Percentage increase | Unaudited 6 months to 30 June 2024 R'm | Unaudited 6 months to 30 June 2023 R'm | Audited 12 months to 31 December 2023 R'm |
|-----------------------------|---------------------|--|--|---|
| Revenue                     | 13%                 | <b>1 693</b>                           | 1 500                                  | 2 988                                     |
| Divisional operating profit | 16%                 | <b>436</b>                             | 375                                    | 787                                       |
| Operating margin            |                     | <b>25.8%</b>                           | 25.0%                                  | 26.3%                                     |

Revenue increased by 13% to R1 693 million (2023: R1 500 million) and operating profit increased by 16% to R436 million (2023: R375 million). The operating margin increased to 25.8% (2023: 25.0%) benefitting from operating leverage and efficiency gains.

Our tertiary division continues to perform well and to grow on the back of a well-established, high quality brand portfolio that offers a comprehensive range of programmes and qualifications. Our ability to provide multi-channel modes of delivery (contact, blended, online, full-time, part-time and distance) is fundamental to enhancing our value proposition for every student.

Expansion projects at our Rosebank College Cape Town, Pretoria and Braamfontein mega campuses are currently underway. A new purpose-built campus is under construction for Vega Pretoria adjacent to Varsity College, which will be more suitable than their existing rental premises. In addition, we have completed expansion projects at the Varsity College Pretoria and Cape Town campuses to increase capacity to meet continued strong demand.

Following the previous Minister of Higher Education and Training publishing the draft regulations in September 2022 setting out the criteria to qualify as a university, amended criteria were published in April this year. We submitted our comments in May, and we now await the publishing of the gazette, which is anticipated before the end of 2024.

Recognition as a university will ultimately benefit our students who will rightfully be afforded the same status as their peers who obtain similarly accredited qualifications through a Public University. In this regard, we will continue to engage with the Department of Higher Education and Training to bring this to fruition.

The group is in the process of acquiring a suitable building to be adopted to become a university campus. Should it be approved by the Competition Commission it will result in a R419 million capital investment over the next two years.

### Resourcing division

#### Rest of Africa continues to drive profit growth

|                             | Percentage increase/ (decrease) | Unaudited 6 months to 30 June 2024 R'm | Unaudited 6 months to 30 June 2023 R'm | Audited 12 months to 31 December 2023 R'm |
|-----------------------------|---------------------------------|--|--|---|
| Resourcing                  |                                 |  |  |   |
| Divisional revenue          | (3%)                            | <b>810</b>                             | 837                                    | 1 681                                     |
| South Africa                | (16%)                           | <b>104</b>                             | 124                                    | 229                                       |
| Rest of Africa              | (1%)                            | <b>706</b>                             | 713                                    | 1 452                                     |
| Divisional operating profit | 3%                              | <b>51</b>                              | 50                                     | 106                                       |
| South Africa                |                                 | <b>(4)</b>                             | 5                                      | 1   |
| Rest of Africa              | 24%                             | <b>55</b>                              | 45                                     | 105                                       |
| Divisional operating margin |                                 | <b>6.3%</b>                            | 5.9%                                   | 6.3%                                      |
| South Africa                |                                 | <b>(3.6%)</b>                          | 4.2%                                   | 0.5%                                      |
| Rest of Africa              |                                 | <b>7.8%</b>                            | 6.2%                                   | 7.2%                                      |

Revenue decreased by 3% to R810 million (2023: R837 million) with a decline of 16% in South Africa due to muted activity because of the challenging trading environment and a decline of 1% in rest of Africa due to some low margin contracts coming to an end. However, operating profit increased by 3% to R51 million (2023: R50 million). This was achieved due to the increase of 24% in operating profit from the rest of Africa to R55 million (2023: R45 million) as they replaced the low margin contracts that came to an end with higher margin contracts, which more than offset the impact of the loss experienced in South Africa.

## ALTERNATIVE ENERGY SOLUTIONS

ADvTECH is committed to minimising our environmental impact across our operations. We have also implemented various measures to ensure that we can continue delivering high-quality education should electricity supply be interrupted.

Notwithstanding the recent suspension of loadshedding, we are continuing with the rollout of solar solutions to reduce our electricity cost and carbon footprint. In addition to the five sites that already have solar solutions, installations are currently underway at three of our sites with the highest electricity usage. Thereafter, we will continue with the rollout to our remaining sites where a solar solution is feasible.

## BOARD CHANGES

The following changes to the directors on the board occurred during the period under review:

- CH Boulle (“Chris”) retired from the board following the conclusion of the AGM that was held on 5 June 2024.
- Prof A Watson (“Alex”) took over as chairperson of the board following the AGM on 5 June 2024 and stepped down as a member of the Audit and Risk Committee from such date.
- RJ Douglas (“Roy”) stepped down from the board following his retirement on 29 February 2024 as group CEO.
- GD Whyte (“Geoff”) took over from Roy and was appointed as group CEO and an executive director of the board, effective 1 March 2024.

The board wishes Alex well in her new role as chairperson of the board of directors. We are confident that she will guide the group forward successfully.

## DECLARATION OF INTERIM DIVIDEND NO. 28

In the board’s deliberations concerning the declaration of the final dividend for 2023, the board decided to reduce the dividend cover to 2.0 times (previously 2.4 times) and increase the dividend payout. This was informed by the group being in a position where it is generating cash in excess of that required to fund its investment programme. The management of the group’s capital structure and optimising the return on equity was also considered. Consequently, in determining the interim dividend, the board has aligned the payout at an appropriate level relative to the anticipated full year dividend.

The board is pleased to announce the declaration of an interim dividend of 38.0 cents (2023: 30.0 cents) per ordinary share in respect of the six months ended 30 June 2024.

This is a dividend as defined in the Income Tax Act, 1962, and is payable from income reserves. The South African dividend taxation (DT) rate is 20%. The net amount per share payable to shareholders who are not exempt from DT is 30.4 cents per share, while it is 38.0 cents per share to those shareholders who are exempt from DT.

There are 554 456 252 ordinary shares in issue; the interim dividend amount payable is R210.7 million. The salient dates applicable to the interim dividend referred to above are as follows:

|   | <b>2024</b>                    |
|---|--------------------------------|
| Approval of dividend by the board                         | <b>Friday, 23 August</b>       |
| Announcement of interim results for 2024 on SENS          | <b>Monday, 26 August</b>       |
| Last day to trade in order to participate in the dividend | <b>Tuesday, 10 September</b>   |
| Trading commences ex-dividend                             | <b>Wednesday, 11 September</b> |
| Record date   | <b>Friday, 13 September</b>    |
| Payment date  | <b>Monday, 16 September</b>    |

Share certificates may not be dematerialised and rematerialised between Wednesday, 11 September 2024, and Friday, 13 September 2024, both days inclusive.

## PROSPECTS

The group is uniquely positioned to enrich people’s lives by being the leaders in teaching and learning across the African continent. Strong demand for quality education persists across all our chosen markets. The group’s sound balance sheet, strong cash generation, growing scale and expertise in Africa and our unrelenting focus on extending competitive advantage in both the schools and tertiary divisions, places us in a good position to maintain our growth trajectory and invest with confidence in areas of opportunity.

On behalf of the board

**Prof. Alexandra Watson**  
Chairperson

**Geoff Whyte**  
Chief Executive Officer

**Didier Oesch**  
Group Commercial Director and  
Chief Financial Officer

**26 August 2024**

# Condensed consolidated statement of profit or loss

for the six months ended 30 June 2024

| R'm  | Notes | Percentage increase | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|--|-------|---------------------|---|---|--|
| <b>Revenue from contracts with customers</b>                               | 2     | 9%                  | <b>4 273.7</b>                              | 3 931.5                                     | 7 859.9  |
| Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA) |       | 15%                 | <b>1 076.6</b>                              | 936.8                                       | 1 961.5  |
| <b>Operating profit before interest and non-trading items</b>              |       | 15%                 | <b>865.2</b>                                | 754.1                                       | 1 577.1  |
| Non-trading items  | 3     |                     | <b>(0.2)</b>                                | 0.5   | 1.2  |
| Net finance costs  |       |                     | <b>(92.6)</b>                               | (85.2)                                      | (189.7)  |
| Interest earned  |       |                     | <b>21.2</b>                                 | 7.9   | 17.1   |
| Finance costs incurred   |       |                     | <b>(41.0)</b>                               | (40.4)                                      | (91.7)   |
| Finance costs on lease liabilities   |       |                     | <b>(72.8)</b>                               | (52.7)                                      | (115.1)  |
| Profit before taxation   |       | 15%                 | <b>772.4</b>                                | 669.4                                       | 1 388.6  |
| Taxation   |       |                     | <b>(212.9)</b>                              | (189.7)                                     | (390.4)  |
| <b>Profit for the period</b>   |       | 17%                 | <b>559.5</b>                                | 479.7                                       | 998.2  |
| <b>Profit for the period attributable to:</b>                              |       |                     |   |   |  |
| Owners of the parent   |       |                     | <b>534.7</b>                                | 459.5                                       | 951.0  |
| Non-controlling interests  |       |                     | <b>24.8</b>                                 | 20.2  | 47.2   |
|  |       |                     | <b>559.5</b>                                | 479.7                                       | 998.2  |
| <b>Earnings per share (cents)</b>  |       |                     |   |   |  |
| Basic  |       | 16%                 | <b>97.6</b>                                 | 84.4  | 174.4  |
| Diluted  |       | 16%                 | <b>97.1</b>                                 | 83.4  | 173.1  |



## Headline and normalised earnings

for the six months ended 30 June 2024

| R'm  | Percentage increase | Unaudited 6 months to 30 June 2024 | Unaudited 6 months to 30 June 2023 | Audited 12 months to 31 December 2023 |
|--|---------------------|------------------------------------|------------------------------------|---------------------------------------|
| <b>Determination of headline earnings</b>                      |                     |                                    |                                    |                                       |
| Profit for the period attributable to owners of the parent     |                     | 534.7                              | 459.5                              | 951.0                                 |
| Items excluded from headline earnings                          |                     | 0.4                                | (0.4)                              | (0.9)                                 |
| Net loss/(profit) on disposal of property, plant and equipment |                     | 0.4                                | (0.5)                              | (1.2)                                 |
| Taxation effects of adjustments                                |                     | –                                  | 0.1                                | 0.3                                   |
| <b>Headline earnings</b>                                       | 17%                 | <b>535.1</b>                       | 459.1                              | 950.1                                 |
| <b>Headline earnings per share (cents)</b>                     |                     |                                    |                                    |                                       |
| Basic  | 16%                 | 97.7                               | 84.3                               | 174.2                                 |
| Diluted  | 16%                 | 97.1                               | 83.4                               | 173.0                                 |
| <b>Determination of normalised earnings</b>                    |                     |                                    |                                    |                                       |
| Headline earnings  |                     | 535.1                              | 459.1                              | 950.1                                 |
| Items excluded from normalised earnings                        |                     | –                                  | –                                  | –                                     |
| Corporate action costs   |                     | 0.6                                | –                                  | –                                     |
| Profit on early termination of leases                          |                     | (0.8)                              | –                                  | –                                     |
| Taxation effects of adjustments                                |                     | 0.2                                | –                                  | –                                     |
| <b>Normalised earnings</b>                                     | 17%                 | <b>535.1</b>                       | 459.1                              | 950.1                                 |
| <b>Normalised earnings per share (cents)</b>                   |                     |                                    |                                    |                                       |
| Basic  | 16%                 | 97.7                               | 84.3                               | 174.2                                 |
| Diluted  | 16%                 | 97.1                               | 83.4                               | 173.0                                 |

## Condensed consolidated statement of other comprehensive income

for the six months ended 30 June 2024

| R'm  | Unaudited 6 months to 30 June 2024 | Unaudited 6 months to 30 June 2023 | Audited 12 months to 31 December 2023 |
|--|------------------------------------|------------------------------------|---------------------------------------|
| <b>Profit for the period</b>   | <b>559.5</b>                       | 479.7                              | 998.2                                 |
| <b>Other comprehensive income, net of income taxation</b>            |                                    |                                    |                                       |
| <i>Items that may be reclassified subsequently to profit or loss</i> |                                    |                                    |                                       |
| Exchange gain/(loss) on translating foreign operations               | 76.5                               | 7.2                                | (57.1)                                |
| <b>Total comprehensive income for the period</b>                     | <b>636.0</b>                       | 486.9                              | 941.1                                 |
| <b>Total comprehensive income for the period attributable to:</b>    |                                    |                                    |                                       |
| Owners of the parent   | 610.4                              | 462.5                              | 891.5                                 |
| Non-controlling interests  | 25.6                               | 24.4                               | 49.6                                  |
|  | <b>636.0</b>                       | 486.9                              | 941.1                                 |

# Condensed consolidated statement of financial position

as at 30 June 2024

| R'm  | Note | Unaudited<br>30 June<br>2024 | Unaudited<br>30 June<br>2023 | Audited<br>31 December<br>2023 |
|--|------|------------------------------|------------------------------|--------------------------------|
| <b>Assets</b>                              |      |                              |                              |                                |
| <b>Non-current assets</b>                  |      |                              |                              |                                |
| Property, plant and equipment              |      | 6 058.7                      | 5 691.5                      | 5 911.8                        |
| Proprietary technology systems             |      | 136.7                        | 107.4                        | 115.1                          |
| Right-of-use assets                        |      | 1 089.7                      | 793.0                        | 891.7                          |
| Goodwill                                   |      | 1 458.3                      | 1 452.6                      | 1 434.7                        |
| Other intangible assets                    |      | 134.5                        | 141.5                        | 135.4                          |
| Deferred taxation assets                   |      | 40.4                         | 41.7                         | 39.5                           |
| Investment in joint venture                |      | 12.1                         | 9.2                          | 11.4                           |
|  |      | <b>1 161.1</b>               | 890.4                        | 930.4                          |
| <b>Current assets</b>                      |      |                              |                              |                                |
| Inventories                                |      | 5.6                          | 5.5                          | 10.3                           |
| Trade and other receivables                | 4    | 603.7                        | 446.2                        | 469.5                          |
| Taxation                                   |      | 33.9                         | 7.5                          | 14.6                           |
| Prepayments                                |      | 107.0                        | 78.2                         | 54.6                           |
| Cash and cash equivalents                  |      | 410.9                        | 353.0                        | 381.4                          |
|  |      | <b>10 091.5</b>              | 9 127.3                      | 9 470.0                        |
| <b>Equity and liabilities</b>              |      |                              |                              |                                |
| <b>Equity</b>                              |      |                              |                              |                                |
| <b>Non-current liabilities</b>             |      |                              |                              |                                |
| Long-term bank loan                        |      | 600.0                        | 600.0                        | 600.0                          |
| Deferred taxation liabilities              |      | 134.2                        | 120.3                        | 128.1                          |
| Lease liabilities                          |      | 1 143.8                      | 794.6                        | 934.3                          |
| Acquisition liabilities                    |      | 51.2                         | 49.5                         | 51.8                           |
|  |      | <b>2 379.8</b>               | 2 333.2                      | 2 257.5                        |
| <b>Current liabilities</b>                 |      |                              |                              |                                |
| Current portion of long-term bank loan     |      | –                            | –                            | 0.3                            |
| Short-term bank loans                      |      | –                            | 170.0                        | 955.0                          |
| Current portion of lease liabilities       |      | 223.8                        | 199.7                        | 196.0                          |
| Trade and other payables                   |      | 632.4                        | 640.3                        | 623.4                          |
| Current portion of acquisition liabilities |      | 9.6                          | 10.2                         | 9.2                            |
| Fees received in advance and deposits      |      | 1 510.7                      | 1 304.8                      | 470.6                          |
| Shareholders for capital distribution      |      | 0.9                          | 0.8                          | 0.8                            |
| Shareholders for dividend                  |      | 2.4                          | 2.2                          | 2.2                            |
| Bank overdraft                             |      | –                            | 5.2                          | –                              |
|  |      | <b>4 309.0</b>               | 3 897.6                      | 3 971.7                        |
| <b>Total liabilities</b>                   |      | <b>4 309.0</b>               | 3 897.6                      | 3 971.7                        |
| <b>Total equity and liabilities</b>        |      | <b>10 091.5</b>              | 9 127.3                      | 9 470.0                        |

# Condensed consolidated segmental report

for the six months ended 30 June 2024

| R'm   | Percentage increase/ (decrease) | Unaudited 6 months to 30 June 2024 | Unaudited 6 months to 30 June 2023 | Audited 12 months to 31 December 2023 |
|---|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|
| Revenue from contracts with customers   | 9%                              | <b>4 273.7</b>                     | 3 931.5                            | 7 859.9                               |
| Education   | 12%                             | <b>3 463.5</b>                     | 3 094.6                            | 6 178.9                               |
| Schools   | 11%                             | <b>1 770.1</b>                     | 1 594.9                            | 3 190.6                               |
| – South Africa  | 11%                             | <b>1 556.0</b>                     | 1 401.9                            | 2 809.7                               |
| – Rest of Africa  | 11%                             | <b>214.1</b>                       | 193.0                              | 380.9                                 |
| Tertiary  | 13%                             | <b>1 693.4</b>                     | 1 499.7                            | 2 988.3                               |
| Resourcing  | (3%)                            | <b>810.2</b>                       | 836.9                              | 1 681.0                               |
| – South Africa  | (16%)                           | <b>104.1</b>                       | 123.5                              | 228.9                                 |
| – Rest of Africa  | (1%)                            | <b>706.1</b>                       | 713.4                              | 1 452.1                               |
| Operating profit before interest and non-trading items                                | 15%                             | <b>865.2</b>                       | 754.1                              | 1 577.1                               |
| Education   | 16%                             | <b>813.9</b>                       | 704.4                              | 1 471.0                               |
| Schools   | 15%                             | <b>377.5</b>                       | 329.3                              | 683.6                                 |
| – South Africa  | 12%                             | <b>316.0</b>                       | 281.6                              | 569.5                                 |
| – Rest of Africa  | 29%                             | <b>61.5</b>                        | 47.7                               | 114.1                                 |
| Tertiary  | 16%                             | <b>436.4</b>                       | 375.1                              | 787.4                                 |
| Resourcing  | 3%                              | <b>51.3</b>                        | 49.7                               | 106.1                                 |
| – South Africa  |                                 | <b>(3.7)</b>                       | 5.2                                | 1.1                                   |
| – Rest of Africa  | 24%                             | <b>55.0</b>                        | 44.5                               | 105.0                                 |
| Property, plant and equipment, proprietary technology systems and right-of-use assets | 11%                             | <b>7 285.1</b>                     | 6 591.9                            | 6 918.6                               |
| Education   | 11%                             | <b>7 252.4</b>                     | 6 563.1                            | 6 894.4                               |
| Schools   | 10%                             | <b>4 920.1</b>                     | 4 473.1                            | 4 660.9                               |
| – South Africa  | 9%                              | <b>4 339.9</b>                     | 3 989.8                            | 4 176.8                               |
| – Rest of Africa  | 20%                             | <b>580.2</b>                       | 483.3                              | 484.1                                 |
| Tertiary  | 12%                             | <b>2 332.3</b>                     | 2 090.0                            | 2 233.5                               |
| Resourcing  | 14%                             | <b>32.7</b>                        | 28.8                               | 24.2                                  |
| – South Africa  | 19%                             | <b>30.6</b>                        | 25.8                               | 21.8                                  |
| – Rest of Africa  | (30%)                           | <b>2.1</b>                         | 3.0                                | 2.4                                   |

# Condensed consolidated statement of changes in equity

for the six months ended 30 June 2024

| R'm   | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|---|---|---|--|
| Balance at beginning of the period  | 5 498.3                                     | 4 951.2                                     | 4 951.2  |
| Total comprehensive income for the period                                     | 636.0                                       | 486.9                                       | 941.1  |
| Dividends declared to shareholders  | (335.0)                                     | (225.9)                                     | (415.5)  |
| Share award expense under the management share incentive scheme               | 19.2  | 19.7  | 39.5   |
| Share-based payment expense in subsidiaries                                   | –   | –   | 0.4  |
| Taxation effect of shares awarded under the management share incentive scheme | –   | (2.2)                                       | (2.2)  |
| Share issue costs   | –   | –   | (0.1)  |
| Shares repurchased  | (8.0)                                       | –   | (16.1)   |
| Shares repurchased under the management share incentive scheme                | (28.0)                                      | –   | –  |
| <b>Balance at end of the period</b>   | <b>5 782.5</b>                              | <b>5 229.7</b>                              | <b>5 498.3</b>                                 |

# Condensed consolidated statement of cash flows

for the six months ended 30 June 2024

| R'm  | Note | Percentage<br>increase | Unaudited<br>6 months to<br>30 June 2024 | Unaudited<br>6 months to<br>30 June 2023 | Audited<br>12 months to<br>31 December 2023 |
|--|------|------------------------|--|--|---|
| <b>Cash flows from operating activities</b>  |      |                        |  |  |   |
| Cash generated from operations   | 5    | 14%                    | 1 091.6                                  | 957.0                                    | 1 997.5                                     |
| Movement in working capital  |      |                        | 867.4                                    | 792.0                                    | (56.7)                                      |
| Cash generated by operating activities   |      | 12%                    | 1 959.0                                  | 1 749.0                                  | 1 940.8                                     |
| Net finance costs paid (inclusive of borrowing costs capitalised to assets and finance costs on lease liabilities) |      |                        | (97.1)                                   | (91.1)                                   | (189.2)                                     |
| Taxation paid  |      |                        | (221.2)                                  | (175.5)                                  | (374.5)                                     |
| Dividends paid   |      |                        | (334.8)                                  | (225.3)                                  | (414.9)                                     |
| Net cash inflow from operating activities  |      |                        | 1 305.9                                  | 1 257.1                                  | 962.2                                       |
| <b>Cash flows from investing activities</b>  |      |                        |  |  |   |
| Additions to property, plant and equipment   |      |                        | (246.2)                                  | (264.9)                                  | (646.8)                                     |
| Additions to proprietary technology systems  |      |                        | (31.5)                                   | (5.4)                                    | (22.2)                                      |
| Proceeds on disposal of property, plant and equipment  |      |                        | 29.2                                     | 16.8                                     | 24.9  |
| Net cash outflow from investing activities   |      |                        | (248.5)                                  | (253.5)                                  | (644.1)                                     |
| <b>Cash flows from financing activities</b>  |      |                        |  |  |   |
| Shares repurchased   |      |                        | (36.0)                                   | –  | (16.1)                                      |
| Settlement of short-term bank loans  |      |                        | (950.0)                                  | (1 140.0)                                | (1 140.0)                                   |
| Drawdowns of short-term bank loans   |      |                        | –  | 170.0                                    | 950.0                                       |
| Repayment of principal portion of lease liabilities  |      |                        | (43.8)                                   | (49.7)                                   | (77.7)                                      |
| Net cash outflow from financing activities   |      |                        | (1 029.8)                                | (1 019.7)                                | (283.8)                                     |
| Net increase/(decrease) in cash and cash equivalents   |      |                        | 27.6                                     | (16.1)                                   | 34.3  |
| Cash and cash equivalents (net of bank overdraft) at beginning of the period                                       |      |                        | 381.4                                    | 355.1                                    | 355.1                                       |
| Net foreign exchange differences on cash and cash equivalents  |      |                        | 1.9                                      | 8.8                                      | (8.0)                                       |
| <b>Cash and cash equivalents (net of bank overdraft) at end of the period</b>                                      |      |                        | <b>410.9</b>                             | <b>347.8</b>                             | <b>381.4</b>                                |

## Free operating cash flow before capex per share

for the six months ended 30 June 2024

| R'm  | Percentage increase | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|--|---------------------|---|---|--|
| Profit for the period  |                     | <b>559.5</b>                                | 479.7                                       | 998.2  |
| Adjusted for non-cash IFRS and other adjustments (after taxation)                      |                     | <b>15.6</b>                                 | 20.2  | 36.0   |
| Net operating profit after taxation - adjusted for non-cash IFRS and other adjustments |                     | <b>575.1</b>                                | 499.9                                       | 1 034.2  |
| Depreciation and amortisation  |                     | <b>211.4</b>                                | 182.7                                       | 384.4  |
| Repayment of principal portion of lease liabilities                                    |                     | <b>(43.8)</b>                               | (49.7)                                      | (77.7)   |
| Taxation adjustment on IFRS 16 leases  |                     | <b>(9.0)</b>                                | (5.1)                                       | (16.3)   |
| Net loss/(profit) on disposal of property, plant and equipment (after taxation)        |                     | <b>0.4</b>                                  | (0.4)                                       | (0.9)  |
| Operating cash flow after taxation   | 17%                 | <b>734.1</b>                                | 627.4                                       | 1 323.7  |
| Movement in working capital  |                     | <b>867.4</b>                                | 792.0                                       | (56.7)   |
| Free operating cash flow before capex  | 13%                 | <b>1 601.5</b>                              | 1 419.4                                     | 1 267.0  |
| Free operating cash flow before capex per share (cents)                                | 12%                 | <b>292.5</b>                                | 260.8                                       | 232.3  |

## Supplementary information

for the six months ended 30 June 2024

| R'm  | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|--|---|---|--|
| Capital expenditure                                | <b>277.7</b>                                | 270.3                                       | 669.0  |
| Borrowing costs capitalised                        | <b>1.5</b>                                  | 3.0   | 4.3  |
| Total capital expenditure                          | <b>279.2</b>                                | 273.3                                       | 673.3  |
| Capital commitments                                | <b>1 632.7</b>                              | 1 198.1                                     | 1 334.4  |
| Authorised by directors and contracted for         | <b>727.5</b>                                | 458.6                                       | 308.9  |
| Authorised by directors and not yet contracted for | <b>905.2</b>                                | 739.5                                       | 1 025.5  |
| Anticipated timing of spend                        | <b>1 632.7</b>                              | 1 198.1                                     | 1 334.4  |
| 0 – 1 year   | <b>663.4</b>                                | 384.8                                       | 473.2  |
| 1 – 2 years  | <b>360.1</b>                                | 311.2                                       | 119.9  |
| 3 – 5 years  | <b>377.8</b>                                | 435.4                                       | 561.1  |
| More than 5 years                                  | <b>231.4</b>                                | 66.7  | 180.2  |

# Notes to the condensed consolidated interim financial statements

for the six months ended 30 June 2024

## 1.1 Statement of compliance

The condensed consolidated interim financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements, and the requirements of the Companies Act of South Africa applicable to 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 IFRS accounting standards as issued by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting. The accounting policies and methods of computations applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements.

The preparation of the condensed consolidated interim financial statements for the six months ended 30 June 2024 was supervised by Didier Oesch CA(SA), the group's commercial director and chief financial officer. The directors take full responsibility and have approved the condensed consolidated interim financial statements.

These interim results have not been audited or reviewed.

Any forward looking statements contained in this announcement have not been reviewed nor reported on by the company's external auditors.

## 1.2 Events after the reporting period

The directors are not aware of any matter or circumstance occurring between the date of the statement of financial position and the date of this report that materially affects the results of the group for the period ended 30 June 2024 or the financial position at that date.

## 1.3 Financial instruments

The directors consider that the carrying amount of the financial assets and financial liabilities recognised in the condensed consolidated interim financial statements approximate their fair values.

All of the group's financial instruments are carried at amortised cost.

| R'm  | <b>Unaudited<br/>6 months to<br/>30 June<br/>2024</b> | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|--|---|---|--|
| <b>2. Revenue from contracts with customers</b>  |   |   |  |
| The group derives its revenue from the transfer of services in the following major income streams. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (see condensed consolidated segmental report): |   |   |  |
| Education services – Schools   | <b>1 770.1</b>  | 1 594.9                                     | 3 190.6  |
| – Tuition  | <b>1 788.3</b>  | 1 610.9                                     | 3 217.3  |
| – Bursaries and discounts  | <b>(92.5)</b>   | (87.0)                                      | (175.9)  |
| – Boarding fees  | <b>27.2</b>   | 25.2  | 52.5   |
| – Enrolment and application fees   | <b>18.7</b>   | 19.0  | 40.1   |
| – Extramural activities and aftercare  | <b>28.4</b>   | 26.7  | 56.5   |
| – Education material and uniforms  | <b>–</b>  | 0.1   | 0.1  |
| Education services – Tertiary  | <b>1 693.4</b>  | 1 499.7                                     | 2 988.3  |
| – Tuition  | <b>1 694.0</b>  | 1 494.6                                     | 3 009.3  |
| – Bursaries and discounts  | <b>(33.4)</b>   | (34.0)                                      | (67.1)   |
| – Boarding fees  | <b>8.7</b>  | 13.6  | 15.0   |
| – Enrolment and application fees   | <b>24.1</b>   | 25.5  | 31.1   |
| Placement fees   | <b>810.2</b>  | 836.9                                       | 1 681.0  |
|  | <b>4 273.7</b>  | 3 931.5                                     | 7 859.9  |

| R'm  | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|--|---|---|--|
| <b>3. Non-trading items</b>                                    |   |   |  |
| Net (loss)/profit on disposal of property, plant and equipment | (0.4)                                       | 0.5   | 1.2  |
| Profit on early termination of leases                          | 0.8   | –   | –  |
| Corporate action costs   | (0.6)                                       | –   | –  |
|  | <b>(0.2)</b>                                | 0.5   | 1.2  |

The non-trading items in the current period relate to:

- Land and buildings, together with other smaller assets which were no longer required, with a carrying value of R25.3 million were disposed of for proceeds of R24.9 million.
- Purchase of a leased property before the end of the lease term.
- Corporate action costs related to due diligence expenses on possible acquisitions.

The non-trading items in the prior year related to:

- Land and buildings, which were no longer required, with a carrying value of R15.5 million were disposed of for proceeds of R15.6 million. The balance of the net profit on disposal of property, plant and equipment in the prior year resulted from the disposal of smaller assets.

| R'm                                   | Percentage<br>increase | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|---------------------------------------|------------------------|---|---|--|
| <b>4. Trade and other receivables</b> |                        |   |   |  |
| Trade receivables                     |                        | 997.4                                       | 906.1                                       | 813.0  |
| Loss allowance                        |                        | (493.7)                                     | (548.6)                                     | (405.3)  |
|                                       |                        | <b>503.7</b>                                | 357.5                                       | 407.7  |
| Other receivables                     |                        | 100.0                                       | 88.7  | 61.8   |
| Trade and other receivables           |                        | <b>603.7</b>                                | 446.2                                       | 469.5  |
| <b>Profit or loss impact</b>          |                        |   |   |  |
| Credit losses*                        | 6%                     | 125.9                                       | 118.9                                       | 169.8  |

\* Includes the profit or loss impact of net bad debts written-off and the movement in the loss allowance.

## Notes to the condensed consolidated interim financial statements (continued)

for the six months ended 30 June 2024

### 5. Note to the condensed consolidated statement of cash flows

| R'm   | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|---|---|---|--|
| <b>Reconciliation of profit before taxation to cash generated from operations</b> |   |   |  |
| Profit before taxation  | 772.4                                       | 669.4                                       | 1 388.6  |
| Adjust for non-cash IFRS and other adjustments (before taxation)                  | 15.6  | 20.2  | 36.0   |
| Share based payment expenses  | 19.2  | 19.9  | 39.5   |
| Other non-cash adjustments  | (3.6)                                       | 0.3   | (3.5)  |
|   | 788.0                                       | 689.6                                       | 1 424.6  |
| Adjustments   | 303.6                                       | 267.4                                       | 572.9  |
| Depreciation and amortisation   | 211.4                                       | 182.7                                       | 384.4  |
| Net finance costs   | 92.6  | 85.2  | 189.7  |
| Net loss/(profit) on disposal of property, plant and equipment                    | 0.4   | (0.5)                                       | (1.2)  |
| Profit on early termination of leases   | (0.8)                                       | –   | –  |
| <b>Cash generated from operations</b>   | <b>1 091.6</b>                              | 957.0                                       | 1 997.5  |

### 6. Share information

|  | Percentage<br>increase | Unaudited<br>6 months to<br>30 June<br>2024 | Unaudited<br>6 months to<br>30 June<br>2023 | Audited<br>12 months to<br>31 December<br>2023 |
|--|------------------------|---|---|--|
| Number of shares in issue (million)  |                        | 554.5                                       | 555.5                                       | 554.8  |
| Number of shares in issue net of treasury shares (million)                             |                        | 548.1                                       | 545.4                                       | 548.2  |
| Weighted average number of shares for purposes of basic earnings per share (million)   |                        | 547.6                                       | 544.3                                       | 545.3  |
| Weighted average number of shares for purposes of diluted earnings per share (million) |                        | 550.9                                       | 550.8                                       | 549.3  |
| Net asset value per share including treasury shares (cents)                            | 11%                    | 1 042.8                                     | 941.4                                       | 991.0  |
| Net asset value per share net of treasury shares (cents)                               | 10%                    | 1 055.0                                     | 958.9                                       | 1 003.0  |
| Free operating cash flow before capex per share (cents)                                | 12%                    | 292.5                                       | 260.8                                       | 232.3  |
| Gross dividends per share (cents)  | 27%                    | 38.0  | 30.0  | 87.0   |

## Analysis of shareholders

for the six months ended 30 June 2024

|   | Percentage shares held<br>at 30 June 2024 |
|---|---|
| Fund managers with a holding greater than 5% of the issued shares |   |
| Coronation Fund Managers  | 27.6%                                     |
| Public Investment Corporation                                     | 17.3%                                     |
| Value Capital Partners  | 9.7%                                      |
| <b>Total</b>  | <b>54.6%</b>                              |



# Financial summary

| R'm  | Percentage increase/ (decrease) | 6 months to 30 June 2024 | 6 months to 30 June 2023 | 12 months to 31 December 2023 |
|--|---------------------------------|--------------------------|--------------------------|-------------------------------|
| <b>Condensed consolidated statement of profit or loss for the year</b>       |                                 |                          |                          |                               |
| Revenue from contracts with customers  | 9%                              | 4 273.7                  | 3 931.5                  | 7 859.9                       |
| Operating profit before interest and non-trading items                       | 15%                             | 865.2                    | 754.1                    | 1 577.1                       |
| Net finance costs  | 9%                              | 92.6                     | 85.2                     | 189.7                         |
| Profit attributable to ordinary shareholders                                 | 16%                             | 534.7                    | 459.5                    | 951.0                         |
| Headline earnings  | 17%                             | 535.1                    | 459.1                    | 950.1                         |
| <b>Condensed consolidated statement of financial position</b>                |                                 |                          |                          |                               |
| Equity   | 11%                             | 5 782.5                  | 5 229.7                  | 5 498.3                       |
| Total assets   | 11%                             | 10 091.5                 | 9 127.3                  | 9 470.0                       |
| <b>Condensed consolidated segmental report</b>                               |                                 |                          |                          |                               |
| Revenue from contracts with customers  | 9%                              | 4 273.7                  | 3 931.5                  | 7 859.9                       |
| Schools – South Africa   | 11%                             | 1 556.0                  | 1 401.9                  | 2 809.7                       |
| Schools – Rest of Africa   | 11%                             | 214.1                    | 193                      | 380.9                         |
| Tertiary   | 13%                             | 1 693.4                  | 1 499.7                  | 2 988.3                       |
| Resourcing – South Africa  | (16%)                           | 104.1                    | 123.5                    | 228.9                         |
| Resourcing – Rest of Africa  | (1%)                            | 706.1                    | 713.4                    | 1 452.1                       |
| Operating profit before interest and non-trading items                       | 15%                             | 865.2                    | 754.1                    | 1 577.1                       |
| Schools – South Africa   | 12%                             | 316.0                    | 281.6                    | 569.5                         |
| Schools – Rest of Africa   | 29%                             | 61.5                     | 47.7                     | 114.1                         |
| Tertiary   | 16%                             | 436.4                    | 375.1                    | 787.4                         |
| Resourcing – South Africa  |                                 | (3.7)                    | 5.2                      | 1.1                           |
| Resourcing – Rest of Africa  | 24%                             | 55.0                     | 44.5                     | 105.0                         |
| <b>Condensed consolidated statement of cash flows</b>                        |                                 |                          |                          |                               |
| Net cash inflow from operating activities                                    | 4%                              | 1 305.9                  | 1 257.1                  | 962.2                         |
| <b>Free cash flow</b>  |                                 |                          |                          |                               |
| Free operating cashflow before capex   | 13%                             | 1 601.5                  | 1 419.4                  | 1 267.0                       |
| Net capital expenditure  | (2%)                            | (248.5)                  | (253.5)                  | (644.1)                       |
| Free cash flow   | 16%                             | 1 353.0                  | 1 165.9                  | 622.9                         |
| <b>Performance</b>   |                                 |                          |                          |                               |
| <b>Revenue growth (y/y %)</b>  |                                 |                          |                          |                               |
| Group  |                                 | 9%                       | 16%                      | 13%                           |
| Schools – South Africa   |                                 | 11%                      | 13%                      | 13%                           |
| Schools – Rest of Africa   |                                 | 11%                      | 26%                      | 14%                           |
| Tertiary   |                                 | 13%                      | 13%                      | 10%                           |
| Resourcing – South Africa  |                                 | (16%)                    | (4%)                     | (9%)                          |
| Resourcing – Rest of Africa  |                                 | (1%)                     | 33%                      | 26%                           |
| <b>Operating profit before interest and non-trading items growth (y/y %)</b> |                                 |                          |                          |                               |
| Group  |                                 | 15%                      | 23%                      | 18%                           |
| Schools – South Africa   |                                 | 12%                      | 20%                      | 18%                           |
| Schools – Rest of Africa   |                                 | 29%                      | 73%                      | 43%                           |
| Tertiary   |                                 | 29%                      | 19%                      | 16%                           |
| Resourcing – South Africa  |                                 |                          | 0%                       | (83%)                         |
| Resourcing – Rest of Africa  |                                 | 24%                      | 52%                      | 28%                           |
| <b>Operating profit margin</b>   |                                 |                          |                          |                               |
| Group  |                                 | 20.2%                    | 19.2%                    | 20.1%                         |
| Schools – South Africa   |                                 | 20.3%                    | 20.1%                    | 20.3%                         |
| Schools – Rest of Africa   |                                 | 28.7%                    | 24.7%                    | 30.0%                         |
| Tertiary   |                                 | 25.8%                    | 25.0%                    | 26.3%                         |
| Resourcing – South Africa  |                                 | (3.6%)                   | 4.2%                     | 0.5%                          |
| Resourcing – Rest of Africa  |                                 | 7.8%                     | 6.2%                     | 7.2%                          |
| Free operating cash conversion   |                                 | 286.2%                   | 295.9%                   | 126.9%                        |
| Free cash flow conversion  |                                 | 241.8%                   | 243.0%                   | 62.4%                         |
| <b>Share statistics</b>  |                                 |                          |                          |                               |
| Number of ordinary shares in issue (million)                                 |                                 | 554.5                    | 555.5                    | 554.8                         |
| Weighted average diluted number of shares in issue (million)                 |                                 | 550.9                    | 550.8                    | 549.3                         |
| Headline earnings per share (cents)  |                                 |                          |                          |                               |
| – basic  | 16%                             | 97.7                     | 84.3                     | 174.2                         |
| – diluted  | 16%                             | 97.1                     | 83.4                     | 173.0                         |
| Normalised earnings per share (cents)  |                                 |                          |                          |                               |
| – basic  | 16%                             | 97.7                     | 84.3                     | 174.2                         |
| – diluted  | 16%                             | 97.1                     | 83.4                     | 173.0                         |
| Dividend per share (cents)   |                                 |                          |                          |                               |
| – interim  | 27%                             | 38.0                     | 30.0                     | 30.0                          |
| – final  |                                 | –                        | –                        | 57.0                          |
| Dividend payout ratio  |                                 | 39%                      | 36%                      | 50%                           |
| Share price (cents)  | – closing                       | 2 830                    | 1 840                    | 2 454                         |
| Market capitalisation (R'm)  |                                 | 15 692                   | 10 221                   | 13 615                        |
| Price earnings ratio   |                                 | 14.5                     | 10.9                     | 14.1                          |

# Definitions

|  |   |
|--|---|
| <b>Cash flow</b>   |   |
| <b>Financing activities</b>  | Activities that result in changes to the capital and funding structure of the group.  |
| <b>Investing activities</b>  | Activities relating to the acquisition, holding and disposal of capital assets and long-term investments.   |
| <b>Operating activities</b>  | Activities that are not financing or investing activities that arise from the operations conducted by the group.  |
| <b>Dividend payout ratio</b>   | Dividend per share expressed as a percentage of normalised earnings per share.  |
| <b>Dividend per share</b>  | Dividend per share is the interim cash dividend declared at half year, and is the actual interim cash dividend paid and the final cash dividend declared at year end, expressed as cents per share.   |
| <b>Earnings per share</b>  |   |
| <b>Earnings per share</b>  | Profit for the period attributable to owners of the parent divided by the weighted average number of shares in issue for the period.  |
| <b>Diluted earnings per share</b>                                    | Profit for the period attributable to owners of the parent divided by the weighted average diluted number of shares in issue for the period.  |
| <b>Headline earnings per share</b>                                   | Headline earnings divided by the weighted average number of shares in issue for the period.   |
| <b>Diluted headline earnings per share</b>                           | Headline earnings divided by the weighted average diluted number of shares in issue for the period.   |
| <b>Normalised earnings per share</b>                                 | Normalised earnings divided by the weighted average number of shares in issue for the period.   |
| <b>Diluted normalised earnings per share</b>                         | Normalised earnings divided by the weighted average diluted number of shares in issue for the period.   |
| <b>Free operating cash flow before capex</b>                         | Free operating cash flow before capex is calculated by subtracting non-cash items, repayment of lease liabilities net of taxation, and movement in working capital from profit for the period. This is a non-IFRS measure.  |
| <b>Free cash flow</b>  | Free operating cash flow before capex less capital expenditure reduced by proceeds on disposal of property, plant and equipment.  |
| <b>Headline earnings</b>   | Profit for the period attributable to owners of the parent adjusted for the after taxation effect of certain items as prescribed by SAICA Circular 1/2023 – Headline Earnings.  |
| <b>Normalised earnings</b>   | Normalised earnings is a non-IFRS measure that is included to provide an additional basis to measure the group's normalised earnings performance. It excludes the impact of certain operational income and expense items that are not from the day-to-day operations of the business. In the current period it includes corporate action costs and profit on early termination of leases. |
| <b>Issued shares</b>   | Ordinary shares having no par value in the authorised share capital of ADVTECH Limited.   |
| <b>Market capitalisation</b>   | The closing market price per share at period end multiplied by the number of ordinary shares in issue at period-end.  |
| <b>Net asset value per share</b>                                     | Net assets at period-end divided by the number of ordinary shares in issue at period end. It can be calculated either inclusive or exclusive of treasury shares.  |
| <b>Operating profit before interest and non-trading items</b>        | Operating profit before net finance costs and non-trading items.  |
| <b>Operating profit before interest and non-trading items margin</b> | Operating profit before interest and non-trading items expressed as a percentage of revenue.  |
| <b>Price earnings ratio</b>  | The closing market price per share at period-end divided by earnings per share for the period.  |
| <b>Segmental reporting</b>   | The group has three reportable segments, being the schools division, the tertiary division and the resourcing division. Where applicable, this is split between South Africa and the rest of Africa. The combination of the schools and tertiary division is known as the education divisions.  |
| <b>Treasury shares</b>   | Issued shares in ADVTECH Limited held by a group company in terms of an approved employee share scheme.   |
| <b>Weighted average number of shares</b>                             | The number of ordinary shares in issue, increased by shares issued during the period and reduced by treasury shares purchased or shares cancelled during the period, weighted on a time basis for the period during which they have participated in the income of the group.  |
| <b>Weighted average diluted number of shares</b>                     | The weighted average number of ordinary shares adjusted for the effects of all dilutive potential shares.   |

# Corporate information

## COMPANY SECRETARY AND REGISTERED OFFICE

Company secretary: Chantell Crouse  
ADvTECH House, Building 7  
Inanda Greens Office Park  
54 Wierda Road West  
Wierda Valley  
Sandton  
Johannesburg  
2196  
(PO Box, 2369, Randburg, 2125)  
Telephone: +27 (0)11 676 8000  
Email: groupsec@advtech.co.za

## ADvTECH LIMITED

Incorporated in the Republic of South Africa  
Registration number: 1990/001119/06  
JSE share code: ADH  
ISIN: ZAE000031035

## SPONSOR

**BRIDGE  
CAPITAL**

10 Eastwood Road  
Dunkeld  
2196  
(PO Box 651010, Benmore, 2010)  
Telephone: +27 (0)11 268 6231  
Telefax: +27 (86) 662 206  
Email: sponsorteam@bridgecapital.co.za

## AUDITORS

Ernst & Young Inc.  
Audit Partner: Charles Trollope  
102 Rivonia Road  
Sandton  
South Africa  
Telephone: +27 (0)11 772 3000

## INVESTOR RELATIONS

Telephone: +27 (0)11 676 8000  
Email: investorrelations@advtech.co.za

## BANKERS AND LENDERS

**Lender and primary transactional banker**  
ABSA Bank Limited

## TRANSFER SECRETARIES

JSE Investor Services Proprietary Limited  
One Exchange Square  
Gwen Lane, Sandown  
Sandton  
2196  
(PO Box 4844, Johannesburg, 2000)  
Telephone: +27 (0)11 713 0800  
Telefax: 086 674 4381 or 0861 546 572



Read more on our website  
[www.advtech.co.za](http://www.advtech.co.za)



Tel +27 11 676 8000  
ADvTECH House, Inanda Greens,  
54 Wierda Road West,  
Wierda Valley, Sandton, 2196  
[www.advtech.co.za](http://www.advtech.co.za)