

STADIO

— HOLDINGS —

Stadio Holdings Limited
(Registration number 2016/371398/06)
Annual Financial Statements
for the year ended 31 December 2025

Stadio Holdings Limited

(Registration number 2016/371398/06)

Annual Financial Statements for the year ended 31 December 2025

General Information

The Group	Stadio Holdings Limited and its subsidiaries (see Note 7)
Company registration number	2016/371398/06
Country of incorporation and domicile	South Africa
Nature of business and principal activities	Stadio Holdings facilitates the widening of access to quality and relevant higher education programmes in Southern Africa through its three registered private higher education institutions.
Directors	<p>Executive Chris Vorster Ishak Kula Divya Singh</p> <p>Non-Executive Vincent Maphai Busisiwe Vilakazi Chris van der Merwe (retired 19 June 2025) Gerhardus Fourie (appointed 27 November 2025) Mathukana Mokoka Nico de Waal * Khati Mokhobo (appointed 3 July 2025) Tom Brown * Dries Mellet (alternate to Nico de Waal)</p>
Registered office and business address	Office 101, The Village Square c/o Queen and Oxford Streets Durbanville South Africa 7550
Postal address	P.O. Box 2161 Durbanville South Africa 7551
Bankers	Standard Bank of South Africa Limited First National Bank Limited Nedbank Limited ABSA Bank Limited Bank Windhoek Limited Standard Bank Namibia Limited
External Auditor	PricewaterhouseCoopers Incorporated Registered Auditor
Internal Auditor	BDO Advisory Services Proprietary Limited
Company secretary	Stadio Corporate Services Proprietary Limited

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General Information

Independent sponsor	PSG Capital Proprietary Limited (PSG Capital)
The Companies Act	Companies Act of South Africa, 71 of 2008 as amended
King V™	King Code of Governance of South Africa
JSE	Johannesburg Stock Exchange
Milpark Education	Milpark Education Proprietary Limited
STADIO Higher Education	Stadio Proprietary Limited
AFDA	The South African School of Motion Picture Medium and Live Performance Proprietary Limited
CAC	CA Connect
Annual financial statements	Consolidated and Separate Financial Statements for the year ended 31 December 2025
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The financial statements were internally compiled under the supervision of: Ishak Kula CA(SA)

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Audit and Risk Committee Report

The Group's Audit and Risk Committee (ARC) is pleased to present its report for the year ended 31 December 2025. This report has been prepared in terms of section 94 of the Companies Act, King V™ and the JSE Listings Requirements and other applicable regulatory requirements. The ARC carried out its responsibilities as set out in its Board-approved terms of reference

The ARC's main purpose is to assist the Board by providing an objective and independent view of the Group's financial, accounting and control mechanisms, including risk management, and ensuring the effectiveness of the internal and external assurance providers.

1. Composition and attendance

To further enhance the ARC's oversight functions, an additional member with significant financial expertise was appointed during the year. This strategic addition is intended to strengthen the ARC's capacity to address evolving risk and governance challenges linked to the Group's ongoing growth, thereby ensuring rigorous financial controls and effective risk management practices.

The members are all independent non-executive directors of the Group and the ARC is satisfied that all members have the required knowledge and experience as set out in Section 94(5) of the Companies Act and Regulation 42 of the Companies Regulation, 2011.

Members	Appointed	Meetings attended	Meeting attendance by invitation
Mathukana Mokoka (Chairperson)		2 of 2	All members of the Board, Chief Operating Officer, Head: Group Financial Reporting, and both Internal and External auditor
Tom Brown		2 of 2	
Busisiwe Vilakazi		2 of 2	
Khati Mokhobo	27 November 2025	1 of 1 (as an invitee)	

2. Focus areas

2025 Key activities	2026 Focus areas
<p>2.1 Annual Financial Statements</p> <p>The ARC reviewed and recommended the approval of the annual financial statements of the Group, as well as the interim trading update, to the Board, having assessed:</p> <ul style="list-style-type: none"> the fairness and accuracy of the financial information and disclosures; whether actual information varied significantly from budgeted or projected information; whether IFRS® was applied; any actual or proposed changes in accounting or financial reporting practices or policies; any significant or unusual events or transactions; whether the Group's financial and operating controls are functioning effectively; assessed the reasonableness of any areas requiring judgement, including the key audit matters, with a particular focus on the loss allowance, ensuring appropriate assumptions and bad debt coverage; and assessed and confirmed the appropriateness of the going-concern assumption used in the annual financial statements, considering the Group's cash flow forecast, access to debt and strong balance sheet. <p>The new management reporting and consolidation tool, Finnivo™ has assisted in streamlining the monthly and annual financial reporting processes and bringing about efficiencies.</p> <p>Milpark Education introduced a new ERP system during the year which has also assisted in streamlining processes whilst enhancing the financial control environment.</p>	<ul style="list-style-type: none"> Continued focus on ensuring the Group's financial systems and processes are automated, streamlined, and operating effectively. Ensuring group structure is streamlined. Implementation of the new IFRS18 reporting requirements.

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Audit and Risk Committee Report

2025 Key activities	2026 Focus areas
<p>2.2 Key audit matters</p> <p>The ARC applied its mind to the key key audit matters identified by PwC during the audit and is comfortable that they have been adequately addressed and disclosed, and the assumptions used are fair.</p> <p>These following items require significant judgment and include the assessment of assumptions and estimates:</p> <ul style="list-style-type: none"> • Impairment assessment of goodwill and other indefinite life intangible assets; and • Expected credit losses on trade receivables 	<ul style="list-style-type: none"> • Regular engagement with the auditors and management around the key matters identified. • Ongoing assessment of management's assumptions in assessing the key areas of judgement. • Continued assessment of the economic environment, debtors' collections and recoverability of debtors.
<p>2.3 Financial reporting procedures, accounting practices and internal control</p> <p>As required by JSE Listings Requirement 5.7(h)(ii), the ARC ensured that</p> <ul style="list-style-type: none"> • appropriate financial reporting procedures exist and are working, which includes consideration of all the entities in the consolidated Group financial statements. • The Group's financial reporting procedures, internal controls and systems have been designed to provide reasonable assurance of the integrity and reliability of the financial information presented in the annual financial statements and to safeguard, verify and maintain the assets of the Group and the Company. <p>The ARC, through consultation with the external auditors, ensured that management's processes and procedures are adequate to identify; assess; manage; and monitor group-wide risks.</p> <p>The ARC considered the financial reporting procedures and practices of all entities within the Group and deem these, as well as the accounting policies, and consolidated annual financial statements, to be appropriate.</p>	<ul style="list-style-type: none"> • Continued engagement with the external and internal auditors to ensure the financial reporting procedures, accounting practices and internal controls are functioning effectively and in accordance with the business needs.
<p>2.4 External auditor</p> <ul style="list-style-type: none"> • The ARC nominated and recommended to shareholders the re-appointment of PwC as the independent external auditor. Mr Viresh Harri was re-appointed as the designated partner for the 2025 financial year. • The ARC, in consultation with executive management, approved the terms of the engagement, as well as the associated audit fees to be paid, taking into consideration such factors as the timing of the audit, the extent of the work required and the scope. • The ARC satisfied itself, through enquiry, that PwC remain independent as defined by the Companies Act and as per the standards stipulated by the auditing profession. The ARC further confirmed, through requisite assurance, that the internal governance processes within PwC support and demonstrate the claim to independence. • Furthermore, the ARC satisfied itself that it was suitable to reappoint PwC by considering the 1) latest, and any new, regulator inspection results; 2) summary of the ongoing communication related to monitoring and remediation (paragraph 46 of International Standard on Quality Management 1(SQM1)) and 3) summary of any legal or disciplinary proceedings completed or pending within the past five years. 	<ul style="list-style-type: none"> • Ongoing assessment of the auditors independence and suitability. • Regular engagement with the auditors, if, or as, required. • Approval, and subsequent recommendation for shareholder approval, of auditors for the 2026-year end.

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2025 Key activities	2026 Focus areas
<p>2.4 External auditor (continued)</p> <ul style="list-style-type: none"> The ARC recommended the reappointment of PwC to the Board and the shareholders at the AGM in June 2025, having considered inter alia, paragraph 5.7 (h)(ii) of the JSE Listings Requirements. Section 92 of the Companies Act requires individual auditors not to serve for more than five consecutive years. Mr Viresh Harri will therefore rotate off the audit following the 2025 audit. The ARC agreed to initiate a formal external audit tender process. The tender process will be undertaken in the upcoming financial year, during which suitably qualified audit firms, including PwC, have been invited to submit proposals. Submissions will be evaluated by the ARC based on competence, sector expertise, audit approach, independence, and cost-effectiveness. Following this evaluation, the ARC will recommend a preferred audit firm for appointment by shareholders at the AGM. The ARC further considered, and approved, the nature and extent of any non-audit services to be performed by PwC, notably the annual reporting to the Department of Higher Education and Training (DHET) and tax consulting services for STADIO Namibia. 	
<p>2.5 Internal Audit and control environment</p> <p>The internal audit function is outsourced to BDO Advisory Services Proprietary Limited (BDO), who have a rolling three-year audit plan in place, ensuring they monitor</p> <p>The main function of internal audit is to provide an independent review of, and provide assurance on, the effectiveness of the Group's internal controls, including its corporate governance and accounting processes, whilst noting any control weaknesses that exist. It assesses the Group's overall strategic risk register and ensures adequate controls are in place and assesses the effectiveness of these controls on mitigating the identified risks.</p> <p>The ARC monitored the effectiveness of the internal audit function, ensuring this remained an independent assurance function, and reviewed and refined the internal audit plan as required.</p> <p>The ARC reviewed the reports from both the internal and external auditors, in respect to their audits of the internal control environment and noted any concerns or suggestions arising in respect of their audits. The ARC considered the appropriateness of management's responses, and, based on the extent of the audit work carried out by both the internal and external auditors, nothing was brought to the ARC's attention which would suggest a material breakdown of any internal control system. The ARC is therefore satisfied that the internal financial control environment continued to function effectively for the year ended 31 December 2025.</p>	<ul style="list-style-type: none"> Continued refinement of the internal audit plan to ensure audit plan remains relevant and up to date, whilst monitoring the effectiveness of the internal control environment.
<p>2.6 Combined Assurance</p> <p>The internal audit function is outsourced to BDO Advisory. The ARC continues to guide management in their journey to a fully combined assurance approach in order to facilitate a coordinated approach to overseeing assurance activities within the organisation.</p>	<ul style="list-style-type: none"> Continued progress and input into a fully combined assurance model.

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2025 Key activities	2026 Focus areas
<p>2.6 Combined Assurance (continued)</p> <p>The Combined Assurance model aims to optimise the assurance coverage obtained from management, service providers, consultants, auditors and other assurance providing parties, on the risk areas within the key functions and processes of the organisation. The Group has made good progress in moving towards a fully combined assurance model.</p>	
<p>2.7 Risk governance</p> <p>Oversight of the risk management function is assigned to the ARC, who reports back to the Board accordingly.</p> <p>During the year, the ARC assessed the implementation of the Group's risk strategy and framework, and considered the</p> <ul style="list-style-type: none"> • Group's material matters – no amendments were proposed; • Group's strategic risk register, noting the Group's top strategic risks (including the impacts of the South African economic environment, cyber security risk, and likely impacts of sustainability and climate-related risks on the Group); • adequacy of the mitigation strategies in place to reduce the risk to acceptable tolerance level; • reviewed and provided oversight into acceptable tolerance for the various risk categories; • considered the implications of IFRS S1 and S2 on the Group's reporting requirements <p>The ARC has no reason to believe that any risks identified fall outside the agreed Group's risk tolerance levels and the mitigation strategies in place ensure the Group remains operationally and financially sound and no risks identified impact the sustainability of the Group.</p>	<ul style="list-style-type: none"> • Continued assessment of changes in risk levels evaluation of risk mitigation strategies. • Review of risk appetite and tolerance against best practice.
<p>2.8 ESG and Social & Ethics Oversight</p> <p>ARC has engaged closely with the Transformation, Social & Ethics Committee to ensure that disclosures relating to environmental, social, and governance (ESG) matters are reliable, consistent, and aligned with stakeholder expectations, whilst also ensuring that, if any reports are made to Group's Ethics hotline, these matters are addressed reasonably and with integrity. No matters have been found to be material to the Group.</p> <p>Whilst the Group's ESG disclosures are in their infancy, the Group has made good progress and believes the Group is progressing towards compliance.</p>	<ul style="list-style-type: none"> • Continued monitoring of ESG developments and disclosure requirements through IFRS S1, S2 and other international frameworks

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Audit and Risk Committee Report

2025 Key activities	• 2026 Focus areas
<p>2.9 Insurance and Treasury Matters</p> <p>The ARC assesses the Group's insurance, ensuring the Group is adequately covered across any possible events such as material damages, cyber security, directors and officers' liability, amongst others.</p> <p>The ARC monitors the adequacy of the Group's cash resources and reserves through review of the cash forecasts, available debt funding and input into the appropriate debt vs equity ratios considering the Group's growth projects, and confirms the Group is a going concern. Through the board's assessment, the ARC recommended a dividend of 18.4 cents per share to the Board for approval in March 2026, confirming that the Group met the solvency and liquidity requirements before and following the dividend declaration.</p> <p>It was agreed that the Group will continue with its current Dividend policy and no interim dividend will be paid at this stage based on the future capital requirements and growth opportunities for the Group.</p>	<ul style="list-style-type: none">• Ongoing evaluation of Dividend Declaration Policy.• Capital requirements and any debt funding needed for the Group's Durbanville comprehensive campus and other growth opportunities.• Implementation of treasury management system
<p>2.10 Evaluation of Chief Financial Officer (CFO)</p> <p>In accordance with paragraph 5.7(h)(i) of the JSE Listings Requirements, the ARC assessed, the experience and expertise of the CFO, Mr Ishak Kula CA(SA). ARC is satisfied that Mr Ishak Kula has the required skills, experience and expertise to meet his responsibilities and is supported by an adequately resourced and skilled finance team.</p>	<ul style="list-style-type: none">• Continued monitoring and improvement of the finance function and structure.

3. Conclusion

No complaints or concerns were received by the ARC on any matters relating to the accounting practices of the Group, the content or auditing of the annual financial statements, the internal financial controls of the Group or on any other related matter during the year under review.

The ARC is confident that it fulfilled its responsibilities and duties as outlined in its mandate during the year under review. As the chairperson, I want to express my gratitude to my fellow ARC members, both external and internal auditors, and management for their support throughout the year. It's been encouraging to observe the finance team and audit's increased efficiency and ongoing process improvements in recent years, which have delivered positive outcomes.

On behalf of the ARC



Mathukana Mokoka (CA)SA
ARC Chairperson
16 March 2026

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with IFRS Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited and the Companies Act. The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year to 31 December 2026 and, in light of this review and the current financial position, they are satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Group's annual financial statements. The annual financial statements have been examined by the Group's external auditor and their report is presented on pages 17 to 24.

The report of the directors set out on pages 11 to 16 and the annual financial statements set out on pages 25 to 107, which have been prepared on the going concern basis, were approved and authorised for issue by the board of directors on 16 March 2026 and were signed on their behalf by:



Chris Vorster
Chief Executive Officer



Ishak Kula
Chief Financial Officer

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Chief Executive Officer and Chief Financial Officer responsibility statement

After due, careful and proper consideration by the chief executive officer and the chief financial officer, each of the directors, whose names are stated below, hereby confirm that:

- a) The annual financial statements set out on pages 25 to 107, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- c) Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries has been provided to effectively prepare the financial statements of the issuer;
- d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) Where we are not satisfied, we have disclosed to the Audit committee and the auditor any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- f) We are not aware of any fraud involving directors.



Chris Vorster
Chief executive officer



Ishak Kula
Chief financial officer

Company Secretary's Certification

In terms of Section 88(2)(e) of the Companies Act of South Africa, as amended, we certify to the best of our knowledge the group has lodged with the Companies and Intellectual Properties Commission (CIPC) all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.



Stadio Corporate Services Proprietary Limited
Company Secretary
16 March 2026

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Stadio Holdings Limited (STADIO Holdings) and its subsidiaries for the year ended 31 December 2025.

1. Nature of business

STADIO Holdings is incorporated in the Republic of South Africa and is a public company listed on the JSE.

STADIO Holdings facilitates the widening of access to quality and relevant higher education programmes in southern Africa through its three prestigious higher education institutions, namely STADIO Higher Education, AFDA and Milpark Education. The institutions offer a diverse range of undergraduate and postgraduate programmes via contact learning and distance learning modes of delivery.

2. Review of financial results and activities

The operating results and the performance of the Group and Company are set out in the statements of comprehensive income, statements of financial position, statements of changes in equity, statements of cash flows and notes thereto. Revenue increased by 14% to R1.8 billion (2024: R1.6 billion), driven by a 9% student growth in Semester 1 and 7% student growth in Semester 2. Total student numbers for Semester 2 increased to 53 303 (2024: 50 039). The profit attributable to owners of the parent for the year under review increased by 25% to R328 million (2024: R262 million).

The statement of financial position remains robust. The Group has drawn down on the revolving credit facility ("RCF"), which is being used to fund the construction of the STADIO Higher Education Durbanville campus. The other external debt on the statement of financial position is the lease liabilities which totals R131 million (2024: R112 million). The cash balance is R156 million (2024: R132 million) and shareholders' equity is R2.08 billion (2024: R1.96 billion). Cash generated from operations increased by 16% to R540 million.

A total of R303 million was invested in capital expenditure, with a total of R205 million allocated to the new STADIO Higher Education Durbanville campus, and R65 million to other capital expenditure with a further R33 million to new curriculum and software development. The Randburg campus, which was classified as non-current asset held for sale in the prior year, was sold in October 2025 for R19.4 million, net of selling costs.

A dividend of 18.4 cents per share was declared, reflecting an 22% increase from the prior year (2024: 15.1 cents per share), with return on equity increasing by 15% to 15.7% (2024: 13.6%).

3. Share capital

The Board is committed to preserving stakeholder value and limiting the dilutionary impact of share issues relating to the Group's Share Incentive Scheme, as far as possible. Accordingly, using the approved general authority to repurchase shares, the Company repurchased 6.978 million shares costing R76 million during the year (2024: 3.089 million shares costing R15 million). These shares were cancelled upon repurchase.

During the year, the Company issued 4.5 million shares to participants of the Group Share Incentive Scheme for R35.4 million in order to settle its obligation.

Refer to Note 14 of the annual financial statements for detail of the movement in authorised and issued share capital.

4. Control over unissued shares

Shareholders did not place any of the unissued ordinary shares under the control of the directors for purposes of a cash issue.

5. Dividends

The directors have pleasure in declaring the Group's dividend of 18.4 cents per share from income reserves, payable on 28 April 2026 (2024: 15.1 cents per share). The Board has adopted a policy of declaring and paying dividends on an annual basis based on excess free-cash available considering the capital needs for future growth projects.

6. Interests in subsidiaries

Details of material interests in subsidiary companies are presented in the annual financial statements in Note 7.

Milpark Education is a material subsidiary with non-controlling shareholders holding 16.19% (2024: 16.14%). During the year, Milpark Education issued 391 shares to a key member of the management team.

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Directors' Report

7. Directorate

The directors in office during the year or at the date of this report are as follows:

Directors	Office	Changes
Independent non-executive:		
Vincent Maphai	Chairperson	
Mathukana Mokoka		
Busisiwe Vilakazi		
Tom Brown		
Khati Mokhobo		Appointed 3 July 2025
Gerhardus Fourie		Appointed 27 November 2025
Non-executive:		
Chris van der Merwe ¹		Retired 19 June 2025
Nico de Waal		
Dries Mellet (alternate to Nico de Waal)		
Executive		
Chris Vorster	Chief Executive Officer	
Ishak Kula	Chief Financial Officer	
Divya Singh	Chief Academic Officer	

¹ On 19 June 2025 at the Company's AGM, Chris van der Merwe retired from the Board. The Board wishes to thank Chris van der Merwe for his many contributions to the STADIO Group during his tenure as a non-executive director and previously CEO of STADIO Group.

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Directors' Report

8. Special resolutions

The special resolutions were approved by the shareholders at the AGM held on 19 June 2025. The full set of resolutions can be found at www.stadio.co.za. The points are noted below.

- Non-executive directors' remuneration for their services rendered to the Company for 2025;
- In terms of section 45(3)(a)(ii) of the Companies Act, the Board were granted authority, until the next AGM, to authorise the provision of direct or indirect financial assistance to any company or corporation that is related or inter-related to the Company;
- in terms of section 44(3)(a)(ii) of the Companies Act, *the Board were granted authority*, to approve any direct or indirect financial assistance that the board may deem fit to any director, prescribed officer or Company that is related or interrelated to the Company, for the purpose of the subscription of any options or shares issued or to be issued by the Company or a related or interrelated Company, on the terms and conditions and for the amounts that the Board of the Company may determine until the next AGM; and
- The Company and its subsidiaries are hereby authorised, as a general approval, to repurchase a maximum of 20% of the shares issued by the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the Memorandum of Incorporation of the Company and the JSE Listings Requirements. At the time that the authority was granted, this amounted to a maximum of 170,274,499 shares. As at 16 March 2026, 19.2% remains of the Group's above general authority.

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Directors' Report

9. Directors' interests in shares

The following directors have interest in the Company's issued shares:

2025

Ordinary shares	Direct '000	Indirect '000	Total '000
Chris Vorster	-	19 689	19 689
Divya Singh	2 161	179	2 340
Nico de Waal	154	1 783	1 937
Dries Mellet (alternate for Nico de Waal)	4	2 032	2 036
Vincent Maphai	483	32	515
Mathukana Mokoka	174	30	204
Tom Brown	130	-	130
	3 106	23 745	26 851

2024

Ordinary shares	Direct '000	Indirect '000	Total '000
Chris Vorster	-	18 504	18 504
Divya Singh	1 730	180	1 910
Chris van der Merwe	-	6 529	6 529
Nico de Waal	154	1 783	1 937
Dries Mellet (alternate for Nico de Waal)	4	2 032	2 036
Vincent Maphai	440	20	460
Mathukana Mokoka	174	30	204
Tom Brown	100	-	100
Busisiwe Vilakazi	1	-	1
	2 603	29 078	31 681

There were no changes to the directors interests or their beneficial interests in shares between the year-end date and the date of approval of these financial statements.

The register of interests of directors and others in shares of the Company is available to shareholders on request.

Independent non-executive directors that hold shares are required to complete an annual declaration that they remain independent and that the shares they hold are not material in their overall wealth. Declarations have been completed and no issues have been identified.

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Directors' Report

10. Going concern

The Group has a strong statement of financial position with a cash balance of R156 million (2024: R132 million) and external debt (excluding lease liabilities) of R120 million (2024: Rnil) and continues to generate strong profits and cash flows for the year ended 31 December 2026.

At 31 December 2025, the Group is in an accumulated profit position. The Company, however, is in an accumulated loss position. The Company's current assets exceed the current liabilities and the Company has access to additional cash resources within the Group to meet its cash obligations as they fall due in the next 12 months.

In assessing the ability of the Group and Company to continue as a going concern, management has considered the following:

- the Group and Company's ability to settle its obligations as they become due and payable in the next 12 months;
- the solvency and liquidity position of the Group and Company (including an assessment before and after any dividend declaration);
- the cash generation ability of the Group and Company, including a review of projected cash flows over the next 5 years; and
- the current and forecast debt utilisation of the Group and Company.

The Group has access to a revolving credit facility of R325 million. At 31 December 2025, the Group had an external debt balance of R120 million, which was used to fund the construction of the new STADIO Higher Education Durbanville campus. Post year end, the Group utilised excess cash to repay the revolving credit facility. The Group has also met all covenant requirements up to the date of the annual financial statement. Refer to Note 16 for the terms of the facility.

Based on the above the Board is satisfied that the Group and the Company are in a sound financial position and have adequate cash resources and access to borrowings to continue to operate as a going concern in the foreseeable future.

Refer to Note 39 of the annual financial statements.

11. Events after the reporting period

STADIO Higher Education Waterfall campus

In February 2026, the Group concluded an agreement with Curro Holdings Limited to acquire a portion of the Curro Waterfall building for R18 million. The acquisition of the building is to support the expansion of the STADIO Higher Education Waterfall campus.

Bank facility

In January 2026, the Standard Bank revolving credit facility of R120 million was repaid and the facility terminated.

The Rand Merchant Bank (RMB) facility of R325 million was utilised, R65 million in January 2026, and was fully settled in February 2026. Refer to Note 16 for more information on the facility.

Dividend

The Board resolved and approved that on 16 March 2026, the Group declared a dividend of 18.4 cents per share (R156 million) from income reserves for the year ended 31 December 2025, which is payable on 28 April 2026. The dividend amount, net of South African dividends tax of 20%, is 14.72 cents per share.

Save as set above, the directors are not aware of any further material events which occurred after the reporting date and up to the date of this report.

12. Auditor

PricewaterhouseCoopers Incorporated continued in office in accordance with Section 90 of the Companies Act of South Africa.

Mr Viresh Harri continued as the designated partner for the year ended 31 December 2025.

Stadio Holdings Limited

(Registration number 2016/371398/06)

Annual Financial Statements for the year ended 31 December 2025

Directors' Report

13. Secretary

Stadio Corporate Services Proprietary Limited is the appointed Company Secretary of the Group.

Postal address:	P.O. Box 2161 Durbanville South Africa 7551
Business address:	Office 101, The Village Square c/o Queen and Oxford Streets Durbanville South Africa 7550

14. Sponsors

PSG Capital acted as the Group's independent sponsor in 2025 and will continue this function in 2026. PSG Capital provides advice on the interpretation of and compliance with the JSE Listings Requirements and review notices required in terms of the Company's Memorandum of Incorporation and the JSE Listing Requirements.

15. Corporate Governance

The directors endorse the King V ^(TM) and are committed to applying the principles of transparency, integrity, fairness and accountability in the conduct of its business and affairs. The Board has satisfied itself that appropriate principles of corporate governance were applied throughout the year under review.

The Board is responsible for ensuring that the Group and Company comply with all of its statutory and regulatory obligations and oversees and ensures, amongst other things:

- an effective compliance framework;
- the integrity of the Group's financial reporting and risk management;
- accurate, timely and transparent disclosure to shareholders.

16. Report of the Audit and Risk committee

The report of the Audit and Risk Committee, as required in terms of section 94(7)(f) of the Companies Act, is set out on pages 4 to 8 of the annual financial statements.

17. Conclusion

The Group is encouraged by continued growth in both contact and distance learning enrolments, reflecting sustained demand for STADIO's high-quality and accessible higher education offerings. While the macroeconomic environment remains challenging for consumers, the Group continues to manage affordability and credit risk responsibly, while remaining firmly committed to widening access to quality higher education. As part of its 2030 strategy, STADIO is deliberately shifting gears by placing dedicated focus on executing targeted growth initiatives, supported by investment in academic programmes, technology and campus infrastructure, including the development of the STADIO Higher Education Durbanville campus. These investments are aimed at enhancing capacity, improving the student experience and supporting scalable growth. The Group remains confident in its long-term growth ambitions, including its objective of reaching 80 000 students by 2030, and is well positioned to strengthen its standing as a leading private higher education institution in South Africa.



Independent auditor's report

To the shareholders of Stadio Holdings Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Stadio Holdings Limited (the Company) and its subsidiaries (together the Group) as at 31 December 2025, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Stadio Holdings Limited's consolidated and separate financial statements set out on pages 25 to 107 comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers Inc.
5 Silo Square, V&A Waterfront, Cape Town, 8002
P.O. Box 2799, Cape Town, 8001
T: +27 (0) 21 529 2000, F: +27 (0) 21 814 2000
Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview



Final materiality

Group materiality: R 22.9 million, which represents 4.8% of consolidated profit before taxation.

Company materiality: R 12.3 million, which represents 1% of separate total assets.

Group audit scope

The Group consists out of eighteen components, of which seventeen operate in the Republic of South Africa and one in Namibia.

Full scope audits were performed for four components that were considered to be significant due to size or risk.

Furthermore, we performed an audit of one or more specific financial statement lines items, at three additional components.

The remaining eleven components were inconsequential to the Group.

Key audit matters

Impairment assessment of goodwill and other indefinite life intangible assets

Expected credit losses on trade receivables

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

	Consolidated financial statements	Separate financial statements
Final materiality	R 22.9 million	R 12.3 million
How we determined it	4.8% of consolidated profit before taxation	1% of separate total assets
Rationale for the materiality benchmark applied	We chose consolidated profit before taxation as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 4.8% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply for listed profit-oriented companies.	We choose separate total assets as benchmark because, in our view, it is the key driver of the entity's financial statements. We choose 1% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply for asset-based companies.

Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We considered the Group's organisation, legal structure and financial reporting processes when identifying components for purposes of planning and performing audit procedures.

The Group consists of eighteen components, with the main components being Stadio Corporate Services ("Corporate Services"), The South African School of Motion Picture Medium and Live Performance

(“AFDA”), Milpark Education (“Milpark”) and Stadio Proprietary Limited (“SHE”). We conducted full scope audits on these four main components as they were considered to be significant due to size or risk. . Furthermore, we performed an audit of one or more financial statement line items for an additional three other components in order to obtain coverage of the items at a consolidated level. The remaining eleven components were considered to be inconsequential to the Group.

This, together with additional procedures performed at the group level, including testing of consolidation journals, intercompany eliminations and group-wide analytics, gave us sufficient appropriate audit evidence regarding the financial information of the Group. All of the work was performed by the group audit team.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

In terms of ISA 701 *Communicating key audit matters in the independent auditor’s report* / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessment of goodwill and other indefinite life intangible assets</p> <p><i>This key audit matter relates to the consolidated financial statements only.</i></p> <p>The Group’s net assets include goodwill amounting to R 751.1 million, trademarks of R 57.5 million and the indefinite life portion of the curriculum material of R 72.9 million. This amounts to a total of R 881.5 million classified as indefinite life intangible assets. Refer to notes 1.2, 1.5, 1.10, 5 and 6 to the consolidated financial statements for disclosure relating to these intangible assets.</p> <p>As required by International Accounting Standard (IAS) 36 - Impairment of Assets, management conducts an annual impairment test, or more frequently if there is an indication of impairment, to assess the recoverability of the carrying value of goodwill and the indefinite life intangible assets. These tests are subjective in nature due to management’s judgements and assumptions relating to the Cash Generating Units (“CGUs”).</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> • We evaluated the valuation methodology used by management to determine the estimated value in use and whether the discounted cash flow model used by management is an appropriate valuation methodology applied in the circumstances and as required by IAS 36 - Impairment of Assets. We accepted management’s use of the discounted cash flow model as a valuation methodology. • We assessed, with the use of our valuation expertise, the principles of management’s calculations and we challenged key inputs in the calculations such as the discount rate, terminal growth rate and future cash flow assumptions with reference to the board approved business plan and external market data. We did not note any aspects requiring further consideration.

Key audit matter	How our audit addressed the key audit matter
<p>Management estimated the recoverable amount of the CGUs using the value in use method. This is performed by using a discounted cash flow model. Management applied the following key assumptions in determining the recoverable amount:</p> <ul style="list-style-type: none"> • Discount rate; • Terminal growth rate; • Cash flow assumptions relating to tuition fee increases, student number growth and operating expenses growth. <p>Based on results of management’s assessment performed, no impairment was recognised for goodwill and other indefinite life intangible assets.</p> <p>We considered the impairment assessment of goodwill and other indefinite life intangible assets to be a matter of most significance to the current year audit due:</p> <ul style="list-style-type: none"> • The judgement in the estimates applied by management in performing their impairment assessment; and • The magnitude of these balances in relation to the consolidated financial statements. 	<ul style="list-style-type: none"> • In assessing management’s forecasts, we considered the historical accuracy of the underlying businesses’ forecasts to assess the reliability thereof, by comparing the actual results for the year with the original forecasts. The forecast was found to be reasonable. • We compared the discount and terminal growth rates used by management to our independently developed benchmarks, which were based on various economic indicators. The rates used by management were found to be within an acceptable range. • We performed independent sensitivity calculations on the impairment assessments, to assess the degree by which the key assumptions needed to change in order to trigger an impairment. Based on the outcome of our procedures, we did not note any aspect requiring further consideration.
<p>Expected credit losses on trade receivables</p> <p><i>This key audit matter relates to the consolidated financial statements only.</i></p> <p>Trade receivables consist of gross receivables and an expected credit losses (“ECL”) allowance which amounted to R 445.7 million and R 246.7 million, respectively, in the consolidated financial statements. Refer to notes 1.2, 1.6 and 8 to the consolidated financial statements for disclosure relating to the expected credit loss on trade receivables.</p> <p>The Group uses judgement based on past history, existing market conditions as well as forward looking estimates at the end of each reporting period to estimate the ECL provision.</p>	<p>In assessing management’s determination of the expected credit losses on trade receivables:</p> <ul style="list-style-type: none"> • We tested the mathematical accuracy of the ECL calculation and noted no exceptions. • We assessed the appropriateness of the ageing categorisation by testing a sample of customers to assess whether their outstanding debt was categorised correctly, and no exceptions were noted. • We evaluated forward looking information by assessing the movement in inflation, gross domestic product growth, interest rates and unemployment rate for the current year and the expected movement for the forth coming year. This was considered reasonable given the industry and economic climate.

Key audit matter	How our audit addressed the key audit matter
<p>International Financial Reporting Standard (IFRS) 9 – Financial Instruments, requires the recognition of ECL on financial assets within the scope of its impairment model. The Group follows a ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. It recognises impairment loss allowance based on lifetime ECLs at each reporting date. As a practical expedient, the Group uses a provision-based calculation to determine the impairment loss allowance on the trade receivables. The provision is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates which includes the forecast of economic conditions, such as the interest and unemployment rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.</p> <p>We considered the valuation of the expected credit loss allowances on the trade receivables to be a matter of most significance in the current year audit due to the judgements applied by management in determining the recoverability of the trade receivables and the credit risk associated with it.</p>	<ul style="list-style-type: none"> • We analysed payment collections by customers within the respective ageing categories and independently determined the historical loss rates. Based on this analysis, and after considering current and forward-looking information, we developed independent ranges of reasonable loss rates for ECL outcomes. We compared management’s selected loss rates and overlays to our independently derived ranges and recalculated the ECL using the upper and lower bounds of our ranges. Management’s loss rates were within these ranges.

Other information

The directors are responsible for the other information. The other information comprises the information included in the documents titled "Stadio Holdings Limited Annual Financial Statements for the year ended 31 December 2025", which includes the Directors' Report, the Audit and Risk Committee Report and the Company Secretary's Certification as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "Stadio Holdings Integrated Report 2025", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions

are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

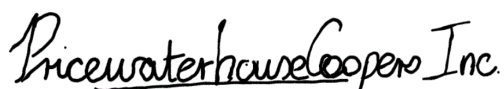
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Stadio Holdings Limited for 10 years.



PricewaterhouseCoopers Inc.

Director: V. Harri

Registered Auditor

Cape Town, South Africa

16 March 2026

The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Stadio Holdings Limited

(Registration number 2016/371398/06)

Annual Financial Statements for the year ended 31 December 2025

Consolidated and Separate Statements of Financial Position as at 31 December 2025

	Notes	Group		Company	
		2025 R '000	2024 R '000	2025 R '000	2024 R '000
Assets					
Non-Current Assets					
Property, plant and equipment	3	1 122 072	889 425	-	-
Right-of-use assets	4	76 877	61 942	-	-
Goodwill	5	751 082	751 082	-	-
Intangible assets	6	193 481	171 545	-	-
Investments in subsidiaries	7	-	-	979 040	979 040
Trade and other receivables	8	23 056	22 031	-	-
Other financial assets	9	5 033	4 882	-	-
Deferred tax asset	10	101 747	89 614	-	-
Loans to related parties	11	-	-	97 385	295 857
		2 273 348	1 990 521	1 076 425	1 274 897
Current Assets					
Trade and other receivables	8	227 981	208 294	-	-
Loans to related parties	11	-	-	155 884	128 093
Current tax receivable		17 333	39 328	-	-
Cash and cash equivalents	12	155 976	132 194	277	629
		401 290	379 816	156 161	128 722
Non-current assets held for sale	13	-	18 982	-	-
Total Assets		2 674 638	2 389 319	1 232 586	1 403 619
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	14	1 577 929	1 618 939	1 577 929	1 618 939
Treasury shares	14	-	(790)	-	-
Reserves	15	23 457	22 176	-	-
Accumulated profit/(loss)		474 197	316 587	(346 351)	(216 279)
		2 075 583	1 956 912	1 231 578	1 402 660
Non-controlling interest	14	69 571	66 770	-	-
Total equity		2 145 154	2 023 682	1 231 578	1 402 660
Liabilities					
Non-Current Liabilities					
Lease liabilities	4	106 385	80 181	-	-
Deferred tax liability	10	74 559	64 654	-	-
Trade and other payables	17	1 133	968	-	-
		182 077	145 803	-	-
Current Liabilities					
Lease liabilities	4	25 057	31 998	-	-
Borrowings	16	120 295	492	-	-
Trade and other payables	17	80 708	75 261	1 008	959
Contract liabilities	18	118 407	111 383	-	-
Current tax payable		2 940	700	-	-
		347 407	219 834	1 008	959
Total Liabilities		529 484	365 637	1 008	959
Total Equity and Liabilities		2 674 638	2 389 319	1 232 586	1 403 619

Stadio Holdings Limited

(Registration number 2016/371398/06)

Annual Financial Statements for the year ended 31 December 2025

Consolidated and Separate Statements of Comprehensive Income

	Notes	Group		Company	
		2025 R '000	2024 R '000	2025 R '000	2024 R '000
Revenue	19	1 840 997	1 611 665	-	-
Other income	20	12 456	15 408	-	-
Loss allowance	8	(162 510)	(140 589)	-	-
Fair value losses on financial instruments	21	(12)	(21)	-	-
Employee costs	22	(722 347)	(665 496)	-	-
Operating expenses	22	(416 033)	(362 724)	(2 071)	(1 871)
Earnings/(loss) before interest, taxation, depreciation and amortisation (EBITDA)		552 551	458 243	(2 071)	(1 871)
Depreciation and amortisation	23	(81 676)	(71 092)	-	-
Impairment reversal/(loss)	23	460	(7 000)	-	-
Earnings/(loss) before interest and taxation (EBIT)		471 335	380 151	(2 071)	(1 871)
Investment income	24	22 624	19 235	592	268
Finance costs	25	(16 578)	(17 367)	-	-
Profit/(loss) before taxation		477 381	382 019	(1 479)	(1 603)
Taxation	26	(136 160)	(106 137)	-	-
Profit/(loss) for the year		341 221	275 882	(1 479)	(1 603)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the year		341 221	275 882	(1 479)	(1 603)
Profit/(loss) attributable to:					
Owners of the parent		327 540	261 939	(1 479)	(1 603)
Non-controlling interest	14	13 681	13 943	-	-
		341 221	275 882	(1 479)	(1 603)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		327 540	261 939	(1 479)	(1 603)
Non-controlling interest	14	13 681	13 943	-	-
		341 221	275 882	(1 479)	(1 603)
Earnings per share (cents)					
Per share information					
Basic earnings per share	27	38,6	30,9	-	-
Diluted earnings per share	27	38,0	30,5	-	-

Stadio Holdings Limited

(Registration number 2016/371398/06)

Annual Financial Statements for the year ended 31 December 2025

Consolidated and Separate Statements of Changes in Equity

	Share capital	Treasury shares	Share-based payment reserve	Accumulated profit/(loss)	Total attributable to equity holders of the Group / Company	Non-controlling interest	Total equity
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Group							
Balance at 1 January 2024	1 628 781	(17 114)	24 361	158 541	1 794 569	67 633	1 862 202
Profit for the year	-	-	-	261 939	261 939	13 943	275 882
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	261 939	261 939	13 943	275 882
Issue of shares for settlement of employee share incentive scheme	5 278	(5 278)	-	-	-	-	-
Shares repurchased and cancelled (Refer to Note 14)	(14 949)	-	-	-	(14 949)	-	(14 949)
Settlement of employee share incentive scheme	-	21 602	(14 040)	(16 337)	(8 775)	-	(8 775)
Share issue costs	(171)	-	-	-	(171)	-	(171)
Share-based payment charge (Refer to Note 22)	-	-	11 855	-	11 855	-	11 855
Transaction with non-controlling interest (Refer to Note 14)	-	-	-	(2 882)	(2 882)	(3 507)	(6 389)
Dividends (Refer to Note 14)	-	-	-	(84 674)	(84 674)	(11 299)	(95 973)
Total contributions by and distributions to owners of Company recognised directly in equity	(9 842)	16 324	(2 185)	(103 893)	(99 596)	(14 806)	(114 402)
Balance at 1 January 2025	1 618 939	(790)	22 176	316 587	1 956 912	66 770	2 023 682
Profit for the year	-	-	-	327 540	327 540	13 681	341 221
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	327 540	327 540	13 681	341 221
Shares repurchased and cancelled (Refer to Note 14)	(75 713)	-	-	-	(75 713)	-	(75 713)
Settlement of employee share incentive scheme	35 384	790	(12 110)	(41 418)	(17 354)	-	(17 354)
Share issue costs	(681)	-	-	-	(681)	-	(681)
Share-based payment charge (Refer to Note 22)	-	-	13 391	-	13 391	-	13 391
Transaction with non-controlling interest (Refer to Note 14)	-	-	-	81	81	419	500
Dividends (Refer to Note 14)	-	-	-	(128 593)	(128 593)	(11 299)	(139 892)
Total contributions by and distributions to owners of Company recognised directly in equity	(41 010)	790	1 281	(169 930)	(208 869)	(10 880)	(219 749)
Balance at 31 December 2025	1 577 929	-	23 457	474 197	2 075 583	69 571	2 145 154
Notes	14	14	15			14	

Stadio Holdings Limited

(Registration number 2016/371398/06)

Annual Financial Statements for the year ended 31 December 2025

Consolidated and Separate Statements of Changes in Equity

	Share capital	Treasury shares	Share-based payment reserve	Accumulated profit/(loss)	Total attributable to equity holders of the Group / Company	Non-controlling interest	Total equity
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Company							
Balance at 1 January 2024	1 628 781	-	-	(129 933)	1 498 848	-	1 498 848
Loss for the year	-	-	-	(1 603)	(1 603)	-	(1 603)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1 603)	(1 603)	-	(1 603)
Issue of shares	5 278	-	-	-	5 278	-	5 278
Share issue costs	(171)	-	-	-	(171)	-	(171)
Shares repurchased and cancelled (Refer to Note 14)	(14 949)	-	-	-	(14 949)	-	(14 949)
Dividends (Refer to Note 14)	-	-	-	(84 743)	(84 743)	-	(84 743)
Total contributions by and distributions to owners of Company recognised directly in equity	(9 842)	-	-	(84 743)	(94 585)	-	(94 585)
Balance at 1 January 2025	1 618 939	-	-	(216 279)	1 402 660	-	1 402 660
Loss for the year	-	-	-	(1 479)	(1 479)	-	(1 479)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1 479)	(1 479)	-	(1 479)
Issue of shares	35 384	-	-	-	35 384	-	35 384
Share issue costs	(681)	-	-	-	(681)	-	(681)
Shares repurchased and cancelled (Refer to Note 14)	(75 713)	-	-	-	(75 713)	-	(75 713)
Dividends (Refer to Note 14)	-	-	-	(128 593)	(128 593)	-	(128 593)
Total contributions by and distributions to owners of Company recognised directly in equity	(41 010)	-	-	(128 593)	(169 603)	-	(169 603)
Balance at 31 December 2025	1 577 929	-	-	(346 351)	1 231 578	-	1 231 578
Notes	14	14	15				

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Consolidated and Separate Statements of Cash Flows

		Group		Company	
		2025	2024	2025	2024
		R '000	R '000	R '000	R '000
Cash flows from/(used in) operating activities					
Cash generated from/(used in) operations	29	540 194	465 186	(1 992)	(5 275)
Investment income received	32	21 226	17 336	592	268
Finance costs paid	33	(16 578)	(17 367)	-	-
Taxation paid	30	(114 063)	(109 622)	-	-
Net cash from/(used in) operating activities		430 779	355 533	(1 400)	(5 007)
Cash flows (used in)/from investing activities					
Purchase of property, plant and equipment	3	(270 329)	(76 702)	-	-
Proceeds from disposal of property, plant and equipment		308	363	-	-
Development and purchase of intangible assets	6	(32 599)	(29 407)	-	-
Acquisition of other financial assets	9	(85)	(109)	-	-
Proceeds from disposal of other financial assets	9	-	12 000	-	-
Proceeds on disposals of asset held for sale	13	19 398	-	-	-
Loans repaid by related party	11	-	-	217 635	125 635
Loans advanced to related party	11	-	-	(11 600)	(33 345)
Net cash (used in)/from investing activities		(283 307)	(93 855)	206 035	92 290
Cash flows used in financing activities					
Share issue costs	14	(681)	(171)	(681)	(171)
Issue of shares	14	-	-	-	5 278
Capital contribution from non-controlling shareholder in subsidiary	14	500	-	-	-
Acquisition of shares from non-controlling interest	14	-	(123 362)	-	-
Repayment of loans received from related parties	31	-	-	-	(7 201)
Proceeds from borrowings	31	236 971	102 176	-	-
Repayment of borrowings	31	(117 111)	(102 006)	-	-
Payment of principal portion of lease liabilities	31	(31 110)	(28 464)	-	-
Dividends paid to non-controlling shareholders	14	(11 299)	(11 299)	-	-
Dividends paid to shareholders	14	(128 593)	(84 674)	(128 593)	(84 743)
Cash received on exercise of share options by employees		3 346	2 942	-	-
Share repurchases	14	(75 713)	(14 949)	(75 713)	(14 949)
Net cash used in financing activities		(123 690)	(259 807)	(204 987)	(101 786)
Total cash and cash equivalents movement for the year		23 782	1 871	(352)	(14 503)
Cash and cash equivalents at the beginning of the year		132 194	130 323	629	15 132
Total cash and cash equivalents at end of the year	12	155 976	132 194	277	629

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Material Accounting Policies

Corporate information

Stadio Holdings Limited is a public company incorporated and domiciled in South Africa.

Stadio Holdings facilitates the widening of access to quality and relevant higher education programmes in southern Africa through its three prestigious higher education institutions, namely STADIO Higher Education, AFDA and Milpark Education. The institutions offer a diverse range of undergraduate and postgraduate programmes via the contact learning and distance learning modes of delivery.

The address of the registered office of the company and group is:

Office 101, The Village Square
c/o Queen and Oxford Streets
Durbanville
South Africa
7550

1. Presentation of consolidated and separate financial statements

The material accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The consolidated and separate financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS® Accounting Standards and IFRS Interpretations Committee interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act of South Africa, as amended.

These annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands (R), rounded to the nearest thousand Rand, and which is the Group and Company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results in the future could differ from these estimates which may be material to the annual financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and for any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Internally generated curriculum material

Management capitalise curriculum development costs directly attributable to the development of new curricula as intangible assets as disclosed in Note 1.5 and Note 6. Significant judgement is exercised in differentiating between research and development costs, technical feasibility to complete the development, assessment of the probability that the development of the curriculum will be able to generate future economic benefits and assessment of whether expenditure attributable to the development of the asset can be measured reliably.

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Material Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

The research phase entails a research team identifying opportunities for potential new programmes that can be offered (which may include programmes on different modes of delivery and alternative assessment practices to yield the best academic results) and the outcome of feasibility studies. Once the research is completed, it is presented to the senior management team and executive committee, along with the estimated budget to implement, for approval. Once approved by the executive committee the research phase is complete and preparation for the development of the framework that will be submitted to the Council on Higher Education (CHE) for the accreditation begins. The costs related to the research phase are clearly distinguished from any development costs and are expensed as incurred. The capitalisation of costs pertaining to curriculum development only commence at the development point. The development phase consists mainly of developing the learning programme outcomes and curriculum framework (which includes the processes relating to the design, delivery, assessment and quality assurance of the programme), in accordance with the stringent criteria as set out by the Council on Higher Education (CHE). Once a programme has been accredited by the CHE or registered by South African Qualifications Authority (SAQA), management approves commencement of development and dedicates enough resources (technical, financial, and other resources such as existing staff and external consultants) to complete the content development, which will ultimately be used by the HEI to deliver programmes to students and thereby generating economic benefits for the Group.

The development and design of the learning programmes and curriculum framework spans between 8-12 months and consists of various activities to align the programme to the Group's academic quality criteria to ensure student success. During the development phase, staff dedicate time in developing the curriculum framework and where required new staff will be appointed specifically for the development of the programmes. The Group has controls in place to track the time spent solely on curriculum development. The Group may also appoint external consultants who have experience in the specific fields of the related programmes being developed. Only staff costs and external consultant costs spent specifically on the development of the programmes are capitalised.

In assessing the technical feasibility to complete the programmes, management applies judgement on whether or not the development is sufficient to meet the relevant requirements of the various regulators. This is based on the expertise of the staff and external consultants used (i.e., industry and knowledge specific experts) in development of the programme as well as oversight by senior and experienced staff within the Groups' quality control and assurance division. Whilst regulatory approval of the CHE, the Department of Higher Education and Training (DHET) and the SAQA is required prior to the offering of any formal programmes, the process of regulatory approval allows for the engagement with the development staff and consultants on programmes submitted for accreditation. This engagement allows for rectifications and revisions of the curriculum framework, within parameters, to ensure compliance with the relevant regulations required for approval.

Once regulatory approval is received on the framework of the new programmes, depending on the stage of completion of the development of the curricula, capitalisation may either stop at this point or possibly continue beyond this point as the programme unfolds, which could span up to a period of 36 months. Capitalisation of costs subsequent to this approval only continue where all course material necessary to offer the programmes has not been fully developed yet. This material include study guides, manuals, online materials and so on, and generally apply where the new programmes will be offered over more than one year. Costs related to the development of the new study guides and other new course material for each year of study to come will be capitalised until all development stages have been completed and amortisation will commence once its ready for use. Costs relating to the review of any existing material is not capitalised but rather expensed.

Curriculum material and trademarks useful lives

Curriculum material that has been through an accreditation process with the various regulators and capitalized in the Group's accounts, have both a definite and indefinite useful life attached to it. The indefinite useful life is recognized as 51% of the capitalized cost of the curriculum material. The determination of the indefinite useful life being 51% stems from the DHET regulations, which state that where any accredited programme offered to students are materially amended, i.e. changes exceed 50%, a new application for accreditation will have to be submitted to DHET, CHE and SAQA for approval. Material amendment entails major restructuring of curriculum; significant changes to module offerings, sequencing or credits; or the removal or replacement of substantial parts of the programme offering. The remaining 49% of the curriculum material cost capitalised are treated as an intangible asset with a finite useful life.

The curriculum material and trademarks are regarded as having an indefinite useful life as, based on all relevant factors, there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows.

Curriculum material, once accredited, do not have significant cost associated with the maintenance of the core curriculum. Trademarks may be renewed at little or no cost to the Group. Trademarks are assessed as having an indefinite useful life.

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Material Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; or
- if the lessee does not have recent third-party financing, use the group debt facility financing rate, as a starting point adjusted to reflect risk factors specific to the lessee; and
- makes adjustments specific to the lease, e.g., term and security

Lease term

Determining the lease term requires judgement. Management consider all facts and circumstances that create an economic incentive or otherwise to exercise a lease extension or termination option.

For leases of office, administration buildings and land, the following factors are considered:

- If there are significant penalties to terminate, the Group would extend if it makes commercial and operational sense to do so.
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend.
- Otherwise, the Group considers other factors including historical lease durations and the costs and operational disruption required to replace the leased asset.

The lease term is reassessed if an option is exercised or the Group becomes obliged to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. The Group is reasonably certain to extend the lease term where the operational disruption to students is significant should the leased asset be replaced. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension options was an increase in recognised lease liabilities and right-of-use assets of R19.2 million (2024: R15.4 million).

Key sources of estimation uncertainty

Impairment of trade receivables

The impairment provisions for trade receivables are based on estimates to determine the expected credit loss of trade receivables. In making these assumptions and selecting the inputs utilised in the impairment calculation, the Group uses judgement based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. For details of key assumptions and inputs used, refer to Note 1.6 and Note 8.

Estimated useful lives assessment

The Group estimates the useful lives of property, plant and equipment, right-of-use assets and intangible assets in line with the current policy and applicable IFRS Accounting Standards. The useful lives for property, plant and equipment and intangibles are set out in Note 1.4 and Note 1.5. Useful lives are determined upon acquisition and subsequently reviewed annually. These assessments are based on management's historic analysis, anticipation of future pattern of use of the asset which may impact their life and other reliable information. In addition, the useful life estimates take into account the risk of obsolescence due to advances in technology. Indefinite useful lives are allocated to intangible assets if there is no foreseeable limit to the period over which the Group expects to consume the future economic benefits embodied in the intangible asset.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation or amortisation charge.

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Material Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 5 and Note 6. The recoverable amounts of cash-generating units (CGUs) have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Deferred tax asset

The Group has determined that it will be possible to utilise deferred tax assets through future taxable profits. This is based on financial forecasts which require the use of assumptions. Refer to Note 26 for further information.

1.3 Consolidation

Basis of consolidation

The annual financial statements incorporate the separate financial statements of the Company and all subsidiaries. Subsidiaries are entities (including trusts) which are controlled by the Group.

The Group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through using its power over the entity.

The results of subsidiaries are included in the annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Consolidated Statements of Changes in Equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the Company.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Investments in subsidiaries in the separate financial statements

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Business combinations

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Material Accounting Policies

1.3 Consolidation (continued)

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments. Otherwise, all subsequent changes to the fair value of contingent consideration that is deemed to be an asset or liability is recognised in either profit or loss or in other comprehensive income, in accordance with relevant IFRS Accounting Standards. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interests in the acquiree are measured on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This treatment applies to non-controlling interests which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS Accounting Standards.

In cases where the Group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the Group at the end of each reporting period with the adjustment recognised in equity through other comprehensive income.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

Property, plant and equipment, which includes assets under construction, is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

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Material Accounting Policies

1.4 Property, plant and equipment (continued)

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land and assets under construction, which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write-off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	75 years
Furniture and fixtures	Straight line	6 - 10 years
Motor vehicles	Straight line	5 years
Creative and arts	Straight line	5 - 6 years
Computer equipment	Straight line	3 years
Leasehold improvements	Straight line	1 - 82 years
Alternative power supplies	Straight line	10 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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Material Accounting Policies

1.5 Intangible assets (continued)

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

Trademarks acquired through business combinations are recognised as intangible assets at their fair value at the acquisition date. These trademarks represent identifiable brands, trade names, and related intellectual property rights associated with the businesses purchased. The brand names included here are AFDA and Milpark Education (including CA Connect) and has been assessed as having an indefinite useful life. Trademarks are assessed as having either finite or indefinite useful lives based on the expected period over which the assets will contribute to the Group's cash flows. Trademarks with finite useful lives are amortised on a straight-line basis over their estimated useful lives, while trademarks with indefinite useful lives are not amortised but are tested annually for impairment, or more frequently when indicators of impairment exist. Subsequent to initial recognition, trademarks are carried at cost less accumulated amortisation (where applicable) and accumulated impairment losses.

Curriculum material, requiring CHE accreditation, includes a portion of the asset with an indefinite useful life since there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The balance has a useful life of six years, taking into account the average period over which the curriculum is reviewed and updated, in order to keep the curriculum relevant with any technological, regulatory, or other changes that do not constitute a redesign of the curriculum framework. The useful life of non-accredited courses was determined to be 3 years, as these relate to short courses. The nature of short courses are dependent on current trends and require more frequent assessment of the coursework to ensure that they remain relevant.

The amortisation period and the amortisation method for intangible assets are reviewed at each period end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets. Internally generated intangible assets comprises computer software and curriculum material.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Directly attributable costs include employee development costs and external consulting fees.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Trademarks	Straight line	Indefinite
Curriculum material - accredited	Straight line	Indefinite / 6 years
Curriculum material - non-accredited courses	Straight line	3 years
Computer software	Straight line	3 - 10 years
Client lists	Straight line	4 - 7 years
Websites	Straight line	3 years

1.6 Financial instruments

Financial assets:

Classification

The Group and Company classify their financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group and Company classify their financial assets at amortised cost only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows.

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Material Accounting Policies

1.6 Financial instruments (continued)

The group and the company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. No impairment is therefore necessary on these balances.

Recognition and measurement

Financial instruments are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

Financial assets are measured at fair value at initial recognition.

Transaction costs on financial assets at fair value through profit or loss are recognised in profit or loss.

For financial assets that are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Financial assets are subsequently measured in accordance with the initial classification category, as indicated below.

A gain or loss on a financial asset that is measured at fair value will be recognised in profit or loss unless it is a financial asset measured at fair value through other comprehensive income for which gains or losses are recognised in other comprehensive income.

Financial assets measured at amortised cost are subsequently measured at amortised cost.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities:

Classification

The Group and Company classify their financial liabilities into the following specified categories:

- Amortised cost; or
- Fair value through profit and loss

Recognition and measurement

Financial instruments are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

Financial liabilities are measured at fair value at initial recognition.

Transaction costs on financial liabilities at fair value through profit or loss are recognised in profit or loss.

For financial liabilities that are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Financial liabilities are subsequently measured in accordance with the initial classification category, as indicated below.

- Financial liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition

The Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Loans to related parties

Loans to group companies (Note 11) are classified as financial assets subsequently measured at amortised cost.

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1.6 Financial instruments (continued)

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (Note 8).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

The Group applies the IFRS 9 simplified approach to measure the loss allowance for trade receivables (excluding net investment in lease) at an amount equal to lifetime expected credit losses (ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Other financial assets

Other financial instruments comprise of unit trusts and are presented in Note 9. They are classified as financial assets mandatorily measured at fair value through profit or loss. The unit trusts are long-term investments held to earn interest and are classified as non-current financial assets.

Borrowings and loans from related parties

Loans from related parties and borrowings (Note 16) are classified as financial liabilities subsequently measured at amortised cost.

Trade and other payables

Trade and other payables (Note 17) are classified as financial liabilities subsequently measured at amortised cost with the exception of the contingent consideration liability. When a financial liability is a contingent consideration in a business combination, the Group initially and subsequently measures it as a financial liability at fair value through profit or loss.

Cash and cash equivalents

Cash and cash equivalents are classified as financial assets initially recorded at fair value and subsequently measured at amortised cost.

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

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1.6 Financial instruments (continued)

Impairment of financial assets

Simplified model

The ECL on trade receivables is calculated on a collective basis for all trade receivables as students are perceived to have a similar risk profile. This is because the majority of the Group's customer base are working adults. Where students are not working adults, working parents/guardians/sponsors are required to stand in as a co-principal debtor. Therefore, the Group views the risk profiles as similar. Where the account payer is a corporate or an alternative loan provider, they are assessed individually for recovery, taking into account the nature and history of the corporate payer, of which many have established payment arrangements in place. The ECL is determined using a provision based calculation which is based on the Group's historical credit loss, adjusted for forward-looking general economic conditions and specific student conditions, such as failure to make payment on the due dates and the length of the overdue payment. Historical credit losses are determined based on the credit losses experienced over the previous two financial years. The forecast of economic conditions, such as the interest and unemployment rates, are used to determine the impact on the recoverability, at year end. The Group defines default on trade receivables when there is a balance outstanding in relation to the prior academic year and the student has not entered into payment plan arrangements. Other receivables (excluding net investment in lease) has been assessed based on individual characteristics, nature of the counterparty and history with the counterparty in order to determine the credit risk and expected credit loss. The ECL calculated is a function of the loss given default, exposure at default and the probability of default.

General Model

The ECL on loans to related parties and net investment in lease is determined through the application of the General Model. The Group assesses which stage of the three-stage model the financial asset falls into.

The stages applied are:

1. A performing asset – a 12 month expected credit loss is calculated;
2. Increased credit risk – lifetime expected credit loss is calculated; or
3. Credit impaired – lifetime expected credit loss is calculated

The ECL calculated is a function of the loss given default, exposure at default and the probability of default.

The Group considers the probability of default upon initial recognition of the financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. The Group considers this to be when the amount outstanding is 90 days past due and/ or if there is existing or forecast deterioration in the counterparty's ability to meet its debt obligations.

Default occurs when the amount outstanding is greater than 90 days past due and there is evidence indicating that the amount is credit impaired such as the counter party entering liquidation.

Recognition of impairment losses

An impairment loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of financial assets, through the use of a loss allowance. The impairment loss is disclosed as a separate line on the statement of comprehensive income.

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1.6 Financial instruments (continued)

Write-off policy

Financial assets are typically written off in the following academic year, when there are indicators that there is no reasonable expectation of recovery. Prior to write off, an analysis is performed on the trade receivables base, taking into account factors such as students not re-enrolling, students not responding to payment requests, date since last payment, academic standing, and student contactability. Indicators for other financial assets to be written off is where there is evidence of the debtor being in severe financial difficulty, such as business rescue proceedings commencing, and the Group has no realistic evidence of recovery.

Where financial assets are impaired through use of a provision account, the write-off occurs against the loss allowance provision. Subsequent recoveries of amounts previously written off are credited against the same line item.

Trade receivables that are written off are subject to the Group's additional debt recovery procedures. The additional recovery procedure entails handing over the debt to third party debt collectors which occurs in the following academic year. The Group continues to pursue and collect recoveries on receivables through third party debtor collectors that have been written off up to the expiry of the statutory prescription period, with any amounts recovered recognised in profit or loss when received.

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1.7 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to set off current taxation assets against current taxation liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current taxation assets and liabilities on a net basis.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

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Material Accounting Policies

1.8 Leases

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Low-value assets comprise IT equipment and small items of office furniture.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the Group has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the Group is a lessee are presented in Note 4 Leases (Group as lessee).

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Group under residual value guarantees;
- the exercise price of purchase options, if the Group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses.

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (Note 25).

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1.8 Leases (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Right-of-use assets are initially measured by taking the initial cost of the lease liability; any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated using the straight-line method over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The Group shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Depreciation starts at the commencement date of a lease. Refer to Note 4 of the financial statements which states the lease terms for the various leases. The useful lives of the right-of-use assets are the same as the useful lives as the property, plant and equipment classes disclosed under accounting policy 1.4.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Right-of-use asset and lease liability are treated as separate transactions. These have equal but opposite temporary differences on initial recognition, which are separately recognised.

Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described previously, then it classifies the sub-lease as an operating lease.

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1.8 Leases (continued)

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease, or on another systematic basis if that basis is more representative of the pattern in which the benefits from the use of the underlying asset are diminished. Operating lease income is included in other operating income (Note 20).

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

Finance leases

Amounts due from lessees are recognised from commencement date at an amount equal to the Group net investment in the lease. They are included in trade and other receivables (Note 8) on the statement of financial position.

The interest rate implicit in the lease is used to measure the net investment in the lease. If the interest rate implicit in a sublease cannot be readily determined for a sublease, then the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) is used to measure the net investment in the sublease.

The interest rate implicit in the lease is defined in a manner which causes the initial direct costs to be included in the initial measurement of the net investment in the lease.

Lease payments included in the measurement of the net investment in the lease comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives payable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be receivable by the Group from the lessee, a party related to the lessee or a third party unrelated to the Group under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee);
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the option;
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease. Finance income recognised on finance leases is included in investment income in profit or loss (Note 24).

The Group applies the impairment provisions of IFRS 9 to lease receivables. Refer to the accounting policy (Note 1.6) for financial instruments where the impairment policy for lease receivables is detailed.

1.9 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

A non-current asset is not depreciated while it is classified as held for sale.

1.10 Impairment of non-financial assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period;
- tests goodwill acquired in a business combination for impairment annually.

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1.10 Impairment of non-financial assets (continued)

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction.

1.12 Treasury shares

Treasury shares are purchases made by the Group of its own equity instruments and held within a trust for participants in the Stadio Group Share Incentive Scheme. The consideration paid, together with the related transaction costs are deducted from equity. Where shares repurchased are subsequently sold, the consideration received is included in equity attributable to owners of Stadio Holdings Limited, net of any directly attributable incremental transaction cost and the related tax effects. No profit or loss is recorded.

When treasury shares held in the Stadio Group Share Incentive Scheme subsequently vest, are cancelled or lapse, the shares will no longer be classified as treasury shares, and will no longer be deducted when calculating the weighted average number of shares or diluted weighted average number of shares.

1.13 Share based payments

The Group issues equity-settled share-based payments to certain employees under the share option scheme.

These equity-settled share-based payments are measured at fair value at the grant date. Vesting conditions which are not market related (i.e., service conditions and non-market related performance conditions) are excluded when determining the fair value of the equity instruments granted. The fair value of the equity instruments at grant date are measured using the Black-Scholes Model. Additional details regarding the estimates are included in Note 15.

The fair value of the employee services received in exchange for the grant of the share options is expensed in profit and loss on the straight-line basis over the vesting period with a corresponding increase in the share-based payment reserve, based on the Group's estimate of the shares that will eventually vest.

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1.13 Share based payments (continued)

As an exception, when the Group is obligated, in terms of tax legislation, to withhold an amount of employees' tax associated with an equity-settled share-based payment transaction (thus creating a net settlement feature), the full transaction is still accounted for as an equity-settled share-based payment transaction.

When the options are exercised the appropriate amount of shares are transferred to the employee. The proceeds received, net of directly attributable transaction costs, are credited directly to equity.

1.14 Dividends payable

Dividends payable are recognised as liabilities in the reporting period in which the dividends are declared. A dividend declared subsequent to the reporting date is not charged against total equity at the reporting date, as no liability exists at that date.

1.15 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid annual leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.16 Provisions and contingent liabilities

A provision is recognised when:

- the Group has a present legal obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The expense related to any provision is recognised in profit or loss. If the effect of the time value of money is material, a pre-tax discount rate is applied to determine the present value of the provision. With the passage of time, the provision will increase by applying the pre-tax discount rate and recognising cost in finance costs (note 25) in the profit or loss.

A provision for onerous contract is recognised by the Group when the economic benefits of a contract is lower than the unavoidable costs of meeting any obligations of the contract. The unavoidable costs are the lower of the minimum requirements of fulfilling the contract and any penalties that may be incurred for not fulfilling the contract (net of any compensation).

The onerous contract provision is measured as the present value of the unavoidable costs, by using a pre-tax discount rate that reflects current market assessments for the time value of money and specific risks associated with the provision.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

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1.16 Provisions and contingent liabilities (continued)

Contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- The amount that would be recognised as a provision; and
- The amount initially recognised less cumulative amortisation.

Contingent liabilities and contingent assets are not recognised. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are disclosed when it is more likely than not that an inflow of benefits will occur.

However, when the inflow of benefits is virtually certain an asset is recognised in the statement of financial position as the asset is no longer considered to be contingent.

1.17 Contract liabilities

Contract liabilities comprises of tuition and registration fees received prior to the commencement of the academic service being delivered to the student. Contract liabilities represent an obligation of the Group resulting in revenue being realised only once the Group has performed the obligation as per the contract.

Subject to only certain conditions, such as extenuating medical-related cases, contract liabilities may be repayable to the student's account should the student not commence or complete their studies.

Contract liabilities are expected to be recognised over 1 to 3 years.

1.18 Related parties

Individuals or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel are defined as all directors of Stadio Holdings Limited.

1.19 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of ordinary shares (WANOS) outstanding during the financial year adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Headline earnings per share

Basic earnings adjusted for non-headline items in terms of the requirements stipulated in Circular 1/2023, as issued by SAICA. Headline earnings per share is calculated by dividing headline earnings by the WANOS.

Core headline earnings per share

Core headline earnings adjusts basic headline earnings for certain items that, in the executive directors view, may distort the financial results from year to year, giving shareholders a more consistent reflection of the underlying financial performance of the Group. These core adjustments include once-off acquisition related costs, amortisation costs associated with client lists acquired (i.e., a non-cash charge arising as a result of the consolidation of the subsidiaries acquired), costs relating to consideration payable in respect of acquisitions, tax penalties and interest, and once-off costs related to onerous contract expenses. Core headline earnings per share is calculated by dividing core headline earnings by the WANOS.

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1.20 Revenue from contracts with customers

The Group derives revenue from the transfer of services over time and at a point in time and as such, revenue is recognised in profit and loss in the accounting period in which the service is rendered in accordance with the terms of the student contract and when collections are highly probable. Revenue is disaggregated by mode of delivery being contact or distance learning. Revenue is measured at the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of bursaries and discounts granted, and value added tax.

The Group recognises revenue from the following major sources:

- Tuition fees and education services
- Sale of goods
- Other academic income

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Tuition and education services

Tuition fees

Tuition fees relate to fees earned for the delivery of educational services to students. Students simultaneously receive and consume the benefits of these services over the academic period of their programme, as such revenue is recognised on a straight-line basis over the academic period. The tuition fee recognised is determined based on the student contract, in accordance with the higher education institution's fee structure. No allocation of the transaction price is required.

Bursaries and discounts

Discretionary bursaries and discounts are set off against the related revenue recognised. Bursaries and discounts are awarded based on academic merit or financial assistance. Awarded bursaries are assessed annually with no obligation that the bursary will continue in the following academic year. These amounts are calculated based on the approved amounts and are recognised on a straight-line basis over the academic period in which the service is rendered, in line with the tuition fees.

Registration and enrolment fees

Registration and enrolment fees are received to perform educational administrative tasks. These amounts per the higher education institution's fee structure, are received upfront. The revenue is recognised over the period in which the education service is delivered in accordance with the terms of the student contract which may be between 1 – 3 years. The fees are charged at their own stand-alone selling price.

Other academic income

Other academic income are recognised over the period that this service is provided. Students simultaneously receive and consume the benefits of services. Transaction prices are determined per obligation and based on the stand-alone selling price in accordance with the institutions fee structure. Other academic income primarily relates to additional services provided for summer school and assessments.

Sale of goods

Revenue from the sale of goods is recognised at a point in time. The Group earns revenue from the sale of goods through sales at the canteen and the sale of learning materials.

Learning material

The Group is involved in the sale of learning material. Sales are recognised when the control of learning materials has been transferred which occurs upon delivery to the student. Upon acceptance by the student the performance obligation is satisfied. Payment is due upon the transfer of learning materials to the student.

Canteen

Canteen revenue is recognised upon the transfer of the food or beverage items to students and staff. Payment is due as soon as the customer receives their food or beverage purchased.

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1.21 Other Income

Sundry Income

Sundry income is recognised at a point in time when the performance obligation is satisfied. The transaction price is determined based on the stand-alone price of each performance obligation.

Sundry income relates to non-academic incidental ancillary services such as insurance refunds, prescribed debt and other incidental income.

1.22 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.23 Interest income

Interest income is recognised in profit or loss using the effective interest rate method.

1.24 Segmental information

The Group considers its executive directors to be the chief operating decision makers and therefore the segmental disclosures are aligned with the monthly report provided to the executive directors. Operating segments with similar economic characteristics have been aggregated into one reportable segment due to all of the services being related to higher education services within southern Africa. However, management does make decisions based on what they constitute to be reflective of the underlying financial performance of the Group and as such, the Group has identified core headline earnings as this measure. Non-core includes certain items which may distort the Group's performance from year-to-year, and by excluding this, should provide management with a more consistent reflection of the underlying financial performance of the Group. Refer to Note 28 for further information.

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2. New Standards and Interpretations

2.1 Standards and amendments effective and adopted in the current year

In the current year, the Group adopted the following standards and amendments that are effective for the current financial year (1 January 2025) and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability (Amendments to IAS 21)	01 January 2025	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The adoption of these standards and amendments did not have a significant impact on the amounts recognised or disclosed in the annual financial statements.

The Group is progressing towards compliance with IFRS S1 and S2, having assessed the potential impacts, with no significant risks identified.

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2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective

The Group have chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 1 January 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Executive summary:
<ul style="list-style-type: none">Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments	1 January 2026	<p>These amendments:</p> <ul style="list-style-type: none">-clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;-clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;-add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and-make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
<ul style="list-style-type: none">IFRS 18, 'Presentation and Disclosure in Financial Statements'	1 January 2027	<p>In April 2024, the IASB issued IFRS 18 in response to investors' concerns about comparability and transparency of entities' performance reporting. The new presentation requirements introduced in IFRS 18 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosure requirements for 'management-defined performance measures' will enhance transparency. IFRS 18 is effective from 1 January 2027 and has not yet been adopted by the group. The Group is in the process of determining the impact of applying IFRS 18. The Group has prepared a transition plan and has formed a team whose objective is to assess the impacts and reporting adjustments of the new standard on the existing framework. The Group is on track to report our first IFRS 18-compliant interim financial statements for the period ending 30 June 2027 and annual financial statements for the period ending 31 December 2027, including the impacts on the comparative information.</p>

The Group currently presents an earnings before interest, taxation, depreciation and amortisation (EBITDA) subtotal. The Group is performing a detailed assessment to determine the appropriate classification of items to ensure that the EBITDA subtotal will comply with the requirements of IFRS 18.

The Group currently reports an adjusted EBITDA measure to our investors. The Group expects that this measure will meet the definition of a management-defined performance measure. The Group is performing an assessment of other measures that are currently being reported outside the financial information and whether or not these meet the definition of a management-defined performance measure.

At each subsequent reporting period, the Group will provide an update on the progress towards transition to IFRS 18.

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2. New Standards and Interpretations (continued)

- IFRS 19, 'Subsidiaries without Public Accountability' 1 January 2027 The objective of IFRS 19 is to provide reduced disclosure requirements for subsidiaries, with a parent that applies the Accounting Standards in its consolidated financial statements. IFRS 19 is a voluntary Accounting Standard that eligible subsidiaries can apply when preparing their own consolidated, separate or individual financial statements.

The impact of these standards and amendments are currently being assessed, but it is not expected to have a significant impact on the results of the Group.

Certain amendments to accounting standards have been published that are not mandatory for the 31 December 2025 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

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3. Property, plant and equipment

Group	2025			2024		
	Cost	Accumulated depreciation/ impairment	Carrying value	Cost	Accumulated depreciation/ impairment	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Land	163 069	-	163 069	163 069	-	163 069
Buildings	577 332	(3 883)	573 449	501 232	(9 963)	491 269
Leasehold improvements	155 105	(30 158)	124 947	144 506	(25 891)	118 615
Alternative power supplies	27 733	(3 529)	24 204	18 164	(1 759)	16 405
Furniture and fixtures	67 519	(39 942)	27 577	58 195	(35 655)	22 540
Motor vehicles	7 947	(3 537)	4 410	5 517	(2 792)	2 725
Computer equipment	93 182	(64 449)	28 733	68 429	(54 278)	14 151
Creative and arts*	92 507	(70 463)	22 044	83 127	(60 854)	22 273
Assets under construction	153 639	-	153 639	38 378	-	38 378
Total	1 338 033	(215 961)	1 122 072	1 080 617	(191 192)	889 425

* Includes audio, camera and edit equipment; and costume, make-up and styling assets.

Reconciliation of property, plant and equipment - Group - 2025

	Opening balance R '000	Additions R '000	Disposals R '000	Depreciation R '000	Reclassifications R '000	Closing balance R '000
Land	163 069	-	-	-	-	163 069
Buildings	491 269	68 254	-	(917)	14 843	573 449
Leasehold improvements	118 615	10 123	(39)	(5 752)	2 000	124 947
Alternative power supplies	16 405	6 728	-	(1 770)	2 841	24 204
Furniture and fixtures	22 540	10 445	(175)	(5 233)	-	27 577
Motor vehicles	2 725	2 430	-	(745)	-	4 410
Computer equipment	14 151	26 811	(140)	(12 089)	-	28 733
Creative and arts	22 273	10 593	(214)	(10 608)	-	22 044
Assets under construction	38 378	134 945	-	-	(19 684)	153 639
	889 425	270 329	(568)	(37 114)	-	1 122 072

Reconciliation of property, plant and equipment - Group - 2024

	Opening balance R '000	Additions R '000	Disposals R '000	Reclassified to 'non-current assets held for sale' R '000	Depreciation R '000	Impairment loss R '000	Reclassifications R '000	Closing balance R '000
Land	165 757	-	-	(2 688)	-	-	-	163 069
Buildings	505 471	2 124	-	(16 294)	(917)	(7 000)	7 885	491 269
Leasehold improvements	120 110	2 660	-	-	(3 647)	-	(508)	118 615
Alternative power supplies	-	13 609	-	-	(739)	-	3 535	16 405
Furniture and fixtures	28 425	2 681	(49)	-	(4 978)	-	(3 539)	22 540
Motor vehicles	2 346	868	-	-	(489)	-	-	2 725
Computer equipment	16 562	10 574	(259)	-	(10 337)	-	(2 389)	14 151
Creative and arts	25 006	9 428	(761)	-	(11 400)	-	-	22 273
Assets under construction	8 604	34 758	-	-	-	-	(4 984)	38 378
	872 281	76 702	(1 069)	(18 982)	(32 507)	(7 000)	-	889 425

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3. Property, plant and equipment (continued)

Other information

Assets-under-construction of R153.6 million (2024: R38.4 million) largely comprises of the development, design and construction costs relating to the STADIO Higher Education Durbanville campus ("the campus"). In October 2025, R94.6 million (2024: Rnil) of the campus construction was brought into use. Of this value R85 million is included in additions and R9.6 million was reclassified from assets under construction. The assets-under-construction movement in the prior year largely comprises of the development and design costs relating to the construction of the STADIO Higher Education Durbanville campus.

Included in additions for the year is borrowing costs capitalised of R3.5 million (2024: Rnil) incurred on borrowings used for the construction of the STADIO Higher Education Durbanville campus. Refer to Note 16 for borrowing costs detail.

In the prior year, the Group reduced the carrying amount of the Randburg land and buildings to R18.9 million by processing an impairment of R7 million. The property was classified as held for sale at the end of 2024 and sold in 2025. Refer to Note 13 for further details.

The majority of leasehold improvements balance at year end, relate to the STADIO Higher Education Waterfall campus, on the leased land which is subject to a 90-year lease (remaining 82 years).

Property, plant and equipment and trade receivables to the value of R325 million (2024: Rnil) is provided as security under the new RMB facility.

A register containing information required by Regulation 25(3) of the Companies Regulations, 2011, is available for inspection at the registered office of the Company.

Property, plant and equipment, with the exception of land, are insured at approximate cost of replacement.

4. Leases (Group as lessee)

The Group leases the following assets:

Land

The Group leases the land on which the STADIO Waterfall campus is located, a portion of which is sub-let to Curro Holdings Limited as described in Note 8. The term of the lease is 90 years. The Group has included lease extensions where it is reasonably certain to extend the lease term of the accredited sites where the operational disruption to students is significant should the leased asset be replaced. Due to the significant leasehold improvements on the land subject to a 90-year lease, the Group has assessed that it is reasonably certain that the lease term will be extended.

Buildings

The Group leases various buildings as administrative offices and for the delivery of the Group's educational offerings. These lease terms range from 1 - 8 years.

Other assets

The leases for other assets comprise of leases for office furniture and other equipment. The remaining lease term is 1 year.

Right-of-use assets

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Land	30 869	(2 428)	28 441	30 869	(2 081)	28 788
Buildings	144 178	(95 769)	48 409	147 240	(114 541)	32 699
Office furniture and other equipment	3 990	(3 963)	27	4 531	(4 076)	455
Total	179 037	(102 160)	76 877	182 640	(120 698)	61 942

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4. Leases (Group as lessee) (continued)

Reconciliation of right-of-use assets - Group - 2025

	Opening balance R '000	Additions R '000	Reclassifica- tions R '000	Depreciation R '000	Modifica- tions^ R '000	Closing balance R '000
Land	28 788	-	173	(520)	-	28 441
Buildings	32 699	30 024	(173)	(33 270)	19 129	48 409
Computer equipment	455	-	-	(428)	-	27
	61 942	30 024	-	(34 218)	19 129	76 877

Reconciliation of right-of-use assets - Group - 2024

	Opening balance R '000	Additions R '000	Depreciation R '000	Modifica- tions^ R '000	Closing balance R '000
Land	29 135	-	(347)	-	28 788
Buildings	35 000	10 322	(27 991)	15 368	32 699
Computer equipment	927	-	(529)	57	455
	65 062	10 322	(28 867)	15 425	61 942

^ During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options in respect of buildings was an overall increase in recognised right-of-use assets of R19.1 million (2024: R15.4 million).

Lease liabilities

Reconciliation of lease liability - Group

	Notes	Group	
		2025 R '000	2024 R '000
Opening carrying amount		112 179	115 013
Additions *		31 292	10 322
Finance cost	25	16 538	13 815
Repayments - finance cost		(16 538)	(13 815)
Repayments - principal portion	31	(31 110)	(28 464)
Remeasurement		19 081	15 308
Closing carrying amount		131 442	112 179

Other disclosures

Short-term leases expense	3 154	3 002
Total cash outflow from leases	(50 802)	(45 281)

* The additions in the current year relate to 6 new leases that were entered into to create additional space due to increased administration and lecture space required. The weighted average incremental borrowing applied to the lease liability ranges from 8% - 11% and the lease term ranges from 15 months to 5 years.

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4. Leases (Group as lessee) (continued)

Lease liabilities

	Group	
	2025 R '000	2024 * R '000
Within one year	29 589	35 673
Within two to five years	52 447	38 314
Within six to ten years	62 821	37 821
Within eleven to fifty years	2 763 194	1 389 533
More than 50 years	7 607 053	8 989 692
	10 515 104	10 491 033
Less finance charges component	(10 383 662)	(10 378 854)
	131 442	112 179
Non-current liabilities	106 385	80 181
Current liabilities	25 057	31 998
	131 442	112 179

The maturity analysis of lease liabilities is as follows:

The weighted average lessee's incremental borrowing rate applied to the lease liabilities range from 7% - 11.5% (for 1 - 10 year leases) and 13.1% (for the 90-year long-term lease) (2024: 7% - 11.8% (for 1 - 10 year leases) and 13.1% (for the 90-year long-term lease)).

* The maturity analysis disclosed in the prior year contained an error in the calculation. Refer to note 41 for further details.

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5. Goodwill

Group	2025			2024		
	Cost	Accumulated impairment	Carrying value	Cost	Accumulated impairment	Carrying value
Goodwill	751 082	-	751 082	751 082	-	751 082

Reconciliation of goodwill - Group - 2025

	Opening balance	Closing balance
Goodwill	751 082	751 082

Reconciliation of goodwill - Group - 2024

	Opening balance	Closing balance
Goodwill	751 082	751 082

Goodwill arising from acquisitions largely consists of, inter alia, the academic workforce, expected synergies, economies of scale and the student growth potential.

The CGUs represent the higher education institutions which were acquired and are each separately accredited institutions. These CGUs represent the lowest level within the entity at which goodwill is monitored for internal management purposes. Accordingly goodwill is tested at these CGU levels.

The goodwill attributable to CGUs are as follows:

	STADIO Higher Education R'000	Milpark (incl. CAC) R'000	AFDA R'000	Total R'000
31 December 2024	279 624	245 066	226 392	751 082
31 December 2025	279 624	245 066	226 392	751 082

Impairment tests for goodwill and indefinite useful life intangible assets were performed as follows:

The recoverable amount of goodwill and indefinite useful life intangible assets (refer to Note 6) is based on the value-in-use of each CGU, which require the use of assumptions. The calculations use cash flow projections based on five-year financial forecasts and key assumptions as stated below. Refer to Note 1.2 for further detail.

The future cash flow assumption reflects the following key assumptions:

- Increase of tuition fees determined by inflation within the higher education industry
- Growth in student numbers determined by historical experience and estimated growth in enrolment numbers
- Operating expenses growth which are a function of growth in student numbers and inflation
- Terminal growth rate taking into account expectations of long-term growth in higher education in South Africa
- The pre-tax discount rate used is derived from the weighted average cost of capital (WACC) and takes into account both the cost of debt and the cost of equity. The cost of equity was arrived at by using the capital asset pricing model (CAPM) which also uses the market betas of comparable entities. The cost of debt is based on the interest-bearing borrowings of the Group. The debt-to-equity ratio was determined by applying the Group's target gearing levels. The same discount rate was used for all CGUs.

Set out below are the high level assumptions used in determining the recoverable amount of goodwill. There is significant headroom in all CGUs.

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5. Goodwill (continued)

2025

	STADIO Higher Education	Milpark (including CAC)	AFDA
Pre-tax discount rate	16,2 %	16,2 %	16,2 %
Terminal growth rate	3,5 %	3,0 %	3,0 %
Cash flow assumptions			
-Tuition fee increases *	5 %	5 %	5 %
-Student number growth *	11 %	3 %	6 %
-Operating expenses growth *	15 %	6 %	9 %

2024

	STADIO Higher Education	Milpark (including CAC)	AFDA
Pre-tax discount rate	16,9 %	16,9 %	16,9 %
Terminal growth rate	3 %	3 %	3 %
Cash flow assumptions			
-Tuition fee increases *	6%	6 %	5 %
-Student number growth *	11 %	4 %	4 %
-Operating expenses growth *	12 %	6 %	11 %

* Average cumulative annual growth rate (CAGR) over a period of 5 years.

No impairments were recognised for the years ended 31 December 2025 (2024: Rnil).

As all CGUs operate in the same industry, environment and similar geographic areas, no additional risk premium has been added to the discount rate between the respective CGUs.

Sensitivity analysis

A sensitivity analysis was performed on each individual CGU. The directors and management have considered and assessed reasonably possible changes for key assumptions that could cause the carrying amount of this CGU and other CGUs to exceed its recoverable amount.

The Stadio Higher Education and Milpark CGUs underlying assumptions does not indicate that any reasonable possible change in any of the key assumptions would lead to an impairment.

However, for the AFDA CGU, the stress testing has proven to be more sensitive to the changes in some of the assumptions. The recoverable amount of AFDA would be below the carrying amount of the CGU if any one of the following changes are made to the discounted cash flow (DCF):

- Should the student number CAGR reduce to 4.3% (a reduction of 33%) from the current CAGR of 6%, assuming all other underlying assumptions remain the same; or
- Pre-tax discount rate was increased to 20% from the current 16.2%

AFDA has a new campus that opened at the start of the 2026 financial year which is expected to show growth in the student base going forward. It is also not likely for AFDA to have a pre-tax discount rate of 20% given that the pre-tax discount rate of the Stadio Holdings Group is 16.2%.

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6. Intangible assets

Group	2025			2024		
	Cost	Accumulated amortisation /impairment	Carrying value	Cost	Accumulated amortisation /impairment	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Trademarks	101 306	(43 755)	57 551	101 306	(43 755)	57 551
Computer software	46 141	(19 037)	27 104	36 327	(15 020)	21 307
Curriculum material	148 446	(41 307)	107 139	138 045	(47 977)	90 068
Client lists	36 591	(36 591)	-	36 591	(36 591)	-
Websites	2 680	(993)	1 687	2 718	(99)	2 619
Total	335 164	(141 683)	193 481	314 987	(143 442)	171 545

Reconciliation of intangible assets - Group - 2025

	Opening balance R '000	Additions R'000	Disposals R'000	Amortisation R'000	Reclassifi- cations R '000	Closing balance R '000
Trademarks	57 551	-	-	-	-	57 551
Computer software	21 307	9 651	-	(3 886)	32	27 104
Curriculum material	90 068	22 948	(281)	(5 564)	(32)	107 139
Websites	2 619	-	(38)	(894)	-	1 687
	171 545	32 599	(319)	(10 344)	-	193 481

Reconciliation of intangible assets - Group - 2024

	Opening balance R '000	Additions R '000	Disposals R '000	Amortisation R '000	Reclassifi- cations R '000	Closing balance R '000
Trademarks	57 551	-	-	-	-	57 551
Computer software	18 611	6 221	-	(4 444)	919	21 307
Curriculum material	74 421	20 468	-	(3 886)	(935)	90 068
Client lists	1 289	-	-	(1 289)	-	-
Websites	-	2 718	(16)	(99)	16	2 619
	151 872	29 407	(16)	(9 718)	-	171 545

Other information

Included in computer software is one of the Group's Enterprise Resource Planning (ERP) systems. The carrying value of the ERP system at 31 December 2025 is R7.3 million (2024: R8.8 million) with remaining useful life of 4 years and 11 months. The Group implemented the ERP system during the 2020 financial year.

Included in the curriculum material balance is internally generated intangible assets amounting to R60 million (2024: R43 million).

Curriculum material with an indefinite useful life has been assessed for impairment in Note 5.

Curriculum material with a definite useful life has a remaining useful life of between 1 to 6 years.

Client lists have been fully amortised and has no carrying value at year end.

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6. Intangible assets (continued)

Intangibles with indefinite useful lives

	STADIO Higher Education R'000	Milpark (incl. CAC) R'000	AFDA R'000	STADIO Corporate Services R'000	Total R'000
Curriculum material					
At 31 December 2024	28 356	27 475	2 708	2 684	61 223
Additions	1 730	9 973	-	-	11 703
At 31 December 2025	30 086	37 448	2 708	2 684	72 926
Trademarks					
At 31 December 2024	-	37 853	19 698	-	57 551
Additions	-	-	-	-	-
At 31 December 2025	-	37 853	19 698	-	57 551
Total intangibles with indefinite lives					
At 31 December 2024	28 356	65 328	22 406	2 684	118 774
Additions	1 730	9 973	-	-	11 703
At 31 December 2025	30 086	75 301	22 406	2 684	130 477

Intangible assets with indefinite useful lives are assessed for impairment annually, irrespective of whether or not there is any indication of impairment, or more frequently if there are indicators that intangibles may be impaired.

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6. Intangible assets (continued)

The Group and the Company prepare cash flow forecasts for the CGUs related to the intangible asset. The cash flow forecasts incorporate Board approved budgets, as well as projected cash flows post the budget period, taking into consideration growth rates for the underlying inputs related to the CGU.

Refer to Note 5 for the impairment testing performed on the CGUs. Based on the assessment done in Note 5, no impairment on intangible assets will be recognised.

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7. Investments in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Company

Name of company	Held direct/ indirect	% holding 2025	% holding 2024	Carrying amount 2025 R '000	Carrying amount 2024 R '000
Stadio Investment Holdings Proprietary Limited (SIH)	Direct	100,00 %	100,00 %	979 039	979 039
Stadio Corporate Services Proprietary Limited (SCS)	Indirect	100,00 %	100,00 %	-	-
Stadio Group Share Incentive Trust	Indirect	100,00 %	100,00 %	-	-
Stadio Proprietary Limited (STADIO Higher Education)	Indirect	100,00 %	100,00 %	-	-
Milpark Investments SPV Proprietary Limited #	Indirect	100,00 %	100,00 %	-	-
Newshelf 1409 Proprietary Limited #	Indirect	100,00 %	100,00 %	-	-
MBS Education Investments Proprietary Limited #	Indirect	100,00 %	100,00 %	-	-
Milpark Education Proprietary Limited^	Indirect	83,81 %	83,86 %	-	-
Wadam Properties Proprietary Limited	Indirect	100,00 %	100,00 %	-	-
Histodox Proprietary Limited	Indirect	100,00 %	100,00 %	-	-
The South African School of Motion Picture Medium and Live Performance Proprietary Limited (AFDA)	Indirect	100,00 %	100,00 %	-	-
Intraframe Proprietary Limited	Indirect	100,00 %	100,00 %	-	-
Ekosto 1067 Proprietary Limited	Indirect	100,00 %	100,00 %	-	-
Stadio Namibia Proprietary Limited (STADIO Namibia)	Indirect	100,00 %	100,00 %	-	-
Stadio Khulisa Student Share Scheme	Indirect	100,00 %	100,00 %	1	1
Stadio Kusasa Foundation	Indirect	100,00 %	100,00 %	-	-
Milpark Credit Proprietary Limited^	Indirect	83,81 %	83,86 %	-	-
				979 040	979 040

^ Effective shareholding interest

On 31 December 2025, Milpark Investments SPV Proprietary Limited, Newshelf 1409 Proprietary Limited and MBS Education Investments Proprietary Limited underwent a corporate restructure whereby each entity disposed of its investment in subsidiary to Stadio Investment Holdings Proprietary Limited. This corporate restructure is part of the Group strategy to reduce the amount of non-operating companies within the Group.

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7. Investments in subsidiaries (continued)

An impairment assessment was performed and no impairment was required (2024: Rnil).

All subsidiaries are incorporated in the Republic of South Africa with the exception of STADIO Namibia (a subsidiary of STADIO Higher Education), which is incorporated in Namibia, with the principal place of business being Namibia.

Subsidiaries with material non-controlling interests

Milpark Education is a material subsidiary with non-controlling shareholders holding and voting rights of 16.19% (2024: 16.14%). The company is engaged in providing educational programs in banking, accounting, financial planning, insurance and management and leadership and operates principally in South Africa.

In June 2025, Milpark Education issued 391 shares to the value of R0.5m to a key member of the management team resulting in an increase of 0.05% to the non-controlling interest shareholding.

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7. Investments in subsidiaries (continued)

Summarised statement of financial position

	Milpark	
	2025 R '000	2024 R '000
Assets		
Non-current assets	141 036	128 867
Current assets	45 599	51 324
Total assets	186 635	180 191
Liabilities		
Non-current liabilities	5	4 683
Current liabilities	74 169	78 935
Total liabilities	74 174	83 618
Total net assets	112 461	96 573
Carrying amount of non-controlling interest	69 571	66 770

Summarised statement of profit or loss and other comprehensive income

	Milpark	
	2025 R '000	2024 R '000
Revenue	430 809	415 201
Other income and expenses	(314 479)	(296 821)
Profit before tax	116 330	118 380
Tax expense	(31 713)	(31 542)
Profit after tax	84 617	86 838
Total comprehensive income	84 617	86 838
Profit allocated to non-controlling interest	13 681	13 943

Summarised statement of cash flows

	Milpark	
	2025 R '000	2024 R '000
Cash flows from operating activities	102 451	100 247
Cash flows from investing activities	(28 579)	(29 008)
Cash flows from financing activities	(73 501)	(83 385)
Net cash movement	371	(12 146)
Dividend paid to non-controlling interest	(11 299)	(11 299)

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8. Trade and other receivables

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Financial instruments:				
Trade receivables	445 796	380 935	-	-
Expected credit loss allowance	(246 713)	(198 503)	-	-
Trade receivables at amortised cost	199 083	182 432	-	-
Deposits	2 665	2 623	-	-
Net investment in lease receivable	24 828	23 430	-	-
Other receivables	840	6 043	-	-
	227 416	214 528		
Non-financial instruments:				
VAT	6 720	333	-	-
Prepayments*	16 901	15 464	-	-
Total trade and other receivables	251 037	230 325	-	-

* Comprises prepaid rent and license fees.

There is no significant financing component relating to trade and other receivables (excluding net investment in leases) and the net carrying values are considered to be close approximations of the fair values.

Split between non-current and current portions

Non-current assets	23 056	22 031	-	-
Current assets	227 981	208 294	-	-
	251 037	230 325	-	-

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8. Trade and other receivables (continued)

Net investment in lease

The Group sub-leases land over a 90-year lease term. The Group has classified the sub-lease as a finance lease, because the sub-lease is for the majority of the remaining term of the head lease. The incremental borrowing rate used to determine the net investment in lease is 13.1%. There are 82 years of the lease period remaining.

The following table sets out a maturity analysis of the net investment in lease:

Commitments in relation to leases are receivable as follows:

	Group	
	2025 R '000	2024 R '000
Within one year	1 772	1 671
Within two years	1 877	1 771
Within three years	1 990	1 878
Within four years	2 110	1 990
Within five years	2 236	2 110
Within ten years	13 363	12 607
Within sixty years	490 969	463 178
More than sixty years	2 965 781	2 996 565
Minimum lease receipts	3 480 098	3 481 770
Less finance charges component	(3 455 270)	(3 458 340)
Present value of minimum lease receipts recognised as an asset	24 828	23 430

Net investment in lease receivable:

	Group	
	2025 R '000	2024 R '000
Opening balance	23 430	22 110
Interest received	3 069	2 899
Payments received	(1 671)	(1 579)
Closing balance	24 828	23 430

Split between current and non-current portions

Current	1 772	1 399
Non-current	23 056	22 031
	24 828	23 430

Exposure to credit risk

Trade receivables outstanding mainly relates to fees outstanding for the 2025 academic year, which has increased due to growth in student numbers and students taking longer to pay.

The group measures the expected loss allowance for trade receivables by applying the simplified approach which is allowed by IFRS 9. In accordance with this approach, the expected credit loss allowance on trade receivables is determined as the lifetime expected losses on trade receivables.

Lease receivables are considered to be low risk at year end. The expected credit loss has been determined over a 12-month period. The identified expected credit loss was immaterial as the counterparty has no amounts past due and a stable outlook on its credit rating.

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8. Trade and other receivables (continued)

Other receivables comprises of a deposit which is held by a reputable financial institution with a stable credit rating (refer to Note 37) and therefore the identified expected credit loss is immaterial. Deposits were assessed on an individual basis and the identified expected credit loss is immaterial.

The impairment provisions for trade receivables are based on estimates to determine the expected credit loss. Refer to Note 1.6.

The Group has categorised the trade receivables into three broad categories disclosing the expected credit loss rate. These categories demonstrate the credit risk of debtors who default on multiple due payments or take longer to pay and therefore have an increased expected credit loss rate in comparison with debtors that pay on the due date or do not have long outstanding debt.

The Semester 2 (current to six months past due) category is debtors that are not long outstanding and not considered to be fully impaired given that final payment is typically due in November or December of the academic/financial year with returning students or students awaiting their academic results settling soon after year-end. The expected credit loss within this category has increased from 31.5% to 32.1% due to economic constraints impacting students and their ability to settle their debt on a timely basis.

Semester 1 (six to twelve months past due) are debtors that have an increased credit risk due to multiple defaults in payments and have outstanding debt older than six months, however they are not fully impaired due to the debt relating to the current academic year. The expected credit loss within this category has increased from 61.6% to 69.6% due to economic constraints impacting students and their ability to settle their debt on a timely basis.

The third category are amounts outstanding from the prior academic year and represent debtors with the highest credit risk. This category includes debtors that are in default (credit impaired) and have no payment plan arranged. The fully impaired debtors included in this category amounts to R60.5 million (2024: R56.9 million). The credit loss for debtors who have entered into amended payment plan arrangements is based on historic collection rates of long outstanding debt as reflected in the expected credit loss rate.

The Semester 2 and Semester 1 credit risk has increased due to debtors taking a longer period to repay their outstanding amounts.

Students that are written off are generally handed over to debt recovery agents for collection, and are therefore subject to enforcement activities. Trade receivables to the amount of R129 million (2024: R118 million), has been written off during the year. Of the amounts written off in current and prior years, R157 million (2024: R130 million) has been handed over for legal enforcement.

Group

2025

	Semester 2 - up to 6 months past due R '000	Semester 1 – up to 12 months past due R '000	Prior academic year R '000	Total R '000
Trade receivables - gross carrying amount	221 504	139 192	85 100	445 796
Expected loss allowance	(71 052)	(96 906)	(78 755)	(246 713)
	150 452	42 286	6 345	199 083
Expected credit loss rate (%)	32,1 %	69,6 %	92,5 %	
ECL Range (%)	9.8% - 60.0%	60.0% - 85.5%	85.5% - 100%	

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8. Trade and other receivables (continued)

2024	Semester 2 - up to 6 months past due R '000	Semester 1 – up to 12 months past due R '000	Prior academic year R '000	Total R '000
Trade receivables - gross carrying amount	188 990	134 397	57 548	380 935
Expected loss allowance	(59 582)	(82 845)	(56 076)	(198 503)
	129 408	51 552	1 472	182 432
Expected credit loss rate (%)	31,5 %	61,6 %	97,4 %	
ECL Range (%)	9.6% - 56.1%	56.1% - 85.9%	85.9% - 100%	

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Opening balance	198 503	163 518	-	-
Provision raised on new trade receivables	177 579	152 982	-	-
- receivables that originated in the current year	171 139	120 091	-	-
- receivables that originated in prior years	10 036	32 891	-	-
- reversal of unused loss allowance	(3 596)	-	-	-
Receivables written off during the year as uncollectible	(129 369)	(117 997)	-	-
Closing balance	246 713	198 503	-	-
Loss allowance as per the movement above	177 579	152 982	-	-
Recoveries of previously written off trade receivables	(15 213)	(12 527)	-	-
Trade receivables written off not provided for previously	144	134	-	-
Net loss allowance recognised in statement of comprehensive income	162 510	140 589	-	-

During the year, subsequent recoveries of amounts previously written off of R15.2 million (2024: R12.5 million) were credited against the loss allowance of R177.6 million (2024: R153.0 million).

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9. Other financial assets

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Mandatorily at fair value through profit or loss:				
Unit trusts	5 033	4 882	-	-
	5 033	4 882	-	-

Fair value information

Refer to Note 38 Fair value information for details of valuation policies and processes.

Reconciliation of movements

Opening balance	4 882	16 244	-	-
Additions	85	109	-	-
Disposals	-	(12 000)	-	-
Fair value movements	66	529	-	-
	5 033	4 882	-	-

Risk exposure

The investments held by the group expose it to various risks, including credit risk. Refer to Note 37 Financial instruments and risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

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10. Deferred tax

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Deferred tax balance comprise of:				
Property plant and equipment	(34 496)	(31 561)	-	-
Right-of-use assets	(20 757)	(16 724)	-	-
Intangible assets	(24 585)	(20 463)	-	-
Prepayments	(1 615)	(2 624)	-	-
Net investment in lease	(6 704)	(6 326)	-	-
Contract liabilities	9 344	11 999	-	-
Loss allowance	40 957	32 513	-	-
Lease liabilities	35 489	30 288	-	-
Tax losses available for set off against future balances	18 823	17 159	-	-
Provisions	8 974	7 672	-	-
Other allowances	1 758	3 027	-	-
Total deferred tax	27 188	24 960	-	-

The deferred tax assets and the deferred tax liabilities have been offset to the extent that they relate to income taxes levied by the same taxation authority on the same taxable entity. Consequently, the disclosure for the Group on the statement of financial position is as follows:

Deferred tax liability	(74 559)	(64 654)	-	-
Deferred tax asset	101 747	89 614	-	-
Total net deferred tax asset	27 188	24 960	-	-

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10. Deferred tax (continued)

Reconciliation of deferred tax asset / (liability)

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
At beginning of year	24 960	23 947	-	-
<u>Originating temporary differences on:</u>				
Property, plant and equipment	(2 935)	(4 940)	-	-
Intangible assets	(4 122)	(2 230)	-	-
Right-of-use assets	(4 033)	6 542	-	-
Loss allowance	8 444	5 296	-	-
Prepayments	1 009	1 195	-	-
Net investment in lease	(378)	(356)	-	-
Provisions	1 302	1 184	-	-
Lease liabilities	5 201	(6 464)	-	-
Contract liabilities	(2 655)	331	-	-
Tax losses available for set off against future balances	1 664	(2 159)	-	-
Other allowances	(1 269)	2 614	-	-
	27 188	24 960	-	-

Recognition of deferred tax asset

Estimated tax losses available for set-off against future taxable profits carried forward to next year are disclosed in Note 26.

Management have assessed the recognition of the deferred tax assets at 31 December 2025 and are satisfied that there are expected future taxable profits against which the temporary differences can be utilised.

The Group has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the subsidiary.

Unrecognised deferred tax asset

Tax losses available for offset against future taxable income	79 554	74 114	4 894	4 894
Tax losses recognised	(68 985)	(63 533)	-	-
Tax losses not recognised	10 569	10 581	4 894	4 894

In determining the deferred tax asset recognised for assessed losses carried forward, the Group applies the provisions of Section 20 of the Income Tax Act 58 of 1962, as amended by the Taxation Laws Amendment Act No. 20 of 2021, which limits the utilisation of assessed losses to the higher of R1 million or 80% of taxable income before the application of the assessed loss set-off. The Group assesses the recoverability of deferred tax assets by considering this statutory limitation together with forecast future taxable profits and ensures that deferred tax assets are recognised only to the extent that it is probable that the associated tax benefits will be realised. Deferred tax assets are assessed at each statutory level.

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11. Loans to group companies

Group		Company	
2025 R '000	2024 R '000	2025 R '000	2024 R '000

Stadio Corporate Services Proprietary Limited	-	-	253 269	423 950
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The loan is interest free, unsecured and repayable on demand.

Although there has been an improvement in the Company's overall liquidity position and results in the current year, management does not expect to demand repayment in the next 12 months, other than for an amount of R156 million (2024: R128 million) of the loans which are deemed to be current based on the subsidiary's expected cash flow and ability to pay.

Management has performed a recoverability assessment and deems all balances to be fully recoverable.

Split between non-current and current portions

Non-current assets	-	-	97 385	295 857
Current assets	-	-	155 884	128 093
	-	-	253 269	423 950

Reconciliation of loans to related parties - Company- 2025

	Opening balance R '000	Non-cash movements R '000	Loans advanced to related parties R '000	Loans repaid by related parties R '000	Closing balance R '000
Loans to related parties	423 950	35 354	11 600	(217 635)	253 269
Total	423 950	35 354	11 600	(217 635)	253 269

Reconciliation of loans to related parties - Company- 2024

	Opening balance R '000	Non-cash movements R '000	Loans advanced to related parties R '000	Loans repaid by related parties R '000	Closing balance R '000
Loans to related parties	512 417	3 823	33 345	(125 635)	423 950
Total	512 417	3 823	33 345	(125 635)	423 950

Exposure to credit risk

The carrying value of the loan approximates its fair value.

Loans to related parties inherently expose the group to credit risk, being the risk that the group will incur financial loss if counterparties fail to make payments as they fall due.

The counterparties have a low risk of default as they have access to cash resources in order to settle should a loan be called upon. The expected credit loss has been determined over a 12-month period, resulting in the expected credit loss identified being immaterial.

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12. Cash and cash equivalents

Cash and cash equivalents consist of:

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Bank balances	111 213	80 119	277	629
Money market investments #	8 463	22 135	-	-
Short-term deposits ^	36 238	29 746	-	-
Petty cash	62	194	-	-
	155 976	132 194	277	629
Cash and cash equivalents held by the entity that are not available for use by the group *	2 255	2 255	-	-

The carrying value of cash and cash equivalents approximate their fair values.

^ Short-term deposits are cash balances invested in short-term interest earning accounts.

Money market accounts are classified as cash equivalents as they are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

* The cash and cash equivalents not available for use are restricted for debit and stop orders that may not clear.

Credit quality of cash at bank and short-term deposits, excluding cash on hand

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9. The identified impairment loss is immaterial.

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Credit rating				
Baa3 (Moody's) - Nedbank, Standard Bank, ABSA, Investec and First National Bank	141 955	100 420	276	410
A+ (Global Credit Rating) - PSG Collective Investments (RF) Limited *	2 890	21 809	1	219
AA (Global Credit Rating) - Bank Windhoek Limited	11 069	9 771	-	-
	155 914	132 000	277	629

* PSG Collective Investments (RF) Limited is part of PSG Konsult Limited and accordingly the credit rating of PSG Konsult Limited has been used.

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13. Non-current assets held for sale

In October 2025, the sale of the Randburg land and buildings was concluded for R19.4 million. In the prior year, the property was impaired by R7 million to R18.9 million. An impairment reversal of R0.5 million was recognised upon conclusion of the sale.

Group		Company	
2025 R '000	2024 R '000	2025 R '000	2024 R '000

Assets

Non-current assets held for sale

Property, plant and equipment

-	18 982	-	-
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14. Share capital

	Group		Company	
	2025 '000	2024 '000	2025 '000	2024 '000
Authorised number of shares				
Shares at no par value	2 000 000	2 000 000	2 000 000	2 000 000
Reconciliation of number of shares issued:				
Reported as at 01 January	848 300	850 517	848 300	850 517
Shares purchased and cancelled	(6 978)	(3 089)	(6 978)	(3 089)
Issue of shares - employee share incentive scheme	4 464	872	4 464	872
	845 786	848 300	845 786	848 300
	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Issued				
Issued ordinary shares at 1 January	1 618 939	1 628 781	1 618 939	1 628 781
Issued during the year	35 384	5 278	35 384	5 278
Share issue costs	(681)	(171)	(681)	(171)
Shares purchased and cancelled	(75 713)	(14 949)	(75 713)	(14 949)
	1 577 929	1 618 939	1 577 929	1 618 939

All issued ordinary shares are fully paid up. Ordinary shares carry no right to fixed income but each share carries the right to one vote at general meetings of the Company.

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14. Share capital (continued)

Share capital movements

Current year

During the year, the Company issued 4.464 million shares to participants of the Group Share Incentive Scheme for R35.4 million, which was net of the employees tax and strike price of the settlement. The Group is committed to preserving stakeholder value and limiting dilution of shareholders shareholding where feasible. Accordingly, the Board approved the repurchase of 6.978 million shares for R75.7 million from the market at an average price of R10.48 per share, which were purchased between May 2025 and December 2025, and immediately cancelled.

Prior year

In the prior year, the Company issued 0.872 million shares to the Group Share Incentive Trust (SIT) for R5.3 million to settle its obligation under the Group's Share Incentive Scheme. The Company also repurchased 3.089 million shares for R15 million from the market, which were purchased between January 2024 and March 2024, and immediately cancelled.

Dividends

The following dividends were declared and paid by the Company during the year:

	Group		Company	
	2025	2024	2025	2024
15.1 cents per ordinary share (2024: 10.0 cents)	128 593	84 674	128 593	84 743

The dividend was declared on 24 March 2025 (2024: 18 March 2024) and payment was made on 29 April 2025 (2024: 22 April 2024).

Non-controlling interest equity movements

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Non-controlling interest movement				
Opening balance	66 770	67 633	-	-
Profit for the year	13 681	13 943	-	-
Transactions with non-controlling interest	419	(3 507)	-	-
Dividends paid to non-controlling shareholders	(11 299)	(11 299)	-	-
	69 571	66 770	-	-

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14. Share capital (continued)

Changes in ownership

During the year, Milpark Education issued 391 shares to the value of R0.5m to a key member of the management team decreasing the Group's interest in Milpark Education to 83.81%.

In the prior year, the Group, through its wholly owned subsidiary Stadio Investment Holdings Proprietary Limited ("SIH") entered into a sale of shares agreement with a non-controlling shareholder of Milpark Education Proprietary Limited ("Milpark"). SIH purchased an additional 0.76% shareholding in Milpark in January 2024, for a consideration of R5.9 million, increasing the Group's interest in Milpark Education to 83.86%. Immediately prior to the purchase, the carrying amount of 0,76% shareholding was R3.5 million. The Group recognised a decrease in non-controlling interest of R3.5 million, and a decrease in retained earnings of R2.9 million. On 29 December 2023, a sale of shares agreement was entered into with Newshelf 1404 Proprietary Limited, a wholly owned subsidiary of Brimstone Investment Corporation Limited ("Brimstone"), to purchase Brimstone's effective indirect 12.8% interest in Milpark, for a purchase consideration of R117.5 million. The effective date of the transaction was 31 December 2023. The purchase consideration was settled in January 2024.

Dividends paid to non-controlling shareholders

During 2025, a dividend of R11.3 million (2024: R11.3 million) was paid to the non-controlling interest in Milpark.

Treasury shares

Treasury shares are shares in the Company that are held by the Group Share Incentive Trust for purposes of settling its future obligations to transfer shares to participants in terms of the Scheme. In April 2025, 130 563 treasury shares were utilised as settlement for the Scheme. The Board has since agreed to repurchase shares and cancel them, as opposed to holding Treasury shares. There were no treasury shares held at year end.

Treasury shares (Group)

	Rands		Number of shares	
	2025 R '000	2024 R '000	2025 '000	2024 '000
Balance at the beginning of the year	(790)	(17 114)	(131)	(3 711)
Treasury shares acquired from issuance	-	(5 278)	-	(872)
Treasury shares issued to employees	790	21 602	131	4 452
	-	(790)	-	(131)

As at 31 December 2025, the Group held no Treasury shares (2024: 130 563).

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15. Share based payments reserve

Details of the employee option plan of the Group

The Group has established a share incentive scheme for certain key members of management. The number of shares available to award at the reporting date in terms of the Stadio Group Share Incentive Trust deed is 40 million (2024: 15 million).

Options may be exercised at any time from the date of vesting to the date of its expiry, which is a 30 day period. The Board may, in accordance with the Trust deed, extend the exercise period in certain circumstances. Beneficiaries have the option to elect to either fully or net settle on the option. During the year, the Board approved the extension of the exercise period to 90 days for share options that vested on 1 July 2025 because the Company was in a closed period, and in accordance with JSE Listing Requirements, the exercise of share options constitutes trading in shares, which are prohibited during a closed period. The vesting of share options is dependent on the individual remaining in service.

Options awarded vest over a five year period from the grant date, namely:

- 25% thereof as at the second anniversary of the option grant date;
- 25% thereof as at the third anniversary of the option grant date;
- 25% thereof as at the fourth anniversary of the option grant date; and
- 25% thereof as at the fifth anniversary of the option grant date.

Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

	2025		2024	
	Number '000	Weighted average strike price R	Number '000	Weighted average strike price R
Outstanding at the beginning of the year	26 301	-	28 025	-
Granted during the year	5 377	7,29	10 422	4,80
Exercised during the year	(9 224)	2,18	(11 398)	2,14
Forfeited during the year	(287)	4,71	(748)	4,71
Outstanding at the end of the year	22 167		26 301	

The weighted average share price on the date that the options were exercised during the year ended 31 December 2025 was R7.90 (2024: R4.97).

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15. Share based payments reserve (continued)

Director	Opening balance of share options at 1 January 2025 '000	Number of share options awarded during the year '000	Number of share options vested and exercised during the year '000	Strike price per share options awarded	Share option grant date	Closing balance of share options at 31 December 2025 '000
Chris Vorster	1 996	-	(1 996)	1,23	3 April 2020	-
	1 075	-	(1 075)	1,21	1 July 2020	-
	916	-	(305)	3,64	3 April 2022	611
	1 089	-	(363)	3,64	1 July 2022	726
	885	-	(221)	4,58	3 April 2023	664
	1 229	-	-	4,79	3 April 2024	1 229
	-	1 184	-	7,29	3 April 2025	1 184
	7 190	1 184	(3 960)	-		4 414
Ishak Kula	2 355	-	-	4,84	3 July 2024	2 355
	-	195	-	7,29	3 April 2025	195
	2 355	195	-	-		2 550
Divya Singh	317	-	(317)	1,23	3 April 2020	-
	170	-	(170)	1,21	1 July 2020	-
	422	-	(211)	2,62	3 April 2021	211
	829	-	(276)	3,64	3 April 2022	553
	967	-	(242)	4,58	3 April 2023	725
	848	-	-	4,79	3 April 2024	848
	-	462	-	7,29	3 April 2025	462
	3 553	462	(1 216)			2 799
Johan Human	284	-	(284)	1,23	3 April 2020	-
	153	-	(153)	1,21	1 July 2020	-
	532	-	(266)	2,62	3 April 2021	266
	678	-	(226)	3,64	3 April 2022	452
	1 037	-	(259)	4,58	3 April 2023	778
	583	-	-	4,79	3 April 2024	583
	-	544	-	7,29	3 April 2025	544
	3 267	544	(1 188)			2 623
	16 365	2 385	(6 365)			12 386

During the year, a total expense of R13.4 million (2024: R11.8 million) was recognised in respect of share based payment transactions. Included in the total expenses is R12.6 million (R11.3 million) related to equity settled share based payment transactions awarded to the members of key management.

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15. Share based payments reserve (continued)

Vesting date	Strike price R	2025 Number of options '000	2024 Number of options '000
3 April 2025	1,23	-	3 570
3 April 2025	2,62	-	1 435
3 April 2025	3,64	-	874
3 April 2025	4,58	-	1 139
1 July 2025	1,21	-	1 922
1 July 2025	3,64	-	363
3 April 2026	2,62	1 248	1 435
3 April 2026	3,64	874	873
3 April 2026	4,58	1 139	1 139
3 April 2026	4,79	2 017	2 017
1 July 2026	3,64	363	363
1 July 2026	4,84	589	589
3 April 2027	3,64	832	853
3 April 2027	4,58	1 047	1 047
3 April 2027	4,79	1 835	1 835
3 April 2027	7,29	1 344	-
1 July 2027	3,64	363	363
1 July 2027	4,84	589	589
3 April 2028	4,58	1 047	1 047
3 April 2028	4,79	1 835	1 835
3 April 2028	7,29	1 344	-
1 July 2028	4,84	589	589
3 April 2029	4,79	1 835	1 835
3 April 2029	7,29	1 344	-
1 July 2029	4,84	589	589
3 April 2030	7,29	1 344	-
		22 167	26 301

Assumptions used in fair value determination at the date of award

	Strike price (Rand)	Share price at award date (Rand)	Fair value (Rand)	Volatility (%)	Risk-free rate (%)	Dividend yield (%)
April 2021	2,62	2,90	1,42	41,78	6,01	-
April 2022	3,64	4,18	2,32	65,91	6,69	1,12
July 2022	3,64	3,50	1,81	65,91	7,82	1,34
April 2023	4,58	4,65	1,83	56,04	7,93	1,94
April 2024	4,79	4,74	1,53	41,17	8,14	2,11
July 2024	4,84	5,25	1,52	41,17	7,86	1,90
April 2025	7,29	7,05	1,46	33,67	7,07	2,14

The weighed average fair value for the options granted in April 2025 is R2.17.

The Black-Scholes Model is used to calculate the estimated theoretical fair value of new share options awarded.

The volatility is derived from the movement in the volume weighted average share price for a period of 365 calendar days prior to the share options being awarded. In the current year, there was no phantom shares awarded.

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16. Borrowings

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Held at amortised cost				
Standard Bank of South Africa The revolving credit facility bears interest at a one-month JIBAR plus 2%.	120 000	-	-	-
Bank overdraft	295	492	-	-
	120 295	492	-	-
Split between non-current and current portions				
Current liabilities	120 295	492	-	-

Standard Bank facility

In December 2025, the Group exercised its option to increase its facility with Standard Bank of South Africa (Standard Bank) to R200 million. This facility was due to expire in December 2025 but was extended until March 2026. At 31 December 2025, the Group utilised R120 million of the Standard Bank revolving credit facility. Finance costs of R3.5 million (2024: R3.5 million) were incurred during the period. These finance costs incurred were capitalised in property, plant and equipment (refer to Note 3).

The repayment terms per the revolving credit facility require repayment to be within three (3) years from drawdown date. The Group has the option of early settlement. Interest accrues on the loan at the one (1) month JIBAR + 2% rate and is payable monthly. The following Group subsidiaries are obligors in the revolving credit facility agreement: STADIO Higher Education, Stadio Corporate Services and AFDA.

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the debt cover ratio of total debt to EBITDA must be not more than 2.5; and
- the interest cover ratio of EBITDA to interest instalments* must not be less than 3.5.

* Interest instalments consist of finance costs and capitalised interest.

At 31 December 2025, the debt cover ratio was 0.28 (2024: no borrowings at year end) and the interest cover ratio was 22 (2024: 20).

The Standard Bank facility was fully settled and terminated subsequent to year end, on 23 January 2026.

RMB Facility

In December 2025 the Group concluded a revolving credit facility agreement with Rand Merchant Bank (RMB) for R325m with an option to increase by a further R100 million. The Group provided property and trade receivables as security to the value of the facility. The following Group subsidiaries are obligors in the revolving credit facility agreement: STADIO Higher Education, Stadio Corporate Services, MBS Education Investments and AFDA.

The repayment terms per the revolving credit facility require repayment to be within five (5) years from the drawdown date. The Group has the option of early settlement. Interest accrues on the loan at the ZARONIA + 1.3% rate and is payable quarterly.

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the net debt cover ratio of net debt** to EBITDA must be not more than 3; and
- the interest cover ratio of EBITDA to net interest charge*** must not be less than 3.5.
- the guarantors must represent a minimum of 80% of the revenue, EBITDA and total assets of the measured group.

** Net debt means borrowings less cash held by the Company.

*** Net interest charge is finance costs less investment income.

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16. Borrowings (continued)

At 31 December 2025, the debt cover ratio was nil and the interest cover ratio was 91. The guarantors represent the minimum 80% cover required.

The Group complied with facilities financial covenant requirements for the 2025 and 2024 financial year ends.

The total amount of undrawn facilities available for future operating activities and commitments are R405 million (2024: R100 million) at the end of the reporting period.

Refer to Note 31 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and Note 37 Financial instruments and financial risk management for the fair value of borrowings.

17. Trade and other payables

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Financial instruments:				
Trade payables	11 053	7 159	397	11
Audit fee	5 162	6 679	595	944
Other payables	9 357	8 949	16	4
	25 572	22 787	1 008	959
Non-financial instruments:				
Payroll accruals	27 752	23 507	-	-
Bonus and leave pay accrual	27 075	28 399	-	-
Value added tax	309	568	-	-
Other payables	1 133	968	-	-
	56 269	53 442	-	-
	81 841	76 229	1 008	959

Fair value of trade and other payables

The carrying value of trade and other payables approximate their fair values.

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	25 572	22 787	1 008	959
Non-financial instruments	56 269	53 442	-	-
	81 841	76 229	1 008	959

Split between non-current and current portions

Non-current liabilities	1 133	968	-	-
Current liabilities	80 708	75 261	1 008	959
	81 841	76 229	1 008	959

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18. Contract liabilities

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Reconciliation of income received in advance				
Opening balance	111 383	100 715	-	-
Payments received in advance of delivery of performance obligations	470 421	464 689	-	-
Performance obligations satisfied in respect of cash received in current year	(390 245)	(384 117)	-	-
Performance obligations satisfied in respect of cash received in prior years	(73 152)	(69 904)	-	-
	118 407	111 383	-	-

Income received in advance carries a separate stand-alone transaction price which is recognised over time as the services are rendered. The transaction price allocated to the unsatisfied portion of the performance obligation pertaining to income received in advance is considered a contract liability.

Income received in advance is expected to be recognised over 1 to 3 years. Management estimates that as at 31 December 2025, 68% (2024: 72%) of the income received in advance will be recognised as revenue in the following financial year.

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19. Revenue

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Revenue from contracts with customers				
The group disaggregates revenue from customers as follows:				
Rendering of services:				
Contact Learning				
Tuition fees	585 116	509 203	-	-
Discounts and bursaries granted	(12 766)	(10 343)	-	-
	572 350	498 860	-	-
Registration and enrolment fees	13 737	10 704	-	-
Other academic income	2 789	1 881	-	-
	588 876	511 445	-	-
Distance Learning				
Tuition fees	1 173 369	1 029 428	-	-
Discounts and bursaries granted	(38 386)	(28 397)	-	-
	1 134 983	1 001 031	-	-
Registration and enrolment fees	86 928	70 048	-	-
Other academic income	22 465	20 986	-	-
	1 244 376	1 092 065	-	-
Sale of goods:				
Learning material sales	6 428	7 153	-	-
Canteen sales	1 317	1 002	-	-
	7 745	8 155	-	-
Total revenue from contracts with customers	1 840 997	1 611 665	-	-
Timing of revenue recognition				
At a point in time				
Sale of goods	7 745	8 155	-	-
Over time				
Rendering of services	1 833 252	1 603 510	-	-
Total revenue from contracts with customers	1 840 997	1 611 665	-	-

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20. Other income

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Rental income	493	674	-	-
Compensation from insurance claims	1 066	2 249	-	-
Sundry income	5 160	4 836	-	-
Profit on sale of property, plant and equipment	238	282	-	-
Prescribed debt	5 499	7 367	-	-
	12 456	15 408	-	-

21. Fair value losses on financial instruments

Other financial assets *	(12)	(21)	-	-
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* Fair value adjustments on financial assets which has been mandatorily classified at fair value through profit or loss.

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22. Operating Expenses and Employee Costs

Earnings before interest, depreciation, amortisation and taxation (EBITDA) for the year is stated after charging the following, amongst others:

	Group		Company	
	2025 R '000	2024 R '000 ^	2025 R '000	2024 R '000
Academic and research costs*	135 830	109 768	-	-
Administration costs	22 906	24 738	117	60
Advertising and marketing	61 126	54 055	-	-
Computer expenses	11 014	17 655	-	-
Consulting and legal fees	20 669	11 909	-	-
Facility costs**	56 606	50 425	-	-
Lease expenses	16 107	16 589	-	-
Licensing and subscriptions	45 130	36 907	-	-
Loss on sale of property, plant and equipment	813	1 005	-	-
Staff training	6 236	4 964	-	-
Travel and entertainment	16 006	13 401	-	-
Other operational costs***	17 708	14 858	919	866
	410 151	356 274	1 036	926

* Costs include curriculum expenses (not capitalised); research costs; class project and library materials; external assessors and moderators costs.

** Facility costs includes electricity, water and property rates and taxes; security costs; repairs and maintenance; insurance and cleaning costs.

*** Costs include listing related costs and other operational costs.

Auditor's remuneration - external

Audit fee - current year	4 441	4 963	992	945
Audit fee - prior year	34	237	43	-
Non-audit services	279	215	-	-

Auditor's remuneration - internal

Audit fee - current year	1 128	1 035	-	-
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	5 882	6 450	1 035	945
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Total Operating Expenses

	416 033	362 724	2 071	1 871
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Employee costs

Salaries and wages	673 226	620 577	-	-
Defined contribution plans	34 290	31 363	-	-
Share-based payments	13 391	11 805	-	-
Other short-term costs	1 440	1 751	-	-

Total employee costs

	722 347	665 496	-	-
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23. Depreciation, amortisation and impairment losses

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Depreciation				
Property, plant and equipment	37 114	32 507	-	-
Right-of-use assets	34 218	28 867	-	-
	71 332	61 374	-	-
Amortisation				
Intangible assets	10 344	9 718	-	-
	81 676	71 092	-	-
Impairment losses				
Property, plant and equipment	-	7 000	-	-
Reversal of impairment loss				
Asset held for sale	(460)	-	-	-
	(460)	7 000	-	-

24. Investment income

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Interest income				
Interest income over time				
Financial institutions	18 123	15 724	592	268
Financial assets mandatorily measured at fair value through profit or loss	-	551	-	-
Finance lease receivables	3 069	2 899	-	-
South African Revenue Service	1 432	61	-	-
Total interest income	22 624	19 235	592	268

25. Finance costs

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Lease liabilities	16 538	13 815	-	-
Bank overdraft and third party suppliers	13	3 548	-	-
South African Revenue Services	27	4	-	-
Total finance costs	16 578	17 367	-	-

Finance costs relate to financial liabilities that are not designated at fair value through profit or loss.

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26. Taxation

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Major components of the tax expense				
Current				
Local income tax - current period	129 858	102 914	-	-
Local income tax - recognised in current tax for prior periods	(2 175)	(1 065)	-	-
Foreign income tax - recognised in current tax for prior periods	711	-	-	-
Foreign income tax - current period	7 698	4 687	-	-
Dividend withholding tax	1 100	614	-	-
	137 192	107 150	-	-
Deferred				
South African deferred tax attributable to temporary differences - current period	(301)	(488)	-	-
South African deferred tax attributable to temporary differences - prior period	841	(233)	-	-
Foreign deferred tax attributable to temporary differences - current period	(1 694)	(292)	-	-
Foreign deferred tax attributable to temporary differences - prior period	122	-	-	-
	(1 032)	(1 013)	-	-
	136 160	106 137	-	-

Reconciliation of the tax expense

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	27,00 %	27,00 %	27,00 %	27,00 %
Listing and regulatory costs	0,12 %	0,05 %	(15,17)%	(12,49)%
Share-based payment expense	0,76 %	0,83 %	- %	- %
Change in tax rate *	0,03 %	- %	- %	- %
Prior period adjustment	(0,10)%	(0,35)%	- %	- %
s23 limitations	0,03 %	0,34 %	(0,97)%	- %
Special allowances - solar project	(0,04)%	(0,29)%	- %	- %
Fines and penalties	- %	0,01 %	- %	- %
Withholding taxes	0,23 %	0,16 %	- %	- %
Deferred tax asset not recognised	0,05 %	0,17 %	(10,86)%	(14,51)%
s12H learnership allowance	(0,05)%	(0,05)%	- %	- %
Foreign tax differential **	0,13 %	0,18 %	- %	- %
Depreciation lease improvements	0,29 %	0,18 %	- %	- %
Other	0,07 %	(0,45)%	- %	- %
	28,52 %	27,78 %	- %	- %

* The Namibia Revenue Authority reduced its tax rate to 30% for the current fiscal period.

** Foreign corporate income tax relates to STADIO Namibia, which uses a tax rate of 30% (2024: 32%).

Estimated tax losses recognised for set-off against future taxable income amounted to R69.0 million (2024: R64.0 million). Refer to Note 10 for tax losses available for set-off against future taxable income.

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26. Taxation (continued)

The estimated tax loss available for set-off against future taxable income relates to Stadio Corporate Services Proprietary Limited ("SCS"). SCS serves as the property owner and property management company for the owned properties as well as the investment management company within the Group and accordingly earns rental, property administration fees and management fees. As a result, based on SCS's future financial forecasts, the assessed loss is estimated to be fully utilised from 2032. The Group is satisfied that the deferred tax asset will be recoverable using the estimated future taxable income that will be generated for this entity.

27. Earnings per share

	Group	
	2025 R '000	2024 R '000
Basic earnings attributable to owners of the parent	327 540	261 939
Basic earnings per share (cents)	38,6	30,9
Diluted earnings per share (cents)	38,0	30,5
Reconciliation of weighted average number of ordinary shares used for earnings per share to weighted average number of ordinary shares used for diluted earnings per share		
Weighted average number of ordinary shares used for basic earnings per share	849 292	846 551
Adjusted for:		
Share options incentive plan	13 075	11 644
	862 367	858 195

Headline earnings and diluted headline earnings per share

	Group	
	2025 R '000	2024 R '000
Headline earnings per share (cents)	38,5	31,4
Diluted headline earnings per share (cents)	37,9	31,0

Reconciliation between profit attributable to equity holders of the parent and headline earnings

Profit for the year attributable to equity holders of the parent	327 540	261 939
Impairment on property, plant and equipment	(460)	7 000
Less: taxation	124	(1 890)
Loss on disposal of property, plant and equipment	574	723
Less: taxation	(155)	(195)
Less: non-controlling interest	6	(3)
Compensation from third parties for items of property, plant and equipment that were lost or given up	(1 066)	(2 249)
Less: non-controlling interest	11	51
Less: taxation	289	607
Headline earnings	326 863	265 983
Diluted headline earnings	326 863	265 983

No items are considered dilutive to headline earnings and therefore diluted headline earnings equate to headline earnings.

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28. Segmental information

The Group considers its executive directors to be the chief operating decision-maker and the segmental disclosures below are aligned with the monthly report provided to the executive directors. Operating segments with similar economic characteristics have been aggregated into one reportable segment due to all the services being related to higher education services within Southern Africa. However management does make decisions based on what they constitute to be reflective of the underlying financial performance of the Group and as such, the Group has identified core headline earnings as this measure. Non-core includes certain items which may distort the Group's financial performance from year-to-year, and by excluding this, should provide management with a more consistent reflection of the underlying financial performance of the Group. The non-core adjustments include amortisation costs associated with client lists acquired. The client lists acquired was fully amortised by 31 December 2024.

As the Group has one reportable segment, namely, provision of higher educational services, the segmental disclosure around the specified amounts that are included in the measure of segment profit or loss will be consistent with the amounts presented on the face of the statement of comprehensive income.

Geographical information

	2025 R '000		2024 R '000	
	South Africa	Namibia	South Africa	Namibia
Revenue	1 775 531	65 466	1 557 223	54 442
EBITDA	531 277	21 274	445 235	13 008
Assets	2 624 573	50 069	2 332 593	56 726
Liabilities	523 729	5 758	362 150	3 487
Capital expenditure	331 823	1 130	105 949	160

The Group operates in two principal geographical areas, namely South Africa and Namibia.

Core headline earnings

	Note	Group	
		2025 R '000	2024 R '000
Profit before taxation		477 381	382 019
Taxation		(136 160)	(106 137)
Profit after taxation		341 221	275 882
Profit attributable to owner	27	327 540	261 939
Headline items		(677)	4 044
Headline earnings	27	326 863	265 983
Core headline earnings per share (cents)		38,5	31,5
Core diluted headline earnings per share (cents)		37,9	31,1

Reconciliation of core headline earnings

Headline earnings attributable to owners of parent	27	326 863	265 983
Amortisation of client list and trademarks		-	1 272
Less: taxation		-	(344)
Core headline earnings		326 863	266 911

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28. Segmental information (continued)

	Group	
	2025 R '000	2024 R '000
Reconciliation of Weighted average number of shares (WANOS) used for core headline earnings per share to WANOS used for diluted core headline earnings per share		
WANOS	849 292	846 551
Adjusted for:		
Share options incentive plan	13 075	11 644
Diluted WANOS	862 367	858 195

29. Cash generated from/(used in) operations

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Profit/(loss) before taxation	477 381	382 019	(1 479)	(1 603)
Adjustments for:				
Depreciation and amortisation	81 676	71 092	-	-
(Reversal of impairment losses)/impairment losses	(460)	7 000	-	-
Net losses on disposals of property, plant and equipment	575	723	-	-
Interest income	(22 624)	(19 235)	(592)	(268)
Finance costs	16 578	17 367	-	-
Fair value losses	12	21	-	-
Share-based payment charge	13 391	11 805	-	-
Non-cash movement in related party loans	-	(96)	30	(3 823)
Other non-cash adjustments	1 187	(600)	-	-
Changes in working capital:				
Increase in trade and other receivables	(19 314)	(11 938)	-	-
Increase/(decrease) in trade and other payables	(15 231)	(3 641)	49	419
Increase in contract liabilities	7 023	10 669	-	-
	540 194	465 186	(1 992)	(5 275)

30. Taxation paid

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Balance at beginning of the year	38 628	36 128	-	-
Current tax for the year recognised in profit or loss	(137 192)	(107 150)	-	-
Non-cash movement	(1 106)	28	-	-
Balance at end of the year	(14 393)	(38 628)	-	-
	(114 063)	(109 622)	-	-

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31. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - Group - 2025

	Opening balance R '000	New leases and non-cash movements R'000	Proceeds from borrowings R'000	Repayment of borrowings R'000	Closing balance R '000
Borrowings	492	(57)	236 971	(117 111)	120 295
Finance lease liabilities	112 179	50 373	-	(31 110)	131 442
Total liabilities from financing activities	112 671	50 316	236 971	(148 221)	251 737

Reconciliation of liabilities arising from financing activities - Group - 2024

	Opening balance R '000	New leases and non-cash movements R '000	Proceeds from borrowings R '000	Repayment of borrowings R '000	Closing balance R '000
Borrowings	237	85	102 176	(102 006)	492
Finance lease liabilities	115 013	25 630	-	(28 464)	112 179
Loans from related parties	96	(96)	-	-	-
Total liabilities from financing activities	115 346	25 619	102 176	(130 470)	112 671

Reconciliation of liabilities arising from financing activities - Company - 2024

	Opening balance R '000	Repayment of loans from related parties R '000	Closing balance R '000
Loans from group companies	7 201	(7 201)	-
Total liabilities from financing activities	7 201	(7 201)	-

32. Investment income received

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Investment income (Refer to Note 24)	22 624	19 235	592	268
Less: Non-cash interest on lease receivable (Refer to Note 8)	(1 398)	(1 348)	-	-
Less: Reinvestment of unit trust	-	(551)	-	-
	21 226	17 336	592	268

33. Finance costs paid

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Finance costs (Refer to Note 25)	16 578	17 367	-	-

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34. Related parties

Relationships

Significant Shareholder (>15%)	PSG Group Proprietary Limited [^] Coronation Fund Managers Limited *
Subsidiaries	Refer to Note 7
Entities controlled by key management	Citac Africa Proprietary Limited
Sponsor	PSG Capital Proprietary Limited
Directors	Refer to Note 36
Other related parties	Non-controlling interest shareholders

[^] PSG Alpha Investments had a name change to PSG Group. This shareholder is represented by non-executive directors, Nico de Waal and alternate Dries Mellet.

* Coronation Fund Managers Limited manages funds for the benefit of its investors.

Group		Company	
2025	2024	2025	2024
R '000	R '000	R '000	R '000

Related party balances

Loan accounts - Owing by related parties *

Stadio Corporate Services Proprietary Limited	-	-	253 269	423 950
---	---	---	---------	---------

* Details of the terms and conditions of the loans refer to Note 11.

Lease liabilities

Citac Africa Proprietary Limited (refer to note 4)	-	(4 532)	-	-
--	---	---------	---	---

Related party transactions

Interest paid to related party

Citac Africa Proprietary Limited	193	205	-	-
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Management fee expense paid to related parties

Non-controlling interest shareholders	150	300	-	-
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Listing and advisory fees paid to related party

PSG Capital Proprietary Limited	890	725	-	-
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Dividends paid to related parties

Directors	5 652	3 457	-	-
PSG Group Proprietary Limited	26 223	17 366	-	-
Non-controlling interest shareholders	11 299	11 299	-	-

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35. Commitments and Contingent liabilities

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Authorised capital expenditure				
Already contracted for but not provided for				
• Property, plant and equipment	122 253	190 970	-	-
• Intangible assets	80	-	-	-
	122 333	190 970	-	-
Not yet contracted for and authorised by directors				
• Property, plant and equipment	70 723	60 194	-	-
• Intangible assets	31 602	46 439	-	-
	102 325	106 633	-	-

During the year ended 31 December 2025, the Group has, in the normal course of business, obtained bank guarantees as required by the Department of Higher Education and Training (DHET) to the value of R5.6 million (2024: R10.5 million). This is funded by a cash deposit with Standard Bank. The remaining balance is covered through an insurance policy.

The Group issued a performance guarantee in June 2025 for R45 million in favour of Isipani Construction (Pty) Ltd, in connection with the construction of the STADIO Durbanville campus. The guarantee expired in February 2026.

There are no guarantees relating to the Company.

The Group and Company have no contingent liabilities as at 31 December 2025 (2024: Rnil).

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36. Directors' and prescribed officers emoluments

For the purposes of defining related party transactions with key management, key management has been defined as directors and includes entities controlled or jointly controlled by these individuals.

Executive

2025

	Salary	Pension contributions paid	Bonuses [^]	Gains on exercise of options	Other [*]	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Chris Vorster	4 707	248	5 660	25 046	-	35 661
Ishak Kula	2 856	232	3 006	-	-	6 094
Divya Singh	2 924	325	3 075	6 084	174	12 582
Johan Human	2 977	157	2 944	5 856	36	11 970
	13 464	962	14 685	36 986	210	66 307

2024

	Salary	Pension contributions paid	Bonuses [^]	Gains on exercise of options	Other [*]	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Chris Vorster	4 523	234	5 139	13 214	-	23 110
Ishak Kula	2 638	212	2 916	-	-	5 766
Divya Singh	2 806	306	2 692	3 094	45	8 943
Johan Human	2 854	148	2 568	2 480	-	8 050
	12 821	900	13 315	18 788	45	45 869

[^] The majority of this amount is included in trade and other payables and is due for payment in April 2026.

^{*} Other remuneration received by directors include research awards and long service awards.

Share options

During the year, 2.4 million (2024: 5.0 million) share options were issued to the executive directors and prescribed officers.

Refer to Note 15 for further information.

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36. Directors' and prescribed officers emoluments (continued)

Non-executive

2025

	Directors' fees R'000	Total R'000
Vincent Maphai	767	767
Nico de Waal	384	384
Chris van der Merwe	385	385
Mathukana Mokoka	601	601
Busisiwe Vilakazi	516	516
Tom Brown	478	478
Khati Mokhobo	155	155
	3 286	3 286

2024

	Directors' fees R'000	Gains on exercise of options R '000	Total R'000
Vincent Maphai	651	-	651
Nico de Waal	362	-	362
Chris van der Merwe	363	658	1 021
Mathukana Mokoka	547	-	547
Busisiwe Vilakazi	477	-	477
Tom Brown	441	-	441
	2 841	658	3 499

Nico de Waal's director's remuneration is paid to PSG Corporate Services Proprietary Limited of which he is a salaried employee.

Non-executive director's fees are paid according to the director's time of service and not per board meeting. The above fees are exclusive of VAT, where applicable.

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37. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2025

	Notes	Fair value through profit or loss R'000	Amortised cost R'000	Total R'000
Other financial assets	9	5 033	-	5 033
Trade and other receivables	8	-	227 416	227 416
Cash and cash equivalents	12	-	155 976	155 976
		5 033	383 392	388 425

Group - 2024

	Notes	Fair value through profit or loss R'000	Amortised cost R'000	Total R'000
Other financial assets	9	4 882	-	4 882
Trade and other receivables	8	-	214 528	214 528
Cash and cash equivalents	12	-	132 194	132 194
		4 882	346 722	351 604

Company - 2025

	Notes	Amortised cost R'000	Total R'000
Loans to related parties	11	253 269	253 269
Cash and cash equivalents	12	277	277
		253 546	253 546

Company - 2024

	Notes	Amortised cost R'000	Total R'000
Loans to related parties	11	423 950	423 950
Cash and cash equivalents	12	629	629
		424 579	424 579

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37. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2025

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	17	25 572	25 572
Borrowings	16	120 295	120 295
Lease liabilities	4	131 442	131 442
		277 309	277 309

Group - 2024

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	17	22 787	22 787
Borrowings	16	492	492
Lease liabilities	4	112 179	112 179
		135 458	135 458

Company - 2025

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	17	1 008	1 008

Company - 2024

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	17	959	959

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37. Financial instruments and risk management (continued)

Capital risk management

The Group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns.

In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares for cash, sell assets to reduce debt, or increase borrowings. Based on the capital needs of the Group, debt funding arrangements (refer to Note 16) may be entered into to facilitate new developments and growth initiatives. In accessing debt funding, the Group's debt-to-equity ratio shall not exceed the target debt-to-equity ratio of 30%, excluding lease liabilities.

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Borrowings	16	120 295	492	-
Lease liabilities	4	131 442	112 179	-
Trade and other payables	17	25 572	22 787	1 008
Total borrowings		277 309	135 458	1 008
Cash and cash equivalents	12	(155 976)	(132 194)	(277)
Net borrowings		121 333	3 264	731
Equity		2 145 154	2 023 682	1 231 576
Gearing ratio		5,6 %	0,2 %	0,1 %

Financial risk management

Overview

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, price risk and interest rate risk).

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on loans to related parties, trade receivables, lease receivables, cash and cash equivalents and other financial assets.

Credit risk exposure arising on cash and cash equivalents and other financial assets is managed by the Group through dealing with well-established financial institutions with high credit ratings.

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37. Financial instruments and risk management (continued)

In order to mitigate the risk of financial loss from defaults, the Group monitors trade receivable balances on a continuous basis. Trade receivables arise from transactions with students. At the start of the academic period, the student selects their payment plan (i.e., monthly, quarterly or in advance), students are monitored through the academic period to ensure that payments are being made as per agreed terms. Additional measures are taken where accounts are overdue such as contacting students to agree on payment plans. In order for a student to access their final results, graduate or re-register, their accounts are required to be up to date or a repayment plan is in place.

The customer base for students is large and widespread for outstanding fees at year end, and there is no significant exposure to a single debtor at year end. The ECL on trade receivables is calculated on a collective basis for all trade receivables as students are perceived to have a similar risk profile. This is because the majority of the Group's customer base are working adults. Where students are not working adults, working parents/guardians/sponsors are required to stand in as a co-principal debtor. Therefore, the Group views the risk profiles as similar.

The loss allowance has been determined based on the simplified model.

The credit risk for loans to related parties (refer to Note 11) and lease receivables (refer to Note 8) is considered to be low at year end. The counterparties have balances which are not past 30 days due and there are no other factors that have arisen indicating that there has been an increase in significant risk. Continuous engagement ensure timeous payments from counterparties. The Group therefore has assessed that these counterparties are able to meet their payment obligations and the expected loss allowance is immaterial.

Finance lease receivable is settled over a substantial period, and governed by a legal contract signed by the counterparty. All amounts at year end are not past due.

The maximum exposure to credit risk is presented in the table below:

Group	Notes	2025			2024		
		Gross carrying amount R '000	Credit loss allowance R '000	Amortised cost / fair value R '000	Gross carrying amount R '000	Credit loss allowance R '000	Amortised cost / fair value R '000
Other financial assets	9	5 033	-	5 033	4 882	-	4 882
Lease receivables	8	24 828	-	24 828	23 430	-	23 430
Trade and other receivables (excluding lease receivables)	8	445 796	(246 713)	199 083	380 935	(198 503)	182 432
Cash and cash equivalents	12	155 975	-	155 975	132 194	-	132 194
		631 632	(246 713)	384 919	541 441	(198 503)	342 938
Company	Notes	2025			2024		
		Gross carrying amount R '000	Credit loss allowance R '000	Amortised cost / fair value R '000	Gross carrying amount R '000	Credit loss allowance R '000	Amortised cost / fair value R '000
Loans to related parties	11	253 269	-	253 269	423 950	-	423 950
Cash and cash equivalents	12	277	-	277	629	-	629
		253 546	-	253 546	424 579	-	424 579

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37. Financial instruments and risk management (continued)

Liquidity risk

The Group is exposed to liquidity risk, which is the risk that the Group will encounter difficulties in meeting its obligations as they become due.

The Group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

At 31 December 2025, the Group has a revolving credit facility with Standard Bank and Rand Merchant Bank, of which R120 million (2024: Rnil) was utilised from Standard Bank for the current year. Refer to Note 16 for further information. The Company has access to additional resources within the Group to meet its cash obligations as they fall due.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2025

	Notes	Less than 1 year R '000	1 to 2 years R '000	2 to 5 years R '000	Over 5 years R '000	Total R '000	Carrying amount R '000
Non-current liabilities							
Lease liabilities	4	-	19 646	32 801	10 433 068	10 485 515	106 385
Current liabilities							
Trade and other payables	17	25 572	-	-	-	25 572	25 572
Borrowings	16	120 295	-	-	-	120 295	120 295
Lease liabilities	4	29 589	-	-	-	29 589	25 057
		175 456	19 646	32 801	10 433 068	10 660 971	277 309

Group - 2024 *

	Notes	Less than 1 year R '000	1 to 2 years R '000	2 to 5 years R '000	Over 5 years R '000	Total R '000	Carrying amount R '000
Non-current liabilities							
Lease liabilities	4	-	18 600	19 714	10 417 046	10 455 360	80 181
Current liabilities							
Trade and other payables	17	22 787	-	-	-	22 787	22 787
Borrowings	16	492	-	-	-	492	492
Lease liabilities	4	35 673	-	-	-	35 673	31 998
		58 952	18 600	19 714	10 417 046	10 514 312	135 458

* The maturity analysis disclosed in the prior year contained an error in the calculation of the lease liabilities. Refer to note 41 for further details.

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37. Financial instruments and risk management (continued)

Company - 2025

	Notes	Less than 1 year R '000	Total R '000	Carrying amount R'000
Current liabilities				
Trade and other payables	17	1 008	1 008	1 008

Company - 2024

	Notes	Less than 1 year R '000	Total R '000	Carrying amount R '000
Current liabilities				
Trade and other payables	17	959	959	959

Financing facilities

	Group		Company	
	2025 R '000	2024 R '000	2025 R '000	2024 R '000
Rand Merchant Bank revolving credit facility expiring January 2031:				
Available	325 000	-	-	-
Standard Bank revolving credit facility expiring March 2026:				
Available	200 000	100 000	-	-

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37. Financial instruments and risk management (continued)

Foreign currency risk

The Group is exposed to foreign currency risk as a result of certain transactions which are denominated in foreign currencies. The foreign currencies in which the Group deals primarily are US Dollars and Namibian Dollars. The risk associated with the Namibian Dollar is immaterial due to the exchange rate being 1:1 to the South African Rand. The risk to the US Dollar is managed through negotiation of exchange rates with suppliers or customers upfront where possible.

Exposure in Rand

The net carrying amounts, in Rand, of the various exposures, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amounts at the closing rate.

Foreign currency sensitivity analysis

The following information presents the sensitivity of the Group to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group

There is no foreign exchange currency risk for the Group at 31 December 2025 and 2024.

Company

There is no foreign exchange currency risk for the Company at 31 December 2025 and 2024.

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37. Financial instruments and risk management (continued)

Interest rate risk

Fluctuations in interest rates impact on the value of investments, cash and cash equivalents, borrowings, bank overdrafts and lease liabilities, giving rise to interest rate risk.

The Group policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders. The Group most significant interest-bearing financial assets are its investments in unit trusts and money market funds.

The Johannesburg Interbank Average Rate (JIBAR) will be succeeded by the South African Rand Overnight Index Average (ZARONIA) from December 2025. This change did not have an impact for the current reporting period.

The most significant debt in the Group comprises of the Standard Bank revolving credit facility, whose interest is linked to the one-month JIBAR and the Rand Merchant Bank revolving credit facility, whose interest is linked to the ZARONIA. The interest rate has been compared to rates available in the market and is considered to be favourable. The interest rate risk is managed through scenario planning of drawdowns, repayments and monitoring the JIBAR and ZARONIA rate movements. ZARONIA won't have a significant impact for Standard Bank RCF as it is fully settled and terminated in January 2026. Refer to Note 16.

The impact on future periods of the succession of the interest rate from the JIBAR to the ZARONIA will only affect the Group's revolving credit facility, which is already determined using the ZARONIA.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group

The impact on pre-tax profit in the year ended 31 December 2025, of a 25 basis points increase in the interest rate, would result in a net increase in profit of R0.3 million (2024: net increase in profit of R0.3 million) for the Group. A 25 basis points decrease in the interest rate would have an equal, but opposite effect on profit or loss.

Company

The impact of an interest rate movement of 25 basis points would have had no significant change in pre-tax profit for the years ended 31 December 2025 and 31 December 2024.

Price risk

Group

At 31 December 2025, if share prices in the portfolio were 10% (2024: 10%) higher or lower during the period, with all other variables held constant, profit or loss for the year would not be materially affected (2024: increased or decreased by R0.1 million).

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38. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Group		Company	
2025 R '000	2024 R '000	2025 R '000	2024 R '000

Level 1

Recurring fair value measurements

Assets

Note

Financial assets mandatorily at fair value through profit or loss

Unit trusts	9	5 033	4 882	-	-
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39. Going concern

The Group has a strong statement of financial position with a cash balance of R156 million (2024: R132 million) and external debt (excluding lease liabilities) of R120 million (2024: Rnil) and continues to generate strong profits and cash flows for the year ended 31 December 2026.

At 31 December 2025, the Group is in an accumulated profit position. The Company, however, is in an accumulated loss position. The Company's current assets exceed the current liabilities and the Company has access to additional cash resources within the Group to meet its cash obligations as they fall due in the next 12 months.

In assessing the ability of the Group and Company to continue as a going concern, management has considered the following:

- the Group and Company's ability to settle its obligations as they become due and payable in the next 12 months;
- the solvency and liquidity position of the Group and Company (including an assessment before and after any dividend declaration);
- the cash generation ability of the Group and Company, including a review of projected cash flows over the next 5 years; and
- the current and forecast debt utilisation of the Group and Company.

The Group has access to a revolving credit facility of R325 million. At 31 December 2025, the Group had an external debt balance of R120 million, which was used to fund the construction of the new STADIO Higher Education Durbanville campus. Post year end, the Group utilised excess cash to repay the revolving credit facility. The Group has also met all covenant requirements up to the date of the annual financial statement. Refer to Note 16 for the terms of the facility.

Based on the above the Board is satisfied that the Group and the Company are in a sound financial position and have adequate cash resources and access to borrowings to continue to operate as a going concern in the foreseeable future.

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40. Events after the reporting period

STADIO Higher Education Waterfall campus

In February 2026, the Group concluded an agreement with Curro Holdings Limited to acquire a portion of the Curro Waterfall building for R18 million. The acquisition of the building is to support the expansion of the STADIO Higher Education Waterfall campus.

Bank facility

In January 2026, the Standard Bank revolving credit facility of R120 million was repaid and the facility terminated.

The Rand Merchant Bank (RMB) facility of R325 million was utilised, R65 million in January 2026, and was fully settled in February 2026. Refer to Note 16 for more information on the facility.

Dividend

The Board resolved and approved that on 16 March 2026, the Group declared a dividend of 18.4 cents per share (R156 million) from income reserves for the year ended 31 December 2025, which is payable on 28 April 2026. The dividend amount, net of South African dividends tax of 20%, is 14.72 cents per share.

Save as set above, the directors are not aware of any further material events which occurred after the reporting date and up to the date of this report.

41. Prior period restatement

Lease liabilities maturity profile

The Group has restated the prior year comparative period to correctly reflect the maturity analysis of the lease liabilities. The maturity analysis previously reported included an error in the ageing calculation. This had no impact on the statement of financial position, statement of comprehensive income, statement of changes in equity and the statement of cash flows.

Lease liabilities

	Group		
	Audited 2024	Adjustment	Audited Restated 2024
	R '000	R '000	R'000
Within one year	37 344	(1 671)	35 673
Within two to five years	46 063	(7 749)	38 314
Within six to ten years	50 428	(12 607)	37 821
Within eleven to fifty years	1 852 711	(463 178)	1 389 533
More than 50 years	11 986 256	(2 996 564)	8 989 692
	13 972 802	(3 481 769)	10 491 033
Less finance charges component	(13 860 623)	3 481 769	(10 378 854)
	112 179	-	112 179
Non-current liabilities	80 181	-	80 181
Current liabilities	31 998	-	31 998
	112 179	-	112 179

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41. Prior period restatement (continued)

Liquidity risk

Group

Audited 2024

	Less than 1 year R '000	1 to 2 years R '000	2 to 5 years R '000	Over 5 years R '000	Total R '000	Carrying amount R '000
Non-current liabilities						
Lease liabilities	-	17 561	25 690	13 889 395	13 932 646	80 181
Current liabilities						
Lease liabilities	35 199	-	-	-	35 199	31 998
	35 199	17 561	25 690	13 889 395	13 967 845	112 179

Adjustment

Non-current liabilities						
Lease liabilities	-	1 039	(5 976)	(3 472 349)	(3 477 286)	-
Current liabilities						
Lease liabilities	474	-	-	-	474	-
	474	1 039	(5 976)	(3 472 349)	(3 476 812)	-

Audited restated 2024

Non-current liabilities						
Lease liabilities	-	18 600	19 714	10 417 046	10 455 360	80 181
Current liabilities						
Lease liabilities	35 673	-	-	-	35 673	31 998
	35 673	18 600	19 714	10 417 046	10 491 033	112 179

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Shareholders' Analysis

1. Distribution of shareholders

Range of shareholding 2025

	Number of shareholders	% of shareholders	Number of shares '000	% of issued shares
1 - 10 000	18 671	87,5	20 107	2,4
10 001 - 100 000	2 211	10,4	64 321	7,6
100 001 - 1 000 000	362	1,7	107 373	12,7
More than 1 000 000	93	0,4	653 985	77,3
	21 337	100,0	845 786	100,0

Range of shareholding 2024

	Number of shareholders	% of shareholders	Number of shares '000	% of issued shares
1 - 10 000	18 028	86,8	19 387	2,3
10 001 - 100 000	2 265	10,9	66 198	7,8
100 001 - 1 000 000	385	1,9	113 951	13,4
More than 1 000 000	92	0,4	648 764	76,5
	20 770	100,0	848 300	100,0

Public and non-public shareholding 2025

	Number of shareholders	% of shareholders	Number of shares '000	% of issued shares
Public shareholders	21 324	99,9	639 764	75,6
Non-public shareholders	13	0,1	206 022	24,4
Where non-public shareholders consist of:				
PSG Group Proprietary Limited ¹	1	-	173 660	20,5
STADIO Khulisa Student Share Scheme (consisting of 2 955 graduates)	1	-	1 009	0,1
Directors (including prescribed officers and subsidiary directors) ²	11	0,1	31 353	3,7
	21 337	100,0	845 786	100,0

Public and non-public shareholding 2024

	Number of shareholders	% of shareholders	Number of shares '000	% of issued shares
Public shareholders	20 754	99,9	666 320	78,5
Non-public shareholders	16	0,1	181 980	21,5
Where non-public shareholders consists of:				
PSG Group Proprietary Limited	1	-	145 868	17,2
BBBEE Private Placement (consisting of 483 individuals)	1	-	-	-
Brimstone Investment Corporation Limited	1	-	-	-
STADIO Khulisa Student Share Scheme (consisting of 2 955 graduates)	1	-	896	0,1
Directors (including prescribed officers and subsidiary directors)	12	0,1	35 216	4,2
	20 770	100,0	848 300	100,0

Stadio Holdings Limited

(Registration number 2016/371398/06)

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2. Major shareholders

The following shareholders have a holding of greater than 5% of the issued shares of the Company:

2025	Number of shares '000	% of shares held
Coronation Fund Managers Limited	202 945	24,0
PSG Group Proprietary Limited ¹	173 660	20,5
ThembiSA Investco 2 Proprietary Limited	43 565	5,1

2024	Number of shares '000	% of shares held
Coronation Fund Managers Limited	164 038	19,3
PSG Group Proprietary Limited	145 868	17,2
ThembiSA Investco 2 Proprietary Limited	43 565	5,1

¹ PSG Group Proprietary Limited has an indirect shareholding in ThembiSA Investco 2 Proprietary Limited. During the year, the 3.3% shareholding previously held by another PSG Group entity, was transferred to PSG Group.

² Dr Chris van der Merwe retired as a non-executive director in June 2025. He held 6.5 million shares in 2024 which are not included in 2025.