

CURRO HOLDINGS LIMITED

Incorporated in the Republic of South Africa
 (Registration No. 1998/025801/06)
 JSE Equity Alpha Code: COH
 LEI: 378900E237CB40F0BF96
 ISIN: ZAE000156253
 JSE Debt Alpha Code: COHI
 (“Curro” or “the Company”)



TRADING STATEMENT AND PUBLICATION DATE OF THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

In terms of the JSE Limited Listings Requirements, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the next period to be reported on will differ by 20% or more from the financial results for the previous corresponding period. The Company hereby advises that it expects the financial results for the year ended 31 December 2022 to fall within the following ranges:

	Reported results for the year ended 31 December 2021	Forecast for the year ended 31 December 2022	
	cents	cents	change
Recurring headline earnings per share (“RHEPS”)	40.9	51.5 to 59.5	Increase of between 25.9% and 45.5%
Headline earnings per share (“HEPS”)	40.9	57.4 to 65.5	Increase of between 40.4% and 60.1%
Earnings per share (“EPS”)	43.3	35.8 to 44.3	Between a decrease of 17.3% and an increase of 2.3%

In evaluating these results, shareholders should take the following into account, which also accounts for the key differences between RHEPS, HEPS and EPS:

- Curro’s Meridian subsidiary received long-overdue education subsidy income from provincial government of R29 million this year, which is treated as non-recurring. This subsidy income is included in the calculation of EPS and HEPS but is removed for purposes of the calculation of RHEPS.
- The South African corporate tax rate for years of assessment ending on or after 31 March 2023 will change to 27% from the current 28%. Curro had a deferred tax liability balance of R664 million at the end of the previous financial year. The impact of the rate change on deferred tax is a reduction of the deferred tax expense for the year of R23.6 million, which is included in EPS and HEPS but is non-recurring and removed for purposes of the calculation of RHEPS.
- Following the annual impairment assessment review of the business plans for each school as required by International Financial Reporting Standards (IFRS) in terms of *IAS 36 Impairment of Assets*, the Company recognised impairments of R127 million (net of tax) in the 2022 financial year, relating to lower-yielding school assets. These impairment charges are included in the calculation of EPS but are added back for purposes of the calculation of HEPS and RHEPS.

The weighted average number of shares in issue for the year ended 31 December 2022 was 594 435 656. Shareholders are referred to the various SENS announcements published in 2022 regarding the acquisition of Curro shares by the Curro Holdings Limited Executive Long-Term Incentive Trust.

The Company had 597 961 595 shares in issue throughout the 2022 financial year and the previous comparable period.

Learner numbers

Curro experienced strong enrolment interest in 2023 and had 72 835 registered learners on 10 February 2023, compared to 70 408 learners on 23 February 2022. Management's disciplined termination of long overdue accounts restrained the overall learner growth from the previous year, but we are confident that this responsible approach will sustain and improve the group's operating margin.

Results announcement

The Company is currently finalising its financial results for the year ended 31 December 2022. These results will be published on Thursday, 2 March 2023 and a webcast of the results presentation is scheduled for 10:30 on Thursday, 2 March 2023.

The financial information on which this trading statement is based has not been reviewed or reported on by the auditor of the Company.

Durbanville
13 February 2023

Equity and Debt Sponsor
PSG Capital



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