Stadio Holdings Limited
(Registration number 2016/371398/06)
Annual Financial Statements
for the year ended 31 December 2024

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	**Executive** Chris Vorster Ishak Kula Divya Singh **Non-Executive** Vincent Maphai Mathukana Mokoka Busisiwe Vilakazi Tom Brown Chris van der Merwe Nico de Waal * * Dries Mellet (alternate to Nico de Waal)
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

General Information

Independent sponsor	PSG Capital Proprietary Limited (PSG Capital)
The Companies Act	Companies Act of South Africa, 71 of 2008 as amended
King IV™	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
Annual financial statements	Consolidated and Separate Financial Statements for the year ended 31 December 2024
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)

Contents

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 2024. This report has been prepared in terms of section 94 of the Companies Act, King IV ™ 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, which were reviewed, with no material changes, during the financial year.

The ARC's main purpose is to assist the Board by providing an objective and independent view on 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

There were no changes in the composition of the ARC during the year. 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 auditors
Tom Brown		2 of 2	
Busisiwe Vilakazi		2 of 2	

2. Focus areas

<table>
<tr><th>2024 Key activities</th><th>2025 Focus areas</th></tr>
<tr><td>

2.1 Annual Financial Statements

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 :

- 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.

The ARC engaged with, and supported, Mr Ishak Kula, who joined as CFO on 1 January 2024 and was pleased that there were no disruptions during the transition phase.

Furthermore, good progress was made on the Group's financial systems during the year, with the introduction of a new management reporting and consolidation tool, Finnivo™, which has assisted in streamlining the monthly and annual financial reporting processes.

</td><td>

- Continued focus on ensuring the Group's financial systems and processes are automated, streamlined, and operating effectively.

</td></tr>
</table>

Audit and Risk Committee Report

<table>
<tr>
<td>
2.2 Key audit matters

The ARC applied its mind to the 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.

These following items require significant judgment and include the assessment of assumptions and estimates used in assessing:

• the valuation and/or impairment of indefinite useful life intangible assets;
• the valuation and/or impairment of goodwill;
• the recoverability of debtors and the appropriateness of the loss allowance; and
• the utilisation and recoverability of the assessed loss and associated deferred tax asset.

The Group has made good progress on its debt management with the introduction of systems and processes aiding debt collection and debt management improvements.
</td>
<td>
• 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.

• Continued monitoring of the appropriateness of the financial systems.
</td>
</tr>
<tr>
<td>
2.3 Financial reporting procedures, accounting practices and internal control

As required by JSE Listings Requirement 3.84(g)(ii), the ARC ensured that
• 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.

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.

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.
</td>
<td>
• 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.
</td>
</tr>
<tr>
<td>
2.4 External auditor

• 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 2024 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)
</td>
<td>
• Ongoing assessment of the auditors independence and suitability.

• Regular engagement with the auditors, if, or as, required.
</td>
</tr>
</table>

Audit and Risk Committee Report

<table>
<tr><td>
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.

• The ARC recommended the reappointment of PwC to the Board and the shareholders at the AGM in June 2024 and, having considered inter alia, paragraph 3.84(g)(iii) of the JSE Listing Requirements and the information stated in paragraph 22.15(h) of the JSE Listing Requirements, believes the external auditor is suitable for reappointment and therefore recommended the reappointment of PwC, to the Board, for 2025. This recommendation will be presented to shareholders during the AGM to be held in June 2025.

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 Department Higher Education and Training (DHET) and tax consulting services for STADIO Namibia.
</td><td></td></tr>
<tr><td>
2.5 Internal Audit and control environment

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.

The internal audit function is outsourced to BDO Advisory Services Proprietary Limited (BDO), for a three-year period which commenced in 2022.

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.

The ARC continues to guide management in their journey to a fully combined assurance approach and notes that good progress has been made to date.

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 2024.
</td><td>
• 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.

• Continued progress and input into a fully combined assurance model.
</td></tr>
<tr><td>
2.5 Risk governance

Oversight of the risk management function is assigned to the ARC, who reports back to the Board accordingly.

During the year, the ARC assessed the implementation of the Group’s risk strategy and framework, and considered the

• Group’s material matters and amended these as necessary;

• Group’s strategic risk register, noting the Group’s top strategic risks (including the impacts of the South African economic environment, cyber security risk, change management on the Group; the energy crisis, and likely impacts of climate-related risks on the Group);

• adequacy of the mitigation strategies in place to reduce the risk to
</td><td>
• Continued assessment of changes in risk levels evaluation of risk mitigation strategies.

• Review of risk appetite and tolerance against best practice.
</td></tr>
</table>

Audit and Risk Committee Report

<table>
<tr><td>
acceptable tolerance level;
• considered the implications of IFRS S1 and S2 on the Group’s reporting requirements
• recommended a more streamlined process for reporting on, and disclosing, risks going forward

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.
</td><td></td></tr>
<tr><td>
2.6 Insurance and Treasury Matters

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.

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.

In addition, through this assessment, the ARC recommended a dividend of 15.1 cents per share to the Board for approval in March 2025, confirming that the Group met the solvency and liquidity requirements before and following the dividend declaration.

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 of the Group.
</td><td>
• Ongoing evaluation of Dividend Declaration Policy.

• Capital requirements and any debt funding needed for the Group’s Durbanville comprehensive campus and other growth opportunities.
</td></tr>
<tr><td>
2.7 Evaluation of Chief Financial Officer (CFO)

Mr Ishak Kula CA(SA) was appointed as the Group’s CFO, effective 1 January 2024.

As required by paragraph 3.84(g)(i) of the JSE Listings Requirements, the ARC assessed, the experience and expertise of the CFO, and 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.
</td><td>
• Continued monitoring and improvement of the finance function and structure.
</td></tr>
</table>

Audit and Risk Committee Report

2. 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 satisfied that it discharged its responsibilities and duties in accordance with its mandate throughout the year under review. As chairperson of ARC, I would like to thank my fellow ARC members, the external and internal auditors, and management for their contributions to the ARC throughout the year. It has been pleasing to see the finance team's efficiency and process improvements over the past few years, yielding results.

On behalf of the ARC

Mathukana Mokoka (CA)SA
ARC Chairperson
21 March 2025

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 2025 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 26.

The annual financial statements set out on pages 27 to 108, which have been prepared on the going concern basis, were approved and authorised for issue by the board of directors on 21 March 2025 and were signed on their behalf by:

Chris Vorster **Chief Executive Officer**	**Ishak Kula** **Chief Financial Officer**

Chief Executive Officer and Chief Financial Officer responsibility statement

Each of the directors, whose names are stated below, hereby confirm that:

a) The annual financial statements set out on pages 27 to 108, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;

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 have 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 and Risk 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
21 March 2025

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 2024.

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 the 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 R1.6 billion (2023: R1.4 billion), driven by an 8% growth in student numbers. Total student numbers for Semester 2 increased to 50 039 (2023: 46 508), with a notable 14% increase in new contact learning students at STADIO Higher Education. The profit attributable to owners of the parent for the year under review increased by 26% to R262 million (2023: R208 million).

The statement of financial position remains strong with no external debt, other than lease liabilities, and a cash balance of R132 million (2023: R130 million), alongside shareholders' equity of R1.96 billion (2023: R1.80 billion). Cash generated from operations increased by 29% to R465 million supported by positive working capital changes.

A total of R106 million was invested in capital expenditure, with R32 million allocated to the new Durbanville campus and other campus-related development, R16 million to solar installations and R29 million to new curriculum and software development.

The Group also settled the R117.5 million for the shares acquired from a non-controlling shareholder at the previous financial year end, in addition to paying an additional R5.9 million for the additional shares (0.76%) from another non-controlling shareholder during the current year.

A dividend of 15.1 cents per share was declared, reflecting a 51% increase from the prior year (2023: 10 cents per share), with return on equity increasing by 16% to 13.6% (2023: 11.7%).

3. Share capital

The directors are committed to preserving stakeholder value and accordingly entered into a number of repurchase programmes during the year.

In December 2023, the Board approved a repurchase programme, authorising the purchase of R15 million of shares from the market, to counter the dilutionary impact of future share issues relating to the Group's Share Incentive Scheme.

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

In September 2024, the Company issued 0.872 million shares to the Group Share Incentive Trust (SIT) for R5.3 million to settle its obligation under the SIT (refer to note 15).

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 15.1 cents per share from income reserves, payable on 29 April 2025 (2023: 10 cents per share). The Board has adopted a policy of declaring and paying dividends on an annual basis based on excess free-cash flow 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 16.1% (2023: 16.9%).
During the year, the Group acquired an additional 0.76% equity interest from one of the non-controlling shareholders for a purchase consideration of R5.9 million.

7. Directorate

Mr Ishak Kula was appointed as the Group's Chief Financial Officer and an executive director effective 1 January 2024.

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		
Non-executive:		
Chris van der Merwe[1]		
Nico de Waal		
Dries Mellet (alternate to Nico de Waal)		
Executive		
Chris Vorster	Chief Executive Officer	
Ishak Kula	Chief Financial Officer	Appointed 1 January 2024
Divya Singh	Chief Academic Officer	

[1] In February 2025, Chris van der Merwe informed the Board that he will retire at the Company's AGM, to be held on 19 June 2025, and will not make himself available for re-election when his directorship comes up for rotation. 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, his successful tenure as CEO of STADIO Group.

Chris van der Merwe's retirement from the Board does not give rise to a vacancy on the Board. The Board reviews the composition of its membership continuously and will appoint additional directors when a need for specific expertise or an appropriate candidate is identified.

Directors' Report

8. Special resolutions

The special resolutions were approved by the shareholders at the AGM held on 19 June 2024. 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 2024;
- Any direct or indirect financial assistance, in terms of section 45(3)(a)(ii) of the Companies Act, that the Board deems fit, to any director, prescribed officer or Company that is related or interrelated to the Company on the terms and conditions determined by the Board until the next AGM;
- the Board of the Company, in terms of section 44(3)(a)(ii) of the Companies Act, 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 169 485 588 Shares.
- The Company entered into a general repurchase programme in December 2023, whereby the Company repurchased 3.1 million shares in the market between 1 January 2024 and 15 March 2024. All shares repurchased by the Company have been cancelled. Furthermore, the Company, through the SIT, repurchased 4.8 million shares during 2023. These share repurchases were to fulfill the Company's obligations under the Group's long-term share incentive scheme. As at 21 March 2025, 19.3% remains of the Group’s above general authority.

Directors' Report

9. Directors' interests in shares

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

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**

2023

Ordinary shares	Direct '000	Indirect '000	Total '000
Chris Vorster	-	17 043	17 043
Samara Totaram	1 391	-	1 391
Divya Singh	1 387	180	1 567
Chris van der Merwe	-	6 448	6 448
Nico de Waal	154	1 783	1 937
Dries Mellet	4	2 032	2 036
Vincent Maphai	440	20	460
Mathukana Mokoka	174	30	204
Tom Brown	100	-	100
Busisiwe Vilakazi	1	-	1
	3 651	**27 536**	**31 187**

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.

Directors' Report

10. Going concern

The Group has a strong statement of financial position with no external funding (other than lease liabilities) and continues to generate strong profits and cash flows for the year ended 31 December 2024.

At 31 December 2024, 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 R100 million, with an option to increase the revolving credit facility by an additional R100 million. At 31 December 2024, the Group has no external debt. 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 40 of the annual financial statements.

11. Events after the reporting period

In February 2025, Chris van der Merwe informed the Board that he will retire as a non-executive director of the Board at the AGM to be held on 19 June 2025.

The Board resolved and approved that on 24 March 2025, the Group declared a dividend of 15.1 cents per share (R128 million) from income reserves for the year ended 31 December 2024, which is payable 29 April 2025. The dividend amount, net of South African dividends tax of 20%, is 12.08 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 2024.

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

Directors' Report

14. Sponsors

PSG Capital acted as the Group's sponsor in 2024 and will continue this function in 2025. 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. In accordance with the JSE Listing Requirements, all listed entities are required to have an independent sponsor appointed at all times.

15. Corporate Governance

The directors endorse the King IV (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 directors are responsible for ensuring that the Group and Company comply with all of its statutory and regulatory obligations. The board of directors 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 Board wishes to thank our students, shareholders and other stakeholders for your continued support during 2024 and going forward. During 2024, we exceeded a major milestone of enrolling more than 50 000 students! This accomplishment, coupled with the efficiencies that are now showing in the Group, has resulted in a stellar performance for the Group in 2024. We are excited about the positive impact our institutions can continue to make in the lives of our students and in South Africa as a whole, through the provision of quality higher education for more individuals in the future.

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 2024, and its consolidated and separate financial performance and 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 27 to 108 comprise:

- the consolidated and separate statements of financial position as at 31 December 2024;
- 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.

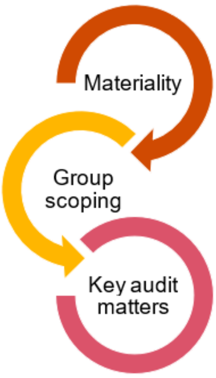
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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) 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 18.3 million, which represents 4.8% of profit before taxation.
- Company materiality: R 14 million, which represents 1% of total assets.

Group audit scope

- The Group consists of eighteen components, of which seventeen operate in the Republic of South Africa and one in Namibia. All operating locations of the group were visited by the group audit team.
- Full scope audits were performed for four components due to their financial significance.
- Furthermore, we performed an audit of one or more account balances, over four of the components.
- The remaining ten 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 18.3 million	R 14 million
How we determined it	4.8% of profit before taxation	1% of 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 total assets as benchmark because, in our view, the entity's key driver to the financial statements is total assets. We choose 1% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply for asset-driven 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 organization or legal structure and its 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 four components namely SHE, AFDA, Milpark and Corporate Services due to their financial significance to the group. Furthermore, we performed an audit of one or more account balances, over other four of the components. The remaining ten 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
Impairment assessment of goodwill and other indefinite life intangible assets *This key audit matter relates to the consolidated financial statements only.* 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 61.2 million. This amounts to a total of R 869.8 million classified as indefinite life intangible assets. Refer to notes 1.2, 1.5, 5 and 6 to the consolidated financial statements for disclosure regarding this key audit matter. 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"). 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: ● Discount rate; ● Terminal growth rate; ● Cash flow assumptions relating to tuition fee increases, student number growth and operating expenses growth.	We performed the following audit procedures: ● 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. Based on our work performed, 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. ● 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. ● We compared the discount and terminal growth rates used by management to our independently developed benchmarks, which are based on various economic indicators. The rates used by management were found to be within an acceptable range of our independently determined range of discount and terminal growth rates.

Key audit matter	***How our audit addressed the key audit matter***
Impairment assessment of goodwill and other indefinite life intangible assets (continued) Based on results of the assessment performed, no impairment was recognised for goodwill and other indefinite life intangible assets. We considered the impairment assessment of goodwill and other indefinite life intangible assets to be a matter of most significance in our current year audit due to the following: ● The judgement and estimates applied by management in performing the impairment assessment; and ● The magnitude of these balances in relation to the consolidated financial statements.	● 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.
Expected credit losses on trade receivables *This key audit matter relates to the consolidated financial statements only.* Trade receivables consist of gross receivables and an expected credit loss ("ECL") provision which amounted to R380.9 million and R198.5 million, respectively, in the consolidated financial statements. Refer to notes 1.2, 1.6 and 8 to the consolidated financial statements for disclosure regarding this key audit matter. As described in the "Accounting policies, Significant judgements and sources of estimation uncertainty" section of the consolidated financial statements, 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 to estimate the ECL provision.	In assessing management's expected credit losses: ● 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 analysed the collection of receivables in the respective ageing categorisations and independently calculated the historical loss rates, which were compared to management's loss rates. We recalculated the ECL based on the historical loss rates that were independently recalculated and noted no material differences when comparing the ECL to our independent calculation thereof.

Key audit matter	*How our audit addressed the key audit matter*
Expected credit losses on trade receivables (continued) 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, right from its initial recognition. As a practical expedient, the Group uses a provision model to determine the impairment loss allowance on the trade receivables. The provision model is based on its historically observed default rates over the expected life (2 years) of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. We considered the determination of the expected credit loss on the trade and other receivable to be a matter of most significance in the current year audit due to the judgement applied to assess the recoverability of the trade receivables and the credit risk associated with it.	• We evaluated forward looking information by assessing the movement in inflation, gross domestic product growth and unemployment rate for the current year and the expected movement for the forthcoming year. This was considered reasonable given the industry and economic climate.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Stadio Holdings Limited Annual Financial Statements for the year ended 31 December 2024", which include(s) 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 other sections of the document titled "Stadio Holdings 2024 Integrated Report", 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 9 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Viresh Harri
Registered Auditor
Cape Town, South Africa
21 March 2025

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.

Consolidated and Separate Statements of Financial Position as at 31 December 2024

		Group		Company	
	Notes	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Assets					
Non-Current Assets					
Property, plant and equipment	3	889 425	872 281	-	-
Right-of-use assets	4	61 942	65 062	-	-
Goodwill	5	751 082	751 082	-	-
Intangible assets	6	171 545	151 872	-	-
Investments in subsidiaries	7	-	-	979 040	979 040
Trade and other receivables	8	22 031	20 533	-	-
Other financial assets	9	4 882	16 244	-	-
Deferred tax asset	10	89 614	75 844	-	-
Loans to related parties	11	-	-	295 857	427 366
		1 990 521	**1 952 918**	**1 274 897**	**1 406 406**
Current Assets					
Trade and other receivables	8	208 294	196 544	-	-
Loans to related parties	11	-	-	128 093	85 051
Current tax receivable		39 328	36 203	-	-
Cash and cash equivalents	12	132 194	130 323	629	15 132
		379 816	**363 070**	**128 722**	**100 183**
Non-current assets held for sale	13	18 982	-	-	-
Total Assets		**2 389 319**	**2 315 988**	**1 403 619**	**1 506 589**
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	14	1 618 939	1 628 781	1 618 939	1 628 781
Treasury shares	14	(790)	(17 114)	-	-
Share based payments reserve	15	22 176	24 361	-	-
Accumulated profit/(loss)		316 587	158 541	(216 279)	(129 933)
		1 956 912	1 794 569	1 402 660	1 498 848
Non-controlling interest	14	66 770	67 633	-	-
Total equity		**2 023 682**	**1 862 202**	**1 402 660**	**1 498 848**
Liabilities					
Non-Current Liabilities					
Lease liabilities	4	80 181	80 298	-	-
Deferred tax liability	10	64 654	51 897	-	-
Trade and other payables	18	968	-	-	-
		145 803	**132 195**	**-**	**-**
Current Liabilities					
Lease liabilities	4	31 998	34 715	-	-
Borrowings	16	492	237	-	-
Loans from group companies	17	-	96	-	7 201
Trade and other payables	18	75 261	185 753	959	540
Contract liabilities	19	111 383	100 715	-	-
Current tax payable		700	75	-	-
		219 834	**321 591**	**959**	**7 741**
Total Liabilities		**365 637**	**453 786**	**959**	**7 741**
Total Equity and Liabilities		**2 389 319**	**2 315 988**	**1 403 619**	**1 506 589**

Consolidated and Separate Statements of Comprehensive Income

		Group		Company	
	Notes	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Revenue	20	1 611 665	1 413 650	-	-
Other income	21	15 408	15 055	-	-
Loss allowance	8	(140 589)	(127 167)	-	-
Fair value losses on financial instruments	22	(21)	(21)	-	-
Employee costs	23	(665 496)	(586 092)	-	-
Operating expenses	23	(362 724)	(324 885)	(1 871)	(1 753)
Earnings/(loss) before interest, taxation, depreciation and amortisation (EBITDA)		**458 243**	**390 540**	**(1 871)**	**(1 753)**
Depreciation and amortisation	24	(71 092)	(70 474)	-	-
Impairment	24	(7 000)	-	-	-
Earnings/(loss) before interest and taxation (EBIT)		**380 151**	**320 066**	**(1 871)**	**(1 753)**
Investment income	25	19 235	20 640	268	148
Finance costs	26	(17 367)	(16 677)	-	-
Profit/(loss) before taxation		**382 019**	**324 029**	**(1 603)**	**(1 605)**
Taxation	27	(106 137)	(87 767)	-	-
Profit/(loss) for the year		**275 882**	**236 262**	**(1 603)**	**(1 605)**
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the year		**275 882**	**236 262**	**(1 603)**	**(1 605)**
Profit/(loss) attributable to:					
Owners of the parent		261 939	208 247	(1 603)	(1 605)
Non-controlling interest		13 943	28 015	-	-
		275 882	**236 262**	**(1 603)**	**(1 605)**
Total comprehensive income/(loss) attributable to:					
Owners of the parent		261 939	208 247	(1 603)	(1 605)
Non-controlling interest		13 943	28 015	-	-
		275 882	**236 262**	**(1 603)**	**(1 605)**

Earnings per share (cents)

Per share information

	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Basic earnings per share	28	30,9	24,5	-	-
Diluted earnings per share	28	30,5	24,1	-	-

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 2023	**1 628 517**	**(145)**	**16 960**	**126 853**	**1 772 185**	**109 517**	**1 881 702**
Profit for the year	-	-	-	208 247	**208 247**	28 015	**236 262**
Other comprehensive income	-	-	-	-	**-**	-	**-**
Total comprehensive income for the year	**-**	**-**	**-**	**208 247**	**208 247**	**28 015**	**236 262**
Issue of shares for settlement of employee share incentive scheme	14 652	(14 652)	-	-	**-**	-	**-**
Shares repurchased and cancelled (Refer to Note 14)	(14 226)	-	-	-	**(14 226)**	-	**(14 226)**
Settlement of employee share incentive scheme	-	19 756	(6 377)	(20 506)	**(7 127)**	-	**(7 127)**
Share issue costs	(162)	-	-	-	**(162)**	-	**(162)**
Share-based payment charge	-	-	13 778	-	**13 778**	-	**13 778**
Acquisition of treasury shares (Refer to Note 14)	-	(22 073)	-	-	**(22 073)**	-	**(22 073)**
Transaction with non-controlling interest (Refer to Note 14)	-	-	-	(80 377)	**(80 377)**	(52 554)	**(132 931)**
Dividends (Refer to Note 14)	-	-	-	(75 676)	**(75 676)**	(17 345)	**(93 021)**
Total contributions by and distributions to owners of Company recognised directly in equity	**264**	**(16 969)**	**7 401**	**(176 559)**	**(185 863)**	**(69 899)**	**(255 762)**

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
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	-	-	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 31 December 2024	**1 618 939**	**(790)**	**22 176**	**316 587**	**1 956 912**	**66 770**	**2 023 682**
Notes	14	14	15			14	

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 2023	**1 628 517**	**-**	**-**	**(52 631)**	**1 575 886**	**-**	**1 575 886**
Loss for the year	-	-	-	(1 605)	**(1 605)**	-	**(1 605)**
Other comprehensive income	-	-	-	-	**-**	-	**-**
Total comprehensive loss for the year	**-**	**-**	**-**	**(1 605)**	**(1 605)**	**-**	**(1 605)**
Issue of shares	14 652	-	-	-	**14 652**	-	**14 652**
Share issue costs	(162)	-	-	-	**(162)**	-	**(162)**
Shares repurchased and cancelled (Refer to Note 14)	(14 226)	-	-	-	**(14 226)**	-	**(14 226)**
Dividends (Refer to Note 14)	-	-	-	(75 697)	**(75 697)**	-	**(75 697)**
Total contributions by and distributions to owners of Company recognised directly in equity	**264**	**-**	**-**	**(75 697)**	**(75 433)**	**-**	**(75 433)**
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 31 December 2024	**1 618 939**	**-**	**-**	**(216 279)**	**1 402 660**	**-**	**1 402 660**
Notes	14	14	15				

Consolidated and Separate Statements of Cash Flows

		Group		Company	
		2024	2023	2024	2023
		R '000	R '000	R '000	R '000
Cash flows from/(used in) operating activities					
Cash generated from/(used in) operations	30	465 186	360 268	(5 275)	59
Investment income received	33	17 336	17 038	268	148
Finance costs paid	34	(17 367)	(16 677)	-	-
Taxation paid	31	(109 622)	(114 903)	-	-
Net cash from/(used in) operating activities		**355 533**	**245 726**	**(5 007)**	**207**
Cash flows (used in)/from investing activities					
Purchase of property, plant and equipment	3	(76 702)	(37 336)	-	-
Proceeds from disposal of property, plant and equipment		363	426	-	-
Purchase of intangible assets	6	(29 407)	(22 356)	-	-
Acquisition of other financial assets	9	(109)	(655)	-	-
Proceeds from disposal of other financial assets	9	12 000	-	-	-
Loans repaid by related party	11	-	-	125 635	102 267
Loans advanced to related party	11	-	-	(33 345)	-
Net cash (used in)/from investing activities		**(93 855)**	**(59 921)**	**92 290**	**102 267**
Cash flows used in financing activities					
Share issue costs	14	(171)	(162)	(171)	(162)
Issue of shares	14	-	-	5 278	2 743
Acquisition of shares from non-controlling interest	14	(123 362)	(15 431)	-	-
Repayment of loans received from related parties	11	-	-	(7 201)	-
Proceeds from borrowings	32	102 176	221	-	-
Repayment of borrowings	32	(102 006)	(52)	-	-
Payment of principal portion of lease liabilities	32	(28 464)	(62 163)	-	-
Dividends paid to non-controlling shareholders	14	(11 299)	(17 345)	-	-
Dividends paid to shareholders	14	(84 674)	(75 676)	(84 743)	(75 697)
Cash received on exercise of share options by employees		2 942	3 319	-	-
Share repurchases	14	(14 949)	(36 400)	(14 949)	(14 226)
Net cash used in financing activities		**(259 807)**	**(203 689)**	**(101 786)**	**(87 342)**
Total cash and cash equivalents movement for the year		**1 871**	**(17 884)**	**(14 503)**	**15 132**
Cash and cash equivalents at the beginning of the year		130 323	148 207	15 132	-
Total cash and cash equivalents at end of the year	12	**132 194**	**130 323**	**629**	**15 132**

Accounting Policies

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.

The research phase consists mainly of the search for potential programmes to offer (which may include programmes on different modes of delivery and including alternative assessment practices to yield the best academic results). The costs related to the research phase are clearly distinguished from development costs and are expensed as incurred. Once a programme has been identified for development and offered within the Group, authorised senior management internally approve of the development and the academic team then commences with the development process. The capitalisation of costs pertaining to curriculum development only commence at this point. The development phase consists mainly of developing the learning programme and curriculum framework (which includes the processes relating to the design, delivery, assessment moderation 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 approved for development, management dedicates enough resources (technical, financial, and other resources such as existing staff and external consultants) to complete the programmes, which will ultimately be used by the Group to deliver qualifications to students and thereby generating economic benefits for the Group.

The development and design of the learning programme 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, certain staff dedicate part of their time in developing the curriculum framework. 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.

1.2 Significant judgements and sources of estimation uncertainty (continued)

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 South African Qualifications Authority (SAQA) is required prior to offer of any formal programme, 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.

Curriculum material and trademarks useful lives

Curriculum material costs that require accreditation with CHE, are capitalised and 51% of the capitalised curriculum material are treated as an asset with indefinite useful life. This is due to the fact that institutions are able to change up to 50% of the programme offered to students without DHET needing to re-accredit the programme offered. The balance of the curriculum material costs are treated as an intangible asset with a finite useful life.

The curriculum material and trademarks that 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.

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 R15.4 million (2023: R8.2 million).

1.2 Significant judgements and sources of estimation uncertainty (continued)

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.

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 27 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 and Separate Statements of Changes in Equity .

Accounting Policies

1.3 Consolidation (continued)

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

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.

1.3 Consolidation (continued)

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.

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	shorter of lease term or useful life
Alternative power supply	Straight line	shorter of lease term or 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.

Accounting Policies

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.

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.

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

Accounting Policies

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.

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 assets and financial liabilities are measured at fair value at initial recognition.
Transaction costs on financial assets and financial liabilities at fair value through profit or loss are recognised in profit or loss.
For financial assets and financial liabilities that are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Accounting Policies

1.6 Financial instruments (continued)

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 related parties (Note 11) are classified as financial assets subsequently measured at amortised cost.

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 mandatorily classified 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 (Note 17) and borrowings (Note 16) are classified as financial liabilities subsequently measured at amortised cost.

Trade and other payables

Trade and other payables (Note 18) 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.

Accounting Policies

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. 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.

Write-off policy

Financial assets are written off when there are indicators that there is no reasonable expectation of recovery. Indicators for trade receivables include students not re-enrolling, students not responding to payment requests and no longer being contactable. 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.

Accounting Policies

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.

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 26).

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.

Accounting Policies

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 21).

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 25).

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.

Accounting Policies

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.

Accounting Policies

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 26) 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.

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.

Accounting Policies

1.20 Revenue from contracts with customers

The Group derives revenue from the transfer of services over 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:

- Revenue from 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 bases 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.

Accounting Policies

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 maker 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 29 for further information.

Notes to the Annual Financial Statements

2. New and revised standards

2.1 Standards and amendments effective and adopted in the current year

In the current year, the Group and Company adopted the following standards and amendments that are effective for the current financial year (1 January 2024) and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendments to IAS 1, ‘Presentation of Financial Statements’ - Non-current liabilities with covenants	01 January 2024	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
• Amendment to IFRS 16, ‘Leases’ - sale and leaseback	01 January 2024	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
• Amendments to Supplier Finance Arrangements (IAS 7 ‘Statement of Cash Flows’ and IFRS 7 ‘Financial Instruments: Disclosure’)	01 January 2024	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.

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

The Group and Company are progressing towards compliance with IFRS S1 and S2, having assessed the potential impacts, with no significant risks identified. Additional details are provided in the Group's Integrated Annual Report.

2. New and revised standards (continued)

2.2 Standards and amendments not yet effective

The Group and Company have chosen not to early adopt the following standards and amendments, which have been published and are mandatory for the Group and Company's accounting periods beginning on or after 1 January 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Executive summary:
• *Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability (Amendments to IAS 21)*	1 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.
• *Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments*	1 January 2026	These amendments: -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).

Notes to the Annual Financial Statements

2. New and revised standards (continued)

2.2 Standards and amendments not yet effective

Standard/Amendment:	Effective date: Years beginning on or after	Executive summary:
• *IFRS 18, 'Presentation and Disclosure in Financial Statements'*	1 January 2027	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.
• *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 or Company.

Certain amendments to accounting standards have been published that are not mandatory for the 31 December 2024 reporting periods and have not been early adopted by the Group or Company. These amendments are not expected to have a material impact on the Group or Company in the current or future reporting periods and on foreseeable future transactions.

3. Property, plant and equipment

Group	2024			2023		
	Cost R '000	**Accumulated depreciation/ impairment** R '000	**Carrying value** R '000	**Cost** R '000	**Accumulated depreciation/ impairment** R '000	**Carrying value** R '000
Land	163 069	-	163 069	165 757	-	165 757
Buildings	501 232	(9 963)	491 269	507 600	(2 129)	505 471
Leasehold improvements	144 506	(25 891)	118 615	134 526	(14 416)	120 110
Alternative power supplies	18 164	(1 759)	16 405	-	-	-
Furniture and fixtures	58 195	(35 655)	22 540	44 239	(15 814)	28 425
Motor vehicles	5 517	(2 792)	2 725	3 866	(1 520)	2 346
Computer equipment	68 429	(54 278)	14 151	42 422	(25 860)	16 562
Creative and arts*	83 127	(60 854)	22 273	56 155	(31 149)	25 006
Assets under construction	38 378	-	38 378	8 604	-	8 604
Total	**1 080 617**	**(191 192)**	**889 425**	**963 169**	**(90 888)**	**872 281**

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

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	**Deprecia-tion** R '000	**Impairment loss** R '000	**Reclassi-fications** 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**

Reconciliation of property, plant and equipment - Group - 2023

	Opening balance R '000	**Additions** R '000	**Disposals** R '000	**Depreciation** R '000	**Reclassifications** R '000	**Closing balance** R '000
Land	165 757	-	-	-	-	165 757
Buildings	468 345	2 748	-	(460)	34 838	505 471
Leasehold improvements	118 850	6 530	-	(5 293)	23	120 110
Furniture and fixtures	29 700	3 416	(113)	(5 118)	540	28 425
Motor vehicles	2 693	263	(196)	(414)	-	2 346
Computer equipment	15 764	10 199	(44)	(9 357)	-	16 562
Creative and arts	25 652	10 260	(351)	(10 555)	-	25 006
Assets under construction	40 085	3 920	-	-	(35 401)	8 604
	866 846	**37 336**	**(704)**	**(31 197)**	**-**	**872 281**

Notes to the Annual Financial Statements

3. Property, plant and equipment (continued)

Other information

Assets-under-construction of R38.4 million (2023: R8.6 million) largely comprises of the development and design costs relating to the construction of the STADIO Durbanville campus. The assets-under-construction movement in the prior year relates to the capitalisation of the Krugersdorp campus.

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 is classified as held for sale at year end. The impairment stems from the Group’s strategy to streamline operations by relocating its Randburg operations to the existing Centurion campus. Management obtained an external valuation of the property to support the carrying amount.

The majority of leasehold improvements relate to the STADIO Waterfall campus, on the leased land which is subject to a 90-year lease.

No property, plant and equipment is encumbered as security for the borrowings as per Note 16 (2023: Rnil).

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 lease terms range between 1 - 2 years.

Right-of-use assets

Group	2024			2023		
	Cost R '000	**Accumulated depreciation** R '000	**Carrying value** R '000	**Cost** R '000	**Accumulated depreciation** R '000	**Carrying value** R '000
Land	30 869	(2 081)	28 788	30 869	(1 734)	29 135
Buildings	147 240	(114 541)	32 699	121 556	(86 556)	35 000
Office furniture and other equipment	4 531	(4 076)	455	4 474	(3 547)	927
Total	**182 640**	**(120 698)**	**61 942**	**156 899**	**(91 837)**	**65 062**

Notes to the Annual Financial Statements

4. Leases (Group as lessee) (continued)

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

	Opening balance R '000	Additions R '000	Depreciation R '000	Modifications^ 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**

Reconciliation of right-of-use assets - Group - 2023

	Opening balance R '000	Reclassifications R '000	Depreciation R '000	Modifications^ R '000	Closing balance R '000
Land	29 424	58	(347)	-	29 135
Buildings	53 361	(58)	(26 478)	8 175	35 000
Computer equipment	1 748	-	(821)	-	927
	84 533	**-**	**(27 646)**	**8 175**	**65 062**

^ 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 R15.4 million (2023: R8.2 million).

Lease liabilities

Reconciliation of lease liability - Group

	Notes	Group 2024 R '000	Group 2023 R '000
Opening carrying amount		115 013	169 780
Additions		10 322	-
Finance cost	26	13 815	16 280
Repayments - finance cost		(13 815)	(16 280)
Repayments - principal portion	32	(28 464)	(62 163)
Remeasurement		15 308	7 396
Closing carrying amount		**112 179**	**115 013**

Other disclosures

		2024	2023
Short-term leases expense		3 002	1 903
Total cash outflow from leases		(45 281)	(80 346)

Notes to the Annual Financial Statements

4. Leases (Group as lessee) (continued)

Lease liabilities

	Group	
	2024 R '000	2023 R '000
The maturity analysis of lease liabilities is as follows:		
Within one year	37 344	37 566
Within two to five years	46 063	41 995
Within six to ten years	50 428	33 660
Within eleven to fifty years	1 852 711	1 166 679
More than 50 years	11 986 256	9 223 037
	13 972 802	10 502 937
Less finance charges component	(13 860 623)	(10 387 924)
	112 179	**115 013**
Non-current liabilities	80 181	80 298
Current liabilities	31 998	34 715
	112 179	**115 013**

The weighted average lessee's incremental borrowing rate applied to the lease liabilities range from 7% - 11.75% (for 1 - 8 year leases) and 13.1% (for the 90-year long-term lease) (2023: 7% - 10.1% (for 1 - 8 year leases) and 13.1% (for the 90-year long-term lease)).

5. Goodwill

Group	2024			2023		
	Cost	**Accumulated impairment**	**Carrying value**	**Cost**	**Accumulated impairment**	**Carrying value**
Goodwill	751 082	-	751 082	751 082	-	751 082

Reconciliation of goodwill - Group - 2024

	Opening balance	**Closing balance**
Goodwill	751 082	751 082

Reconciliation of goodwill - Group - 2023

	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 2023	279 624	245 066	226 392	751 082
31 December 2024	**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.

Notes to the Annual Financial Statements

5. Goodwill (continued)

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 %

2023	STADIO Higher Education	Milpark (including CAC)	AFDA
Pre-tax discount rate	16,5 %	16,5 %	16,5 %
Terminal growth rate	2 %	2 %	2 %
Cash flow assumptions			
-Tuition fee increases	5 - 6%	6 %	5 %
-Student number growth *	11 %	8 %	5 %
-Operating expenses growth *	15 %	11 %	10 %

* Average annual growth rate over a period of 5 years.

No impairments were recognised for the years ended 31 December 2024 (2023: 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 and have not identified any instances that could cause the carrying amount of this CGU and other CGUs to exceed its recoverable amount.

Notes to the Annual Financial Statements

6. Intangible assets

Group	2024			2023		
	Cost R '000	Accumulated amortisation /impairment R '000	Carrying value R '000	Cost R '000	Accumulated amortisation /impairment R '000	Carrying value R '000
Trademarks	101 306	(43 755)	57 551	101 306	(43 755)	57 551
Computer software	36 327	(15 020)	21 307	40 152	(21 541)	18 611
Curriculum material	138 045	(47 977)	90 068	117 577	(43 156)	74 421
Client lists	36 591	(36 591)	-	36 591	(35 302)	1 289
Websites	2 718	(99)	2 619	-	-	-
Total	**314 987**	**(143 442)**	**171 545**	**295 626**	**(143 754)**	**151 872**

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**

Reconciliation of intangible assets - Group - 2023

	Opening balance R '000	Additions R '000	Disposals R '000	Amortisation R '000	Closing balance R '000
Trademarks	57 551	-	-	-	57 551
Computer software	15 364	7 065	13	(3 831)	18 611
Curriculum material	64 779	15 291	(13)	(5 636)	74 421
Client lists	3 453	-	-	(2 164)	1 289
	141 147	**22 356**	**-**	**(11 631)**	**151 872**

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 2024 is R8.8 million (2023: R10.3 million) with remaining useful life of 5 years and 11 months. The Group implemented the ERP system during the 2020 financial year.

Included in the intangible assets balance is internally generated intangible assets amounting to R43 million (2023: R33 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.

Notes to the Annual Financial Statements

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 2023	27 567	17 561	2 708	2 684	50 520
Additions	789	9 914	-	-	10 703
At 31 December 2024	**28 356**	**27 475**	**2 708**	**2 684**	**61 223**
Trademarks					
At 31 December 2023	-	37 853	19 698	-	57 551
Additions	-	-	-	-	-
At 31 December 2024	**-**	**37 853**	**19 698**	**-**	**57 551**
Total intangibles with indefinite lives					
At 31 December 2023	27 567	55 414	22 406	2 684	108 071
Additions	789	9 914	-	-	10 703
At 31 December 2024	**28 356**	**65 328**	**22 406**	**2 684**	**118 774**

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.

Notes to the Annual Financial Statements

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.

Impairment tests for intangibles are based on a discount rate of 16.9% (2023: 16.5%) per annum and forecasted cash flow of 5 years (2023: 5 years) with a 3% (2023: 2%) terminal growth rate.

The directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of each CGU to exceed its recoverable amount. The directors were satisfied that no further impairment is required (2023: Rnil).

Notes to the Annual Financial Statements

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 or trust	Held direct/ indirect	% holding 2024	% holding 2023	Carrying amount 2024 R '000	Carrying amount 2023 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	83,86 %	83,10 %	-	-
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	83,86 %	- %	-	-
				979 040	979 040

^ Effective shareholding interest

An impairment assessment was performed and no impairment was required (2023: 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.

7. Investments in subsidiaries (continued)

Subsidiaries with material non-controlling interests

Milpark Education is a material subsidiary with non-controlling shareholders holding and voting rights of 16.14% (2023: 16.9%). 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 January 2024, the Group acquired an additional 0.76% equity interest from one of the other non-controlling shareholders for a purchase consideration of R5.9 million.

During the prior year, the Group acquired an additional 14.6% equity interest as a result of the following transactions:

- 1.8% equity interest was acquired on 14 December 2023 from one of the non-controlling shareholders for a consideration of R15.4 million.
- 12.8% equity interest was acquired on 31 December 2023 from Brimstone Investment Corporation Limited for a consideration of R117.5 million. This amount was settled in January 2024.

Notes to the Annual Financial Statements

7. Investments in subsidiaries (continued)

Summarised statement of financial position

	Milpark	
	2024 R '000	**2023 R '000**
Assets		
Non-current assets	128 867	379 774
Current assets	51 324	58 947
Total assets	180 191	438 721
Liabilities		
Non-current liabilities	4 683	8 882
Current liabilities	78 935	89 498
Total liabilities	83 618	98 380
Total net assets	96 573	340 341
Carrying amount of non-controlling interest	66 770	67 633

Summarised statement of profit or loss and other comprehensive income

	Milpark	
	2024 R '000	**2023 R '000**
Revenue	415 201	386 758
Other income and expenses	(296 821)	(265 138)
Profit before tax	118 380	121 620
Tax expense	(31 542)	(33 048)
Profit after tax	86 838	88 572
Total comprehensive income	86 838	88 572
Profit allocated to non-controlling interest	13 943	28 015

Summarised statement of cash flows

	Milpark	
	2024 R '000	**2023 R '000**
Cash flows from operating activities	100 247	108 170
Cash flows from investing activities	(29 008)	(23 832)
Cash flows from financing activities	(83 385)	(83 628)
Net cash and cash equivalents	(12 146)	710
Dividend paid to non-controlling interest	(11 299)	(17 345)

Notes to the Annual Financial Statements

8. Trade and other receivables

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Financial instruments:				
Trade receivables	380 935	330 265	-	-
Expected credit loss allowance	(198 503)	(163 518)	-	-
Trade receivables at amortised cost	182 432	166 747	-	-
Deposits	2 623	2 079	-	-
Net investment in lease	23 430	22 110	-	-
Other receivables	6 043	4 851	-	-
	214 528	195 787		
Non-financial instruments:				
VAT	333	3 327	-	-
Prepayments*	15 464	17 963	-	-
Total trade and other receivables	**230 325**	**217 077**	**-**	**-**

** 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	22 031	20 533	-	-
Current assets	208 294	196 544	-	-
	230 325	**217 077**	**-**	**-**

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%.

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

Commitments in relation to leases are receivable as follows:

	Group	
	2024 R '000	2023 R '000
Within one year	1 671	1 577
Within two years	1 771	1 671
Within three years	1 878	1 771
Within four years	1 990	1 878
Within five years	2 110	1 990
Within ten years	12 607	11 893
Within sixty years	463 178	436 960
More than sixty years	2 996 565	3 025 605
Minimum lease receipts	3 481 770	3 483 345
Less finance charge component	(3 458 340)	(3 461 235)
Present value of minimum lease receipts recognised as an asset	**23 430**	**22 110**

Net investment in lease receivable:

	Group	
	2024 R '000	2023 R '000
Opening balance	22 110	20 864
Interest received	2 899	2 733
Payments received	(1 579)	(1 487)
Closing balance	**23 430**	**22 110**

Split between current and non-current portions		
Current	1 399	1 577
Non-current	22 031	20 533
	23 430	**22 110**

Exposure to credit risk

Trade receivables outstanding mainly relates to fees outstanding for the 2024 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.

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 38) 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 decreased from 32.5% to 31.5% due to more debtors settling on time stemming from improved collection efforts, thus leading to an improved ageing profile.

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 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 R56.9 million (2023: R18.7 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 1 and Prior Academic Year 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 R118 million (2023: R101 million), has been written off during the year. Of the amounts written off in current and prior years, R130 million (2023: R77 million) has been handed over for legal enforcement.

Group

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%	

8. Trade and other receivables (continued)

2023	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	175 014	108 139	47 112	330 265
Expected loss allowance	(56 794)	(61 868)	(44 856)	(163 518)
	118 220	**46 271**	**2 256**	**166 747**
Expected credit loss rate (%)	32,5 %	57,2 %	95,2 %	
ECL Range (%)	14,6%-44,0%	44,0%-73,4%	73,4%-100,0%	

Reconciliation of loss allowances

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

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Opening balance	**163 518**	**132 971**	**-**	**-**
Provision raised on trade receivables	152 982	132 009		
- receivables that originated in the current year	120 091	114 079	-	-
- receivables that originated in prior years	32 891	17 930	-	-
Receivables written off during the year as uncollectible	(117 997)	(101 462)	-	-
Closing balance	**198 503**	**163 518**	**-**	**-**
Loss allowance				
Loss allowance as per the movement above	152 982	132 009	-	-
Recoveries of previously written off trade receivables	(12 527)	(4 842)	-	-
Trade receivables written off not provided for previously	134	-	-	-
Net loss allowance recognised in statement of comprehensive income	**140 589**	**127 167**	**-**	**-**

During the year, subsequent recoveries of amounts previously written off of R12.5 million (2023: R4.8 million) were credited against the loss allowance of R153.0 million (2023: R132.0 million).

Notes to the Annual Financial Statements

9. Other financial assets

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Mandatorily at fair value through profit or loss:				
Unit trusts	4 882	16 244	-	-
	4 882	**16 244**	**-**	**-**

Fair value information

Refer to Note 39 Fair value information for details of valuation policies and processes.

Reconciliation of movements

Opening balance	16 244	14 740	-	-
Additions	109	655	-	-
Re-investments	-	870	-	-
Disposals	(12 000)	-	-	-
Fair value movements	529	(21)	-	-
	4 882	**16 244**	**-**	**-**

Risk exposure

The investments held by the group expose it to various risks, including credit risk. Refer to Note 38 Financial instruments and risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

Notes to the Annual Financial Statements

10. Deferred tax

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Deferred tax balance comprise of:				
Property plant and equipment	(31 561)	(26 621)	-	-
Right-of-use assets	(16 724)	(23 266)	-	-
Intangible assets	(20 463)	(18 233)	-	-
Prepayments	(2 624)	(3 819)	-	-
Net investment in lease	(6 326)	(5 970)	-	-
Contract liabilities	11 999	11 668	-	-
Loss allowance	32 513	27 217	-	-
Lease liabilities	30 288	36 752	-	-
Tax losses available for set off against future balances	17 159	19 318	-	-
Provisions	7 672	6 488	-	-
Other allowances	3 027	413	-	-
Total deferred tax	**24 960**	**23 947**	**-**	**-**

The deferred tax assets and the deferred tax liabilities have been offset with each other as 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:

	Group 2024 R '000	Group 2023 R '000	Company 2024 R '000	Company 2023 R '000
Deferred tax liability	(64 654)	(51 897)	-	-
Deferred tax asset	89 614	75 844	-	-
Total net deferred tax asset	**24 960**	**23 947**	**-**	**-**

10. Deferred tax (continued)

Reconciliation of deferred tax asset / (liability)

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
At beginning of year	23 947	43 463	-	-
Originating temporary differences on:	-	-	-	-
Property, plant and equipment	(4 940)	(3 194)	-	-
Intangible assets	(2 230)	(3 011)	-	-
Right-of-use assets	6 542	(442)	-	-
Loss allowance	5 296	5 023	-	-
Prepayments	1 195	(996)	-	-
Net investment in lease	(356)	(337)	-	-
Provisions	1 184	(1 379)	-	-
Lease liabilities	(6 464)	(9 089)	-	-
Contract liabilities	331	(8 016)	-	-
Tax losses available for set off against future balances	(2 159)	2 340	-	-
Other allowances	2 614	(415)	-	-
	24 960	**23 947**	**-**	**-**

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 27.

Management have assessed the recognition of the deferred tax assets at 31 December 2024 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	74 114	82 046	4 894	4 894
Tax losses recognised	(63 533)	(71 456)	-	-
Tax losses not recognised	**10 581**	**10 590**	**4 894**	**4 894**

Deferred tax assets have not been recognised where it is uncertain that future taxable profits will be available against which the Group can realise the benefits. Deferred tax assets are assessed at each statutory entity level.

The 80% limitation on the utilisation of assessed losses have been considered in the determination of the deferred tax asset recognised.

11. Loans to related parties

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Stadio Group Share Incentive Trust	-	-	-	20 668
Stadio Corporate Services Proprietary Limited	-	-	423 950	476 802
Stadio Investment Holdings Proprietary Limited	-	-	-	14 925
Stadio Khulisa Student Share Scheme	-	-	-	22
	-	**-**	**423 950**	**512 417**

The loans are 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 R128 million of the loans which are deemed to be current.

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

Split between non-current and current portions

Non-current assets	-	-	295 857	427 366
Current assets	-	-	128 093	85 051
	-	**-**	**423 950**	**512 417**

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

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.

Notes to the Annual Financial Statements

12. Cash and cash equivalents

Cash and cash equivalents consist of:

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Bank balances	80 119	94 843	629	15 132
Money market investments	22 135	682	-	-
Short-term deposits	29 746	34 632	-	-
Petty cash	194	166	-	-
	132 194	**130 323**	**629**	**15 132**
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.

* 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	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Credit rating				
Ba2 (Moody's) - Nedbank, Standard Bank, ABSA and First National Bank	100 420	110 498	410	53
A+ (Global Credit Rating) - PSG Collective Investments (RF) Limited *	21 809	15 807	219	15 079
AA (Global Credit Rating) - Bank Windhoek Limited	9 771	3 851	-	-
	132 000	**130 156**	**629**	**15 132**

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

13. Non-current assets held for sale

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 is classified as held for sale at year end. The impairment stems from the Group's strategy to streamline operations by relocating its Randburg operations to the existing Centurion campus.

The Group started actively marketing the sale of the property towards the latter part of the financial year. The sale is expected to occur during the 2025 financial year.

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Assets				
Non-current assets held for sale				
Property, plant and equipment	18 982	-	-	-

Notes to the Annual Financial Statements

14. Share capital

	Group		Company	
	2024 '000	2023 '000	2024 '000	2023 '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	850 517	850 527	850 517	850 527
Shares purchased and cancelled	(3 089)	(3 161)	(3 089)	(3 161)
Issue of shares - employee share incentive scheme	872	3 151	872	3 151
	848 300	**850 517**	**848 300**	**850 517**

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Issued share capital				
Issued ordinary shares at 1 January	1 628 781	1 628 517	1 628 781	1 628 517
Issued during the year	5 278	14 652	5 278	14 652
Share issue costs	(171)	(162)	(171)	(162)
Shares purchased and cancelled	(14 949)	(14 226)	(14 949)	(14 226)
	1 618 939	**1 628 781**	**1 618 939**	**1 628 781**

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.

Notes to the Annual Financial Statements

14. Share capital (continued)

Share capital movements

Current year

The Group is committed to preserving stakeholder value and limiting dilution of shareholders' shareholding, where feasible. Accordingly, the Board approved the repurchase of 3.089 million shares from the market, for R15 million, at an average price of R4.85, in anticipation of future share issues to settle the Group's obligations under the SIT. The repurchased shares were immediately cancelled. In September 2024, the Company issued 0.872 million shares in part-settlement of its obligation under the SIT (refer to note 15).

Furthermore, 3.6 million shares treated as treasury shares as at 31 December 2023, were also utilised in settlement of the Group's obligation under the SIT during the year. As at 31 December 2024, 0.1 million shares are held as Treasury Shares.

Prior year
In April 2023, the Company issued 3.2 million shares to the Group Share Incentive Trust (SIT) for R14.7 million to settle its obligation under the Group's Share Incentive Scheme. This was issued on loan account and partially settled with R2.7 million cash. The Group is committed to preserving stakeholder value and limiting dilution of shareholders' shareholding where feasible. Accordingly, the Board approved the repurchase of 3.2 million shares for R14.2 million from the market which were purchased between July 2023 and December 2023, and immediately cancelled. In December 2023, the Board approved a second repurchase programme, authorising the purchase of R15 million of shares from the market, as part of the Group's future obligations under the Group's Share Incentive Scheme.

Dividends

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

	Group		Company	
	2024	2023	2024	2023
10.0 cents per ordinary share (2023: 8.9 cents)	84 674	75 676	84 743	75 697

The dividend was declared on 18 March 2024 (2023: 14 March 2023) and payment was made on 22 April 2024 (2023: 17 April 2023).

Non-controlling interest equity movements

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Non-controlling interest movement				
Opening balance	67 633	109 517	-	-
Profit for the year	13 943	28 015	-	-
Transactions with non-controlling interest	(3 507)	(52 554)	-	-
Dividends paid to non-controlling shareholders	(11 299)	(17 345)	-	-
	66 770	**67 633**	**-**	**-**

14. Share capital (continued)

Changes in ownership
During the 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 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.

SIH purchased an additional 0.76% shareholding in Milpark in January 2024, for R3.5 million, increasing the the Group's interest in Milpark to 83.86%. The equity attributable to owners of the parent decreased as a result of this purchase, by R2.9 million.

In the prior year, two transactions were concluded in December 2023 with non-controlling shareholders of Milpark.

Transaction 1
On 14 December 2023, an agreement was entered into with a non-controlling shareholder to acquire an effective indirect interest of 1.8% in Milpark Education for a purchase consideration of R15.4 million.

Transaction 2
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.

Immediately prior to the purchases, the carrying amount of this 14.6% non-controlling interest in Milpark was R52.5 million. The Group recognised a decrease in the non-controlling interest of R52.5 million and a decrease in equity attributable to owners of the parent of R80.4 million.

Dividends paid to non-controlling shareholders
During 2024, a dividend of R11.3 million (2023: R17.3 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 the purposes of issuing shares to employees participating in the Group's long-term incentive scheme.

	Rands		Number of shares	
	2024 R '000	2023 R '000	2024 '000	2023 '000
Treasury shares (Group)				
Balance at the beginning of the year	(17 114)	(145)	(3 711)	(235)
Treasury shares acquired from issuance	(5 278)	(14 652)	(872)	(3 151)
Treasury shares acquired from market	-	(22 073)	-	(4 805)
Treasury shares issued to employees	21 602	19 756	4 452	4 480
	(790)	**(17 114)**	**(131)**	**(3 711)**

As at 31 December 2024, the Group held 130 563 Treasury shares (2023: 3 710 796).

15. Share based payments reserve

Details of the employee option plan of the Company

The Company 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 15 million (2023: 19 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 2024 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:

	2024		2023	
	Number '000	Weighted average strike price R	Number '000	Weighted average strike price R
Outstanding at the beginning of the year	28 025	-	35 431	-
Granted during the year	10 422	4,80	5 819	4,58
Exercised during the year	(11 398)	2,14	(9 917)	1,92
Forfeited during the year	(748)	4,71	(3 308)	3,24
Outstanding at the end of the year	**26 301**		**28 025**	

The weighted average share price on the date that the options were exercised during the year ended 31 December 2024 was R4.97 (2023: R4.83).

Notes to the Annual Financial Statements

15. Share based payments reserve (continued)

Director	Opening balance of share options at 1 January 2024 '000	Number of share options awarded during the year '000	Number of share options forfeited 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 2024 '000
Chris Vorster	3 993	-	-	(1 997)	1,23	3 April 2020	1 996
	2 150	-	-	(1 075)	1,21	1 July 2020	1 075
	1 221	-	-	(305)	3,64	3 April 2022	916
	1 452	-	-	(363)	3,64	1 July 2022	1 089
	885	-	-	-	4,65	3 April 2023	885
	-	1 229	-	-	4,79	3 April 2024	1 229
	9 701	1 229	-	(3 740)	-		7 190
Ishak Kula	-	2 355	-	-	4,84	3 July 2024	2 355
	-	2 355	-	-	-		2 355
Divya Singh	466	-	-	(466)	3,63	3 April 2019	-
	634	-	-	(317)	1,23	3 April 2020	317
	341	-	-	(171)	1,21	1 July 2020	170
	633	-	-	(211)	2,62	3 April 2021	422
	1 105	-	-	(276)	3,64	3 April 2022	829
	967	-	-	-	4,65	3 April 2023	967
	-	848	-	-	4,79	3 April 2024	848
	4 146	848	-	(1 441)			3 553
Johan Human	568	-	-	(284)	1,23	3 April 2020	284
	306	-	-	(153)	1,21	1 July 2020	153
	798	-	-	(266)	2,62	3 April 2021	532
	904	-	-	(226)	3,64	3 April 2022	678
	1 037	-	-	-	4,65	3 April 2023	1 037
	-	583	-	-	4,79	3 April 2024	583
	3 613	583	-	(929)			3 267
Chris van der Merwe	645	-	-	(645)	3,63	3 April 2019	-
	645	-	-	(645)	-		-
	18 105	**5 015**	**-**	**(6 755)**			**16 365**

Samara Totaram resigned as the Group Chief Financial Officer and executive director effective 31 December 2023. The Board agreed that Samara Totaram will be entitled to exercise all share options vesting in 2024. All share options vesting thereafter were therefore forfeited upon her resignation. During 2024, 1.6 million share options vested at an average strike price of R2.22.

During the year, a total expense of R11.8 million (2023: R14.0 million) was recognised in respect of share based payment transactions. Included in the total expenses is R11.3 million (R13.8 million) related to equity settled share based payment transactions awarded to the members of key management. An expense of R0.5 million (2023: R0.2 million) was recognised in relation to a new cash settled share based payment scheme introduced at Milpark.

Notes to the Annual Financial Statements

15. Share based payments reserve (continued)

Vesting date	Strike price R	2024 Number of options '000	2023 Number of options '000
3 April 2024	3,63	-	1 910
3 April 2024	1,23	-	4 121
3 April 2024	2,62	-	1 667
3 April 2024	3,64	-	1 118
1 July 2024	1,21	-	2 219
1 July 2024	3,64	-	363
3 April 2025	1,23	3 570	3 570
3 April 2025	2,62	1 435	1 435
3 April 2025	3,64	874	874
3 April 2025	4,65	1 139	1 139
1 July 2025	1,21	1 922	1 922
1 July 2025	3,64	363	363
3 April 2026	2,62	1 435	1 435
3 April 2026	3,64	873	873
3 April 2026	4,65	1 139	1 139
3 April 2026	4,79	2 017	-
1 July 2026	3,64	363	363
1 July 2026	4,84	589	-
3 April 2027	3,64	853	873
3 April 2027	4,65	1 047	1 139
3 April 2027	4,79	1 835	-
1 July 2027	3,64	363	363
1 July 2027	4,84	589	-
3 April 2028	4,65	1 047	1 139
3 April 2028	4,79	1 835	-
1 July 2028	4,84	589	-
3 April 2029	4,79	1 835	-
1 July 2029	4,84	589	-
		26 301	**28 025**

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 2020	1,23	1,40	1,01	80,25	7,51	-
July 2020	1,21	1,43	1,07	89,92	5,03	-
April 2021	2,62	2,90	1,32	45,21	5,49	-
April 2022	3,64	4,18	2,13	68,17	6,38	1,12
July 2022	3,64	3,50	1,63	68,17	7,60	1,34
April 2023	4,65	4,58	1,23	43,04	7,95	1,94
April 2024	4,79	4,74	1,24	41,17	8,14	2,11
July 2024	4,84	5,25	1,52	39,05	7,86	1,90

The weighed average fair value for the options granted in April 2024 is R1.82 and in July 2024 is R2.13.

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.

Notes to the Annual Financial Statements

16. Borrowings

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Held at amortised cost				
Bank overdraft	492	237	-	-
Split between non-current and current portions				
Current liabilities	492	237	-	-

The Group has access to a R100 million revolving credit facility with Standard Bank of South Africa (Standard Bank). The facility agreement has an option to increase by a further R100 million, subject to meeting certain requirements. The following Group subsidiaries are obligors in the revolving credit facility arrangement: STADIO Higher Education, Stadio Corporate Services and AFDA.

At 31 December 2024, the Group had not utilised the Standard Bank revolving credit facility. Finance costs of R3.5 million (2023: R nil) were incurred during the period. The total amount of undrawn facilities available for future operating activities and commitments are R100 million (2023: R100 million).

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:
- the debt cover ratio of debt to EBITDA must be not more than 2.5; and
- the interest cover ratio of EBITDA to net finance costs* must not be less than 3.5.

* Net finance costs exclude the finance costs arising as a result of IFRS 16.

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 1 month JIBAR + 2% rate and is payable monthly.

The Group complied with the facilities financial covenant requirements for the 2024 and 2023 financial year ends.

Refer to Note 32 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and Note 38 Financial instruments and financial risk management for the fair value of borrowings.

17. Loans from related parties

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Brimstone Investment Corporation Limited	-	96	-	-
Stadio Proprietary Limited	-	-	-	7 201
	-	**96**	**-**	**7 201**

The loans are interest free, unsecured and repayable on demand.

Refer to Note 32 Changes in liabilities arising from financing activities for details of the movement in loans from related parties during the reporting period.

Notes to the Annual Financial Statements

18. Trade and other payables

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Financial instruments:				
Trade payables	7 159	4 208	11	13
Municipal costs	-	1 018	-	-
Audit fee	6 679	4 977	944	-
Other payables	8 949	14 929	4	527
Payable to Brimstone for additional shares in Milpark **	-	117 500	-	-
	22 787	**142 632**	**959**	**540**
Non-financial instruments:				
Payroll accruals	23 507	17 696	-	-
Bonus and leave pay accrual	28 399	24 906	-	-
Value added tax	568	272	-	-
Other payables ***	968	247	-	-
	53 442	**43 121**	**-**	**-**
	76 229	**185 753**	**959**	**540**

*** Onerous contract provision reconciliation**

Opening balance	-	3 877	-	-
Interest on onerous contract	-	344	-	-
Remeasurement of onerous contract	-	(2 909)	-	-
Settlement - cash	-	(1 312)	-	-
	-	**-**	**-**	**-**

* The onerous contract related to the lease obligations of Milpark in respect of its rented premises in Gauteng. In 2022, following the change in strategy of Milpark to focus on the digitally enhanced distance learning mode of delivery, and Milpark's inability to sub-let the existing premises in Gauteng, Milpark recognised an onerous contract in respect of its remaining obligations over the remaining term of the lease (to 2025). The onerous contract was settled in December 2023, resulting in the full derecognition of the provision.

** On 31 December 2023, the Group entered into an agreement with Brimstone Investment Corporation Limited (Brimstone), whereby the Group would purchase Brimstone's entire effective shareholding in Milpark for R117.5 million. The transfer of the shares was effective as at 31 December 2023, with consideration being payable in January 2024, thereby giving rise to a current liability for the Group at year end.

*** This relates to the obligation to settle a share option liability for a participant in the share scheme who resigned during the current year.

Notes to the Annual Financial Statements

18. Trade and other payables (continued)

Fair value of trade and other payables

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

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Financial instrument and non-financial instrument components of trade and other payables				
At amortised cost	22 787	142 632	960	540
Non-financial instruments	53 442	43 121	-	-
	76 229	**185 753**	**960**	**540**
Split between non-current and current portions				
Non-current liabilities	968	-	-	-
Current liabilities	75 261	185 753	960	540
	76 229	**185 753**	**960**	**540**

Notes to the Annual Financial Statements

19. Contract liabilities

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Reconciliation of income received in advance				
Opening balance	100 715	96 270	-	-
Payments received in advance of delivery of performance obligations	464 689	334 808	-	-
Performance obligations satisfied in respect of cash received in current year	(384 117)	(241 689)	-	-
Performance obligations satisfied in respect of cash received in prior years	(69 904)	(88 674)	-	-
	111 383	**100 715**	**-**	**-**

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 2024, 72% (2023: 85%) of the income received in advance will be recognised as revenue in the following financial year.

Notes to the Annual Financial Statements

20. Revenue

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Revenue from contracts with customers				
The group disaggregates revenue from customers as follows:				
Rendering of services:				
Contact Learning				
Tuition fees	509 203	456 327	-	-
Discounts and bursaries granted	(10 343)	(12 701)	-	-
	498 860	443 626	-	-
Registration and enrolment fees	10 704	10 966	-	-
Other academic income	1 881	1 733	-	-
	511 445	**456 325**	**-**	**-**
Distance Learning				
Tuition fees	1 029 428	896 183	-	-
Discounts and bursaries granted	(28 397)	(28 450)	-	-
	1 001 031	867 733	-	-
Registration and enrolment fees	70 048	61 799	-	-
Other academic income	20 986	15 479	-	-
	1 092 065	**945 011**	**-**	**-**
Sale of goods:				
Learning material sales	7 153	10 837	-	-
Canteen sales	1 002	1 477	-	-
	8 155	**12 314**	**-**	**-**
Total revenue from contracts with customers	**1 611 665**	**1 413 650**	**-**	**-**
Timing of revenue recognition				
At a point in time				
Sale of goods	8 155	12 314	-	-
Over time				
Rendering of services	1 603 510	1 401 336	-	-
Total revenue from contracts with customers	**1 611 665**	**1 413 650**	**-**	**-**

Notes to the Annual Financial Statements

21. Other income

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Rental income	674	2 829	-	-
Compensation from insurance claims	2 249	445	-	-
Sundry income	4 836	539	-	-
Profit on sale of property, plant and equipment	282	185	-	-
Prescribed debt	7 367	7 140	-	-
Onerous contract remeasurement	-	3 917	-	-
	15 408	**15 055**	**-**	**-**

22. Fair value losses on financial instruments

Other financial assets *	(21)	(21)	-	-

* Fair value adjustments on financial assets which has been mandatorily classified at fair value through profit or loss.

Notes to the Annual Financial Statements

23. 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	
	2024 R '000	2023 R '000 ^	2024 R '000	2023 R '000
Academic and research costs*	109 768	97 654	-	-
Administration costs	24 738	21 131	60	43
Advertising and marketing	54 055	54 178	-	-
Computer expenses	17 655	17 305	-	-
Consulting and legal fees	11 909	11 665	-	-
Facility costs**	50 425	47 227	-	-
Lease expenses	16 589	15 206	-	-
Licensing and subscriptions	36 907	31 262	-	-
Loss on sale of property, plant and equipment	1 005	465	-	-
Staff training	4 964	4 524	-	-
Travel and entertainment	13 401	10 934	-	-
Other operational costs***	14 858	7 800	866	721
	356 274	**319 351**	**926**	**764**

^ The Group restated the prior year operating expenses to provide further information on the categories of operating expenses.

* 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	4 963	3 962	945	879
Audit fee - prior year	237	433	-	110
Non-audit services	215	163	-	-
Auditor's remuneration - internal				
Audit fee - current year	1 035	966	-	-
Audit fee - prior year	-	10	-	-
	6 450	**5 534**	**945**	**989**
Total Operating Expenses	**362 724**	**324 885**	**1 871**	**1 753**

Employee costs

Salaries and wages	620 577	545 537	-	-
Defined contribution plans	31 363	26 436	-	-
Share-based payments	11 805	13 952	-	-
Other short-term costs	1 751	167	-	-
Total employee costs	**665 496**	**586 092**	**-**	**-**

Notes to the Annual Financial Statements

24. Depreciation, amortisation and impairment losses

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Depreciation				
Property, plant and equipment	32 507	31 197	-	-
Right-of-use assets	28 867	27 646	-	-
	61 374	**58 843**	**-**	**-**
Amortisation				
Intangible assets	9 718	11 631	-	-
Impairment losses				
Property, plant and equipment	7 000	-	-	-

25. Investment income

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Interest income				
Interest income over time				
Financial institutions	15 724	17 038	268	148
Financial assets measured at fair value through profit or loss	551	869	-	-
Finance lease receivables	2 899	2 733	-	-
South African Revenue Service	61	-	-	-
Total interest income	**19 235**	**20 640**	**268**	**148**

26. Finance costs

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Onerous contract	-	344	-	-
Lease liabilities	13 815	16 280	-	-
Bank and third party suppliers	3 548	26	-	-
South African Revenue Services	4	27	-	-
Total finance costs	**17 367**	**16 677**	**-**	**-**

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

Notes to the Annual Financial Statements

27. Taxation

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Major components of the tax expense				
Current				
Local income tax - current period	102 914	73 375	-	-
Local income tax - recognised in current tax for prior periods	(1 065)	(8 687)	-	-
Foreign income tax - current period	4 687	3 118	-	-
Dividend withholding tax	614	4	-	-
	107 150	**67 810**	**-**	**-**
Deferred				
South African deferred tax attributable to temporary differences	(488)	15 448	-	-
South African deferred tax attributable to temporary differences - prior period	(233)	4 721	-	-
Foreign deferred tax attributable to temporary differences	(292)	(212)	-	-
	(1 013)	**19 957**	**-**	**-**
	106 137	**87 767**	**-**	**-**

Reconciliation of the tax expense

Reconciliation between applicable tax rate and average effective tax rate.

	Group 2024	Group 2023	Company 2024	Company 2023
Applicable tax rate	27,00 %	27,00 %	27,00 %	27,00 %
Listing and regulatory costs	0,05 %	0,06 %	(12,49)%	(11,80)%
Share-based payment expense	0,83 %	1,21 %	- %	- %
Prior period adjustment	(0,35)%	(1,28)%	- %	- %
s23 limitations	0,34 %	- %	- %	- %
Special allowances - solar project	(0,29)%	(0,49)%	- %	- %
Fines and penalties	0,01 %	0,12 %	- %	- %
Withholding taxes	0,16 %	- %	- %	- %
Deferred tax asset not recognised	0,17 %	0,20 %	(14,51)%	(15,20)%
s12H learnership allowance	(0,05)%	(0,09)%	- %	- %
Foreign tax differential **	0,18 %	0,14 %	- %	- %
Depreciation lease improvements	0,18 %	0,26 %	- %	- %
Other	(0,45)%	0,14 %	- %	- %
	27,78 %	**27,27 %**	**- %**	**- %**

** Foreign corporate income tax relates to STADIO Namibia, which uses a tax rate of 32% (2023: 32%).

Estimated tax losses recognised for set-off against future taxable income amounted to R64.0 million (2023: R71.4 million). Refer to Note 10 for tax losses available for set-off against future taxable income.

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 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 2031. 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.

Notes to the Annual Financial Statements

28. Earnings per share

	Group	
	2024 R '000	2023 R '000
Basic earnings attributable to owners of the parent	261 939	208 247
Basic earnings per share (cents)	30,9	24,5
Diluted earnings per share (cents)	30,5	24,1
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	846 551	849 346
Adjusted for:		
Share options incentive plan	11 644	13 158
	858 195	**862 504**

Headline earnings and diluted headline earnings per share

	Group	
	2024 R '000	2023 R '000
Headline earnings per share (cents)	31,4	24,5
Diluted headline earnings per share (cents)	31,0	24,1
Reconciliation between profit attributable to equity holders of the parent and headline earnings		
Profit for the year attributable to equity holders of the parent	261 939	208 247
Impairment on property, plant and equipment	7 000	-
Less: taxation	(1 890)	-
Loss on disposal of property, plant and equipment	723	280
Less: taxation	(195)	(76)
Less: Non-controlling interest	(3)	-
Compensation from third parties for items of property, plant and equipment that were lost or given up	(2 249)	(445)
Less: non-controlling interest	51	20
Less: taxation	607	120
Headline earnings	**265 983**	**208 146**
Diluted headline earnings	265 983	208 146

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

Notes to the Annual Financial Statements

29. 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 once-off acquisition related costs, amortisation costs associated with client lists acquired, once off costs related to onerous contracts, penalties and costs relating to contingent consideration payable in respect of acquisitions.

As the Group has one reportable segment, 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

	2024 R '000		2023 R '000	
	South Africa	**Namibia**	**South Africa**	**Namibia**
Revenue	1 557 223	54 442	1 367 441	46 209
EBITDA	445 235	13 008	382 294	8 246
Assets	2 332 593	56 726	2 256 651	59 337
Liabilities	362 150	3 487	450 379	3 407
Capital expenditure	105 949	160	59 450	242

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

Core headline earnings

	Note	Group 2024 R '000	Group 2023 R '000
Profit before taxation		382 019	324 029
Taxation		(106 137)	(87 767)
Profit after taxation		275 882	236 262
Profit attributable to owner	28	261 939	208 247
Headline items		4 044	(101)
Headline earnings	28	265 983	208 146
Core headline earnings per share (cents)	28	31,5	24,6
Core diluted headline earnings per share (cents)		31,1	24,2
Reconciliation of core headline earnings			
Headline earnings attributable to owners of parent	28	265 983	208 146
Amortisation of client list and trademarks		1 272	2 162
Less: taxation		(344)	(596)
Onerous contract gain		-	(3 686)
Less: non-controlling interest		-	848
Less: taxation		-	995
Tax penalties		-	1 231
Core headline earnings		**266 911**	**209 100**

Notes to the Annual Financial Statements

29. Segmental information (continued)

	Group	
	2024 R '000	2023 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	846 551	849 346
Adjusted for:		
Share options incentive plan	11 644	13 158
Diluted WANOS	858 195	862 504

30. Cash generated from/(used in) operations

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Profit/(loss) before taxation	382 019	324 029	(1 603)	(1 605)
Adjustments for:				
Depreciation and amortisation	71 092	70 474	-	-
Impairment	7 000	-	-	-
Net losses on disposals of property, plant and equipment	723	280	-	-
Interest income	(19 235)	(20 640)	(268)	(148)
Finance costs	17 367	16 677	-	-
Fair value losses	21	21	-	-
Foreign exchange gains	-	82	-	-
Share-based payment charge	11 805	13 952	-	-
Onerous contract remeasurement	-	(778)	-	-
Non-cash movement in related party loans	(96)	-	(3 823)	-
Other non-cash adjustments	(600)	-	-	2 022
Changes in working capital:				
Increase in trade and other receivables	(11 938)	(36 109)	-	-
Decrease in trade and other payables	(3 641)	(12 165)	419	(210)
Increase in contract liabilities	10 669	4 445	-	-
	465 186	**360 268**	**(5 275)**	**59**

31. Taxation paid

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Balance at beginning of the year	36 128	(10 528)	-	-
Current tax for the year recognised in profit or loss	(107 150)	(67 810)	-	-
Non-cash movement	28	(437)	-	-
Balance at end of the year	(38 628)	(36 128)	-	-
	(109 622)	**(114 903)**	**-**	**-**

Notes to the Annual Financial Statements

32. Changes in liabilities arising from financing activities

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 - Group - 2023

	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	68	-	221	(52)	237
Finance lease liabilities	169 780	7 396	-	(62 163)	115 013
Loans from related parties	96	-	-	-	96
Total liabilities from financing activities	**169 944**	**7 396**	**221**	**(62 215)**	**115 346**

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)	-
	7 201	**(7 201)**	**-**

33. Investment income received

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Investment income (Refer to Note 25)	19 235	20 640	268	148
Less: Non-cash interest on lease receivable (Refer to Note 25)	(1 348)	(2 733)	-	-
Less: Reinvestment of unit trust	(551)	(869)	-	-
	17 336	**17 038**	**268**	**148**

34. Finance costs paid

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Finance costs (Refer to Note 26)	17 367	16 677	-	-

Notes to the Annual Financial Statements

35. Related parties

Relationships

Significant Shareholder (>15%)	PSG Alpha Investments Proprietary Limited^
	Coronation Fund Managers Limited
Subsidiaries	Refer to Note 7
Group's B-BBEE shareholder	Brimstone Investment Corporation Limited
	ThembiSA Investco 2 Proprietary Limited
Entities controlled by key management	Citac Africa Proprietary Limited
Sponsor	PSG Capital Proprietary Limited
Directors	Refer to Note 37
Other related parties	Non-controlling interest shareholders

^ This shareholder is represented by non-executive directors, Nico de Waal and alternate Dries Mellet.

On 4 December 2017, the Company raised R200 million through a B-BBEE Private Placement issuing 33,783,784 shares to individual black investors and 33,783,784 shares to Newshelf 1404 Proprietary Limited, a wholly-owned subsidiary of Brimstone Investment Corporation Limited ("Brimstone"). These shares were subject to a seven-year lock-in period which ended on 4 December 2024. Furthermore, as part of the acquisition of Milpark Education in 2018, Brimstone and the STADIO Group concluded a share swap agreement whereby Brimstone received 9,781,273 shares in the Company in exchange for a portion of its interest in Milpark Education, subject to a seven-year lock-in period ("Share Swap Agreement").

As noted above, on 2 October 2024, in accordance with the terms of the BBBEE Private Placement and the Share Swap Agreement, the Company approved the transfer by Brimstone of the aforementioned 43,565,057 shares to ThembiSA InvestCo 2 Proprietary Limited, being a wholly-owned subsidiary of ThembiSA Fund 1 Proprietary Limited, a verified black private equity fund which is managed by ThembiSA Equity Investments Proprietary Limited, a black private equity investment management company (collectively referred to as "ThembiSA"). ThembiSA will honour the initial lock-in arrangements as previously agreed by Brimstone.

PSG Group Proprietary Limited ("PSG Group"), the ThembiSA Women's Empowerment Trust and other minority shareholders, all of whom are black persons (apart from PSG Group), hold beneficial interests in ThembiSA.

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Related party balances				
Loan accounts - Owing (to)/by related parties *				
Stadio Group Share Incentive Scheme	-	-	-	20 668
Stadio Khulisa Student Share Scheme	-	-	-	22
Brimstone Investment Corporation Limited	-	(96)	-	-
Stadio Investment Holdings Proprietary Limited	-	-	-	14 925
Stadio Corporate Services Proprietary Limited	-	-	423 950	476 802
Stadio Proprietary Limited	-	-	-	(7 201)

* Details of the terms and conditions of the loans refer to Note 11 and Note 17.

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Lease liabilities				
Citac Africa Proprietary Limited (refer to note 4)	(4 532)	(3 589)	-	-

Notes to the Annual Financial Statements

35. Related parties (continued)

	Group 2024 R '000	Group 2023 R '000	Company 2024 R '000	Company 2023 R '000
Related party transactions				
Interest paid to related party				
Citac Africa Proprietary Limited	205	449	-	-
Management fee expense paid to related parties				
Non-controlling interest shareholders	300	-	-	-
Listing and advisory fees paid to related party				
PSG Capital Proprietary Limited	725	188	-	-
Dividends paid to related parties				
Directors	3 457	2 865	-	-
PSG Alpha Investments Proprietary Limited	17 366	15 108	-	-
Non-controlling interest shareholders	11 299	17 345	-	-

36. Commitments and Contingent liabilities

	Group 2024 R '000	Group 2023 R '000	Company 2024 R '000	Company 2023 R '000
Authorised capital expenditure				
Contracted for and authorised by directors				
• Property, plant and equipment	190 970	-	-	-
Not yet contracted for and authorised by directors			-	-
• Property, plant and equipment	60 194	269 466		
• Intangible assets	46 439	28 023		
	106 633	**297 489**	**-**	**-**

During the year ended 31 December 2024, 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 R10.5 million (2023: R10.5 million). This is funded by a cash deposit with Standard Bank. An amount of R5 million is restricted and therefore disclosed as other receivables as per Note 8. The remaining balance is covered through an insurance policy.

There are no guarantees relating to the Company.

The Group and Company have no contingent liabilities as at 31 December 2024 (2023: Rnil).

37. 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

2024

	Salary R'000	Pension contributions paid R'000	Bonuses ^ R'000	Gains on exercise of options R'000	Other * R'000	Total 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**

2023

	Salary R'000	Pension contributions paid R'000	Bonuses R'000	Gains on exercise of options R'000	Other * R'000	Total R'000
Chris Vorster	4 485	255	3 544	11 386	35	19 705
Samara Totaram	3 155	471	1 895	4 225	-	9 746
Divya Singh	2 913	309	1 894	2 712	96	7 924
Johan Human	2 787	158	1 774	2 160	-	6 879
	13 340	**1 193**	**9 107**	**20 483**	**131**	**44 254**

^ The majority of this amount is included in trade and other payables and is due for payment in April 2025.

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

Share options

During the year, 5.0 million (2023: 3.8 million) shares options were issued to the executive directors and prescribed officers.

In the prior year, share options of 2.9 million in respect of Samara Totaram were forfeited following her resignation. No share options lapsed (2023: nil). Refer to Note 15 for further information.

Notes to the Annual Financial Statements

37. Directors' and prescribed officers emoluments (continued)

Non-executive

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**

2023

	Directors' fees R'000	Gains on exercise of options R'000	Total R'000
Vincent Maphai	607	-	607
Nico de Waal	338	-	338
Chris van der Merwe	338	657	995
Mathukana Mokoka	502	-	502
Busisiwe Vilakazi	439	-	439
Tom Brown	405	-	405
	2 629	**657**	**3 286**

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.

38. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

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**

Group - 2023

	Notes	Fair value through profit or loss R'000	Amortised cost R'000	Total R'000
Other financial assets	9	16 244	-	16 244
Trade and other receivables	8	-	195 787	195 787
Cash and cash equivalents	12	-	130 323	130 323
		16 244	**326 110**	**342 354**

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**

Company - 2023

	Notes	Amortised cost R'000	Total R'000
Loans to related parties	11	512 417	512 417
Cash and cash equivalents	12	15 132	15 132
		527 549	**527 549**

Notes to the Annual Financial Statements

38. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2024

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	18	22 787	22 787
Borrowings	16	492	492
Lease liabilities	4	112 179	112 179
		135 458	**135 458**

Group - 2023

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	18	142 632	142 632
Loans from related parties	17	96	96
Borrowings	16	237	237
Lease liabilities	4	115 013	115 013
		257 978	**257 978**

Company - 2024

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	18	959	959

Company - 2023

	Notes	Amortised cost R'000	Total R'000
Trade and other payables	18	540	540
Loans from related parties	17	7 201	7 201
		7 741	**7 741**

38. 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	
		2024 R '000	2023 R '000	2024 R '000	2023 R '000
Loans from related parties	17	-	96	-	7 201
Borrowings	16	492	237	-	-
Lease liabilities	4	112 179	115 013	-	-
Trade and other payables	18	22 787	142 632	959	540
Total borrowings		**135 458**	**257 978**	**959**	**7 741**
Cash and cash equivalents	12	(132 194)	(130 323)	(629)	(15 132)
Net borrowings		**3 264**	**127 655**	**330**	**(7 391)**
Equity		2 023 682	1 862 202	1 402 660	1 498 858
Gearing ratio		0,2 %	6,9 %	- %	(0,5)%

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 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.

38. 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 and lease receivables is considered to be low at year end (refer to Note 11). 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		2024			2023		
	Notes	**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	4 882	-	4 882	16 244	-	16 244
Lease receivables	8	23 430	-	23 430	22 110	-	22 110
Trade and other receivables (excluding lease receivables)	8	380 935	(198 503)	182 432	337 195	(163 518)	173 677
Cash and cash equivalents	12	132 194	-	132 194	130 323	-	130 323
		541 441	**(198 503)**	**342 938**	**505 872**	**(163 518)**	**342 354**

Company		2024			2023		
	Notes	**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	423 950	-	423 950	512 417	-	512 417
Cash and cash equivalents	12	629	-	629	15 132	-	15 132
		424 579	**-**	**424 579**	**527 549**	**-**	**527 549**

Notes to the Annual Financial Statements

38. 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 2024, the Group has a revolving credit facility with Standard Bank and has not drawn down for the current year (2023: R nil). 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 - 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	-	17 561	25 690	13 889 395	13 932 646	80 181
Current liabilities							
Trade and other payables	18	22 787	-	-	-	22 787	22 787
Borrowings	16	492	-	-	-	492	492
Lease liabilities	4	35 199	-	-	-	35 199	31 998
		58 478	**17 561**	**25 690**	**13 889 395**	**13 991 124**	**135 458**

Group - 2023

	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	-	18 022	23 974	10 423 375	10 465 371	80 298
Current liabilities							
Trade and other payables	18	142 632	-	-	-	142 632	142 632
Loans from related parties	17	96	-	-	-	96	96
Borrowings	16	237	-	-	-	237	237
Lease liabilities	4	37 566	-	-	-	37 566	34 715
		180 531	**18 022**	**23 974**	**10 423 375**	**10 645 902**	**257 978**

Notes to the Annual Financial Statements

38. Financial instruments and risk management (continued)

Company - 2024

	Notes	Less than 1 year R '000	Total R '000	Carrying amount R'000
Current liabilities				
Trade and other payables	18	959	959	959

Company - 2023

	Notes	Less than 1 year R '000	Total R '000	Carrying amount R '000
Current liabilities				
Trade and other payables	18	540	540	540
Loans from related parties	17	7 201	7 201	7 201

Financing facilities

	Group		Company	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Standard Bank revolving credit facility expiring December 2025:				
Available	100 000	100 000	-	-

Notes to the Annual Financial Statements

38. 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 2024 and 2023.

Company

There is no foreign exchange currency risk for the Company at 31 December 2024 and 2023.

38. Financial instruments and risk management (continued)

Interest rate risk

Fluctuations in interest rates impact on the value of investments, cash and cash equivalents and financing activities, 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 most significant debt in the Group comprises of the Standard Bank revolving credit facility, whose interest is linked to the three-month JIBAR. 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 rate movements.

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 2024, of a 25 basis points increase in the interest rate, would result in a net increase in profit of R0.3 million (2023: net increase in profit of R0.1 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 2024 and 31 December 2023.

At 31 December 2024, if share prices in the portfolio were 10% (2023: 10%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have increased or decreased with R0.1 million (2023: R1.6 million).

39. 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	
		2024 R '000	2023 R '000	2024 R '000	2023 R '000
Level 1					
Recurring fair value measurements					
Assets	Note				
Financial assets mandatorily at fair value through profit or loss					
Unit trusts	9	4 882	16 244	-	-

40. Going concern

The Group has a strong statement of financial position with no external funding (other than lease liabilities) and continues to generate strong profits and cash flows for the year ended 31 December 2024.

At 31 December 2024, 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 R100 million, with an option to increase the revolving credit facility by an additional R100 million. At 31 December 2024, the Group has no external debt. 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.

Notes to the Annual Financial Statements

41. Events after the reporting period

In February 2025, Chris van der Merwe informed the Board that he will retire as a non-executive director of the Board at the AGM to be held on 19 June 2025.

The Board resolved and approved that on 24 March 2025, the Group declared a dividend of 15.1 cents per share (R128 million) from income reserves for the year ended 31 December 2024, which is payable 29 April 2025. The dividend amount, net of South African dividends tax of 20%, is 12.08 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.

Shareholders' Analysis

1. Distribution of shareholders

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**

Range of shareholding 2023	Number of shareholders	% of shareholders	Number of shares '000	% of issued shares
1 - 10 000	19 018	88,2	21 181	2,5
10 001 - 100 000	2 109	9,8	61 468	7,3
100 001 - 1 000 000	357	1,6	97 950	11,6
More than 1 000 000	88	0,4	666 207	78,6
	21 572	**100,0**	**846 806**	**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 consist of:				
PSG Alpha Investments Proprietary Limited[1]	1	-	145 868	17,2
Brimstone Investment Corporation Limited[2]	1	-	-	-
BBBEE Private Placement[3] (consisting of 483 individuals)	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**

Public and non-public shareholding 2023	Number of shareholders	% shareholders	Number of shares '000	% of issued shares
Public shareholders	21 556	99,9	589 867	69,7
Non-public shareholders	16	0,1	256 939	30,3
Where non-public shareholders consists of:				
PSG Alpha Investments Proprietary Limited	1	-	145 868	17,2
BBBEE Private Placement (consisting of 483 individuals)	1	-	33 780	4,0
Brimstone Investment Corporation Limited	1	-	43 565	5,1
STADIO Khulisa Student Share Scheme (consisting of 2 955 graduates)	1	-	790	0,1
Directors (including prescribed officers and subsidiary directors)	12	0,1	32 935	3,9
	21 572	**100,0**	**846 806**	**100,0**

2. Major shareholders

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

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

2023	Number of shares '000	% of shares held
PSG Alpha Investments Proprietary Limited	145 868	17,2
Coronation Fund Managers Limited	140 588	16,6
Brimstone Investment Corporation Limited	43 565	5,1

[1] In addition to the shares held directly by PSG Alpha Investments Proprietary Limited, the PSG Group Proprietary Limited (PSG Group) holds 3.3% shares through another group entity (2023: 3.3%) and has an indirect shareholding in ThembiSA ThembiSA Investco 2 Proprietary Limited.

[2] Brimstone Investment Corporation Limited sold its shareholding to ThembiSA Investco 2 Proprietary Limited, a wholly-owned subsidiary of ThembiSA Fund 1 Proprietary Limited, a verified black private equity fund (collectively referred to as "ThembiSA") on 2 October 2024. ThembiSA was subject to the original B-BBEE Private Placement lock-in period as discussed below.

[3] On 4 December 2017, the Company raised R200 million through a B-BBEE Private Placement issuing 33,783,784 shares to individual black investors and 33,783,784 shares to Newshelf 1404 Proprietary Limited, a wholly-owned subsidiary of Brimstone Investment Corporation Limited ("Brimstone"). These shares were subject to a seven-year lock-in period which ended on 4 December 2024. Furthermore, as part of the acquisition of Milpark Education in 2018, Brimstone and the STADIO Group concluded a share swap agreement whereby Brimstone received 9,781,273 shares in the Company in exchange for a portion of its interest in Milpark Education, subject to a seven-year lock-in period (“Share Swap Agreement”).

As noted above, on 2 October 2024, in accordance with the terms of the BBBEE Private Placement and the Share Swap Agreement, the Company approved the transfer by Brimstone of the aforementioned 43,565,057 shares to ThembiSA InvestCo 2 Proprietary Limited, being a wholly-owned subsidiary of ThembiSA Fund 1 Proprietary Limited, a verified black private equity fund which is managed by ThembiSA Equity Investments Proprietary Limited, a black private equity investment management company (collectively referred to as “ThembiSA”). ThembiSA will honour the initial lock-in arrangements as previously agreed by Brimstone. Many of the individual black investors became public shareholders as the lock-in period ended in December 2024.

PSG Group Proprietary Limited (“PSG Group”), the ThembiSA Women’s Empowerment Trust and other minority shareholders, all of whom are black persons (apart from PSG Group), hold beneficial interests in ThembiSA.