

# STADIO

— HOLDINGS —

NOTICE OF AGM  
2024



PRESENTING  
**STADIO**  
— HOLDINGS —



THREE DISTINCT PRIVATE HIGHER EDUCATION INSTITUTIONS

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# Highlights

Board approves construction of Durbanville comprehensive campus for opening to new students in January 2026

Milpark Education becomes largest contributor to the CA(SA) pipeline

Professional Sport launched at STADIO Higher Education

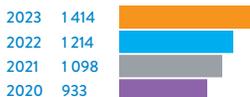
Acquisition of additional 15.4% shareholding in Milpark Education

AFDA Honours film, Winterslaap, wins Gold at 2023 Loeries for Best South African Student Film

Krugersdorp Distance Learning Logistics Centre operational from January 2023

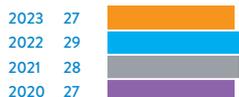
**REVENUE**  
**R1 414 million**

↑ 16%



**ADJUSTED EBITDA MARGIN**  
**27%**

↓



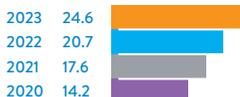
**EPS**  
**24.5 cps**

↑ 26%



**CORE HEPS**  
**24.6 cps**

↑ 19%



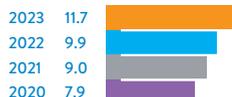
**DIVIDEND PER SHARE**  
**10.0 cps**

↑ 12%



**RETURN ON EQUITY**  
**11.7%**

↑ 18%



**46 508**  
STUDENT NUMBERS  
**up 10%**

**8 103**  
GRADUATES  
**up 8%**

**86**  
IN DEMAND  
QUALIFICATIONS

**PIPELINE**  
PROGRAMMES  
**54**

SUCCESSFUL ACADEMIC  
CONFERENCE ON  
"TECHNOLOGY ENABLING  
CURRICULUM REFORM"



# Letter to shareholders

30 April 2024

Dear Shareholder

## NOTICE OF 7<sup>TH</sup> ANNUAL GENERAL MEETING AND FORM OF PROXY

We are pleased to enclose the notice of STADIO Holdings Limited's (STADIO Holdings) 7th annual general meeting to be conducted entirely by electronic communication as permitted by the Companies Act, No. 71 of 2008, as amended (the Companies Act) and by the Company's Memorandum of Incorporation (MOI) at 10:00 a.m. on Wednesday, 19 June 2024 (the AGM).

We have found that electronic meetings have provided a more convenient way for shareholders to participate in our AGM, with increased shareholder attendance, and the consequential benefit of reduced costs and less impact on the environment. We will therefore continue to conduct our AGM entirely by electronic communication.

The enclosed notice of AGM (Notice of AGM) is accompanied by various annexures, some of which include:

- audited summary financial statements;
- the remuneration report; and
- form of proxy.

We are committed to being responsible stewards of the environment, and therefore, in an effort to support environmental initiatives, STADIO Holdings' integrated annual report will not be printed, but instead is available on the STADIO Holdings' website, [www.stadio.co.za](http://www.stadio.co.za). Should you require an electronic copy, please contact the Company Secretary at [kater@stadio.co.za](mailto:kater@stadio.co.za).

A copy of STADIO Holding's audited consolidated annual financial statements and the summary financial statements for the financial year ended 31 December 2023 are available on STADIO Holdings website at [www.stadio.co.za](http://www.stadio.co.za) or may be requested and obtained in person, at no charge, at the registered office of the company during office hours.

Our AGM is an opportunity for stakeholders to engage with members of the Board and management, and we look forward to your participation.

Yours faithfully



**Vincent T Maphai**  
Chairperson

"The STADIO Group has once more proven that it has the track record to deliver on its strategic objectives, despite the enormous economic challenges facing our country, and is an organisation that can be counted on."

**VINCENT T MAPHAI**  
Chairperson



# 02 Notice of 7th annual general meeting

STADIO Holdings Limited  
Incorporated in the Republic of South Africa  
Registration number: 2016/371398/06  
JSE share code: SDO  
ISIN: ZAE000248662  
LEI: 3789007C8FB26515D966  
(STADIO Holdings, or the Group, or the Company)

Notice is hereby given of the 7th annual general meeting of ordinary shareholders of STADIO Holdings to be conducted entirely by electronic communication as permitted by the Companies Act, No. 71 of 2008, as amended (the Companies Act) and by the Company's memorandum of incorporation (MOI), at 10:00 a.m. on Wednesday, 19 June 2024 (the AGM).

## PURPOSE

The purpose of the AGM is to transact the business set out in the agenda below.

Shareholders or their duly appointed proxy(ies) who wish to participate in the AGM via electronic communication (Participant(s)) must refer to the instructions and guidelines included on page 15.

## AGENDA

- Presentation of the audited annual financial statements of STADIO Holdings and its subsidiaries, the reports of the directors of STADIO Holdings (Directors), including the remuneration report, the audit and risk committee report, and the report of the transformation, social and ethics committee for the year ended 31 December 2023.

*The audited summary financial statements for the year ended 31 December 2023 are included in Annexure 1, while the audited annual consolidated financial statements, including the unmodified audit opinion, and the annual integrated report are available for download on our website at [www.stadio.co.za](http://www.stadio.co.za). Should you wish to receive an electronic copy of either document, please email the company secretary at [kater@stadio.co.za](mailto:kater@stadio.co.za).*

- To consider and, if deemed fit, approve, with or without modification, the ordinary and special resolutions on pages 6 to 12:

Note:

*For any of the ordinary resolutions numbers 1 to 7 and 9 to 10 (inclusive) to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 8 and special resolutions numbers 1 to 11 to be adopted, at least 75% of the voting rights exercised on each such resolution must be exercised in favour thereof.*

Brief curriculum vitae of each of the Directors who retire by rotation and (or) are standing for re-election in accordance with the Company's MOI and King IV Report on Corporate Governance™ for South Africa, 2016 (King IV™), are included on the following page.



**MR ISHAK KULA  
(MR ISHAK KULA) <sup>40</sup>**

Chief financial officer  
Executive director  
CA (SA)

Mr Ishak Kula was appointed as Chief financial officer and an executive director on 1 January 2024. He is a qualified chartered accountant having completed his articles with KPMG. Mr Ishak Kula joins the STADIO Group from the Bud Group, where he served as the chief assurance executive. He has more than 15 years of financial experience with broad business acumen and strong leadership qualities.



**MR PIETER NICOLAAS DE WAAL  
(MR NICO DE WAAL) <sup>48</sup>**

Non-executive Director  
BEng (Mech), MBA

Mr Nico de Waal joined the PSG Group in 2011 and currently serves as the CEO of PSG Group Proprietary Limited. Prior to joining the PSG Group, he was an executive at SAB Miller plc from 2008 to 2010. He also served as a management consultant at McKinsey & Company, Inc. from 2001 to 2007, specialising in strategy and operations.



**MS MATHUKANA MOKOKA  
(MS MATHUKANA MOKOKA) <sup>50</sup>**

Independent Non-executive Director  
CA(SA)

Ms Mathukana Mokoka was appointed in April 2019. She is a qualified Chartered Accountant (CA)SA with over 20 years of post-articles experience. She has sound public and private sector experience on various boards of companies, including Sanlam Limited, Sanlam Life Insurance Limited, Energy Partners Proprietary Limited, CSG Holdings, Strate Proprietary Limited, amongst others. She is the chairperson of the ThembiSA Private Equity Investments.



**DR THOMAS HENRY BROWN  
(DR TOM BROWN) <sup>57</sup>**

Independent Non-executive Director  
BSc, HED, BEd,

Dr Tom Brown was appointed in October 2019 and has a wealth of knowledge in education, having been involved in both contact and distance learning for many years. He received his PhD in the field of distance learning in 1993 and was a Research Professor in the Institute for Open Distance Learning, Unisa. Dr Tom Brown previously held various executive positions in both public and private higher education, including CEO of CTI Education Group, MD of Midrand Graduate Institute, and Deputy Director of Telematic Learning and Education Innovation at the University of Pretoria. He has been involved in consultancy work for several institutions in the fields of private higher education, distance learning, mobile learning, educational technology and technology enhanced learning. Dr Tom Brown serves on the boards of numerous companies and is Chairman of the DC Education Group. He is also one of the founding directors of the International Association for Mobile Learning (IAmLearn).



**DR CRISTIAAN RUDOLPH  
VAN DER MERWE  
(DR CHRIS VAN DER MERWE) <sup>61</sup>**

Non-executive Director  
B. Prim (Ed), B.Ed, M.Ed  
(Cum Laude), D. Education

Dr Chris van der Merwe has extensive knowledge and experience in the independent school and tertiary sectors. He founded Curro in 1998 and, under his leadership, Curro was listed on the JSE in 2011. He was CEO of STADIO Holdings from July 2017 until March 2020, during which time, STADIO Holdings delivered on the promises of its Pre-listing Statement. Dr Chris van der Merwe remains a Non-executive Director for both Curro and STADIO Holdings.



**DR CHRISTINA BUSISIWE  
VILAKAZI  
(DR BUSISIWE VILAKAZI) <sup>40</sup>**

Independent Non-executive Director  
BSc in Electrical Engineering, MSc in Engineering, DPhil (PhD) in Engineering Science

Dr Busisiwe Vilakazi was appointed in October 2019 and holds a PhD in Engineering Science as a Nelson Mandela Scholar from the University of Oxford in the United Kingdom. She has a wealth of experience in ICT, emerging technologies and energy, having led research activities in those areas at both the CSIR and SITA. She currently serves on the Eskom Holdings Board as well as on the Board of MacSteel SA Proprietary Limited.

# 02 Notice of 7th annual general meeting continued

## ORDINARY RESOLUTIONS

### 1. CONFIRMATION OF APPOINTMENT, RETIREMENT AND RE-ELECTION OF DIRECTORS

#### 1.1 ORDINARY RESOLUTION NUMBER 1

*Resolved that Mr Ishak Kula's appointment as an executive director, in terms of the MOI of the Company, be and is hereby confirmed.*

The reason for ordinary resolution number 1 is that the MOI of the Company and the JSE Listings Requirements require that any new appointment to the board of Directors of the Company be confirmed by the shareholders at the next annual general meeting of the Company.

#### 1.2 ORDINARY RESOLUTION NUMBER 2

*Resolved that Dr Chris van der Merwe, who retires by rotation in terms of the MOI of the Company, and being eligible, offers himself for re-election, be and is hereby re-elected as Director.*

#### 1.3 ORDINARY RESOLUTION NUMBER 3

*Resolved that Mr Nico de Waal, who retires by rotation in terms of the MOI of the Company, and being eligible, offers himself for re-election, be and is hereby re-elected as Director.*

The reason for ordinary resolutions numbers 2 to 3 (inclusive) is that the MOI of the Company, the Listings Requirements of the JSE (JSE Listings Requirements), and to the extent applicable, the Companies Act, require that one-third of Non-executive Directors will retire at each annual general meeting of the Company and, being eligible, may offer themselves for re-election as Directors.

### 2. RE-APPOINTMENT OF THE MEMBERS OF THE AUDIT AND RISK COMMITTEE OF THE COMPANY

Note:

*For the avoidance of doubt, all references to the Audit and Risk Committee of the Company are a reference to the audit committee as contemplated in the Companies Act.*

#### 2.1 ORDINARY RESOLUTION NUMBER 4

*Resolved that Ms Mathukana Mokoka, being eligible, is hereby re-appointed as a member and chairperson of the audit and risk committee of the Company, as recommended by the Board of the Company, until the next annual general meeting of the Company.*

#### 2.2 ORDINARY RESOLUTION NUMBER 5

*Resolved that Dr Busisiwe Vilakazi, being eligible, is hereby re-appointed as a member of the audit and risk committee of the Company, as recommended by the Board of the Company, until the next annual general meeting of the Company.*

#### 2.3 ORDINARY RESOLUTION NUMBER 6

*Resolved that Dr Tom Brown, being eligible, is hereby re-appointed as a member of the audit and risk committee of the Company, as recommended by the Board of the Company, until the next annual general meeting of the Company.*

The reason for ordinary resolutions numbers 4 to 6 (inclusive) is that the Company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of the Company.

### 3. RE-APPOINTMENT OF AUDITOR

#### 3.1 ORDINARY RESOLUTION NUMBER 7

*Resolved that PricewaterhouseCoopers Inc. be and is hereby re-appointed as the auditor of the Company for the ensuing financial year or until the next annual general meeting of the Company, whichever is the later, with the designated auditor being Mr Viresh Harri, a registered auditor and partner in the firm on the recommendation of the audit and risk committee of the Company.*

The reason for ordinary resolution number 7 is that the Company, being a public listed company, must have its annual financial statements audited, and such an auditor must be appointed or re-appointed, as the case may be, at each annual general meeting of the Company, as required by the Companies Act and the JSE Listings Requirements.

### 4. GENERAL AUTHORITY TO ISSUE ORDINARY SHARES FOR CASH

#### 4.1 ORDINARY RESOLUTION NUMBER 8

*Resolved that the Board of the Company, be and is hereby authorised, by way of a general authority, to allot and issue any of the Company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company's MOI, the Companies Act and the JSE Listings Requirements, of the provided that:*

- the approval shall be valid until the date of the next annual general meeting of the Company, provided it shall not extend beyond 15 months from the date of this resolution;
- the general issues of shares for cash in any one financial year may not exceed, in the aggregate, 5% of the Company's issued share capital (number of securities) of that class as at the date of this Notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer or in consideration for acquisitions or shares issued to the Company's Share Incentive Trust (Trust) or options granted by the Trust in accordance with the JSE Listings Requirements shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this Notice of AGM, 5% of the issued ordinary shares of the Company (net of treasury shares) amounts to 42 337 225 ordinary shares;
- in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE will be consulted for a ruling if the securities have not traded in such 30-business day period;
- any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not to related parties save therefor that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be "out of the book" and not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;
- any such issue will only be comprised of securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue; and
- in the event that the issued securities represent, on a cumulative basis, 5% or more of the number of securities in issue, prior to that issue, an announcement containing the full details of such issue shall be published on the Stock Exchange News Service of the JSE.

# 02 Notice of 7th annual general meeting

## continued

For listed entities wishing to issue shares for cash (other than issues by way of rights offers and/or in consideration for acquisitions and/or to share incentive schemes, which schemes have been duly approved by the JSE and by the shareholders of the Company), it is necessary for the Board to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the MOI of the Company. Accordingly, the reason for ordinary resolution number 8 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the MOI of the Company.

For ordinary resolution number 8 to be adopted, at least 75% of the voting rights exercised on the applicable ordinary resolution must be exercised in favour thereof.

### 5. NON-BINDING ADVISORY VOTES ON STADIO HOLDINGS' REMUNERATION POLICY AND IMPLEMENTATION REPORT ON THE REMUNERATION POLICY

#### 5.1 ORDINARY RESOLUTION NUMBER 9

*Resolved that the Company's remuneration policy (Remuneration Policy), as set out in Annexure 3 of this Notice of AGM, be and is hereby endorsed by way of a non-binding advisory vote.*

The reason for ordinary resolution number 9 is that King IV™ recommends, and the JSE Listings Requirements requires, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 9, if passed, will be to endorse the Company's Remuneration Policy. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's Remuneration Policy.

#### 5.2 ORDINARY RESOLUTION NUMBER 10

*Resolved that the Company's implementation report in respect of its Remuneration Policy (Implementation Report), as set out in Annexure 3 of this Notice of AGM, be and is hereby endorsed by way of a non-binding advisory vote.*

The reason for ordinary resolution number 10 is that King IV™ recommends, and the JSE Listings Requirements requires, that the implementation report on a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the implementation of a company's remuneration policy. The effect of ordinary resolution number 10, if passed, will be to endorse the Company's Implementation Report in relation to its Remuneration Policy. Ordinary resolution number 10 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's implementation of the Remuneration Policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 9 or ordinary resolution number 10 be against either resolution, or both resolutions, the Company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the Company.

## SPECIAL RESOLUTIONS

- To consider and, if deemed fit, approve, with or without modification, the following special resolutions:

### 6. REMUNERATION OF NON-EXECUTIVE DIRECTORS

#### Special resolutions numbers 1 to 8

*Resolved in terms of section 66(9) of the Companies Act that the Company be and is hereby authorised to remunerate its non-executive Directors for their services as Directors, which includes serving on various sub-committees, on the basis set out below, provided that this authority will be valid until the next annual general meeting of the Company<sup>1,2</sup>.*

#### 6.1 SPECIAL RESOLUTION NUMBER 1

*Resolved that the chairperson of the Board be paid an annual fee of R545 796 (excluding value added tax (VAT)).*

#### 6.2 SPECIAL RESOLUTION NUMBER 2

*Resolved that members of the Board be paid an annual fee of R291 838 (excluding VAT).*

#### 6.3 SPECIAL RESOLUTION NUMBER 3

*Resolved that the chairperson of the audit and risk committee be paid an annual fee of R149 839 (excluding VAT).*

#### 6.4 SPECIAL RESOLUTION NUMBER 4

*Resolved that members of the audit and risk committee be paid an annual fee of R77 688 (excluding VAT).*

#### 6.5 SPECIAL RESOLUTION NUMBER 5

*Resolved that the chairpersons of the remuneration and nominations committee be paid an annual fee of R105 386 (excluding VAT).*

#### 6.6 SPECIAL RESOLUTION NUMBER 6

*Resolved that members of the remuneration and nominations committee be paid an annual fee of R70 257 (excluding VAT).*

#### 6.7 SPECIAL RESOLUTION NUMBER 7

*Resolved that the chairperson of the transformation, social and ethics committee be paid an annual fee of R107 413 (excluding VAT).*

#### 6.8 SPECIAL RESOLUTION NUMBER 8

*Resolved that members of the transformation, social and ethics committee be paid an annual fee of R71 608 (excluding VAT).*

Notes:

1. Fees are paid for services rendered as Directors and are not based on the number of meetings attended.
2. The fees are paid biannually in arrears and VAT is payable thereon if the non-executive Director is VAT registered.

The reason for special resolutions numbers 1 to 8 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive Directors in accordance with the requirements of the Companies Act.

The effect of special resolutions numbers 1 to 8, if passed, is that the Company will be able to pay its non-executive Directors for the services they render to the Company as Directors without requiring further shareholder approval until the next annual general meeting of the Company.

# 02 Notice of 7th annual general meeting continued

## 7. INTER-COMPANY AND RELATED FINANCIAL ASSISTANCE

### 7.1 SPECIAL RESOLUTION NUMBER 9: INTER-COMPANY FINANCIAL ASSISTANCE

*Resolved in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the Company provide any direct or indirect financial assistance (“financial assistance” will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related (“related” and “inter-related” will herein have the meanings attributed thereto in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.*

The reason for and effect, if passed, of special resolution number 9 is to grant the Directors of the Company the authority, until the next annual general meeting of the Company, to provide direct or indirect financial assistance to any company or corporation that is related or inter-related to the Company. This means that the Company is, *inter alia*, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

### 7.2 SPECIAL RESOLUTION NUMBER 10: FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION AND/OR THE ACQUISITION OF SHARES IN THE COMPANY OR A RELATED OR INTER-RELATED COMPANY

*Resolved that, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, the Board be and is hereby authorised to approve that the Company provide any direct or indirect financial assistance (“financial assistance” will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the Board may deem fit to any person (including a juristic person) for purposes of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company (“related” and “inter-related” will herein have the meanings attributed thereto in section 2 of the Companies Act), on the terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.*

The reason for and effect, if passed, of special resolution number 10 is to grant the Directors of the Company the authority, until the next annual general meeting of the Company, to provide financial assistance to any person for purposes of, or in connection with, the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This means that the Company is authorised, *inter alia*, to grant loans to any person (including its subsidiaries) or to guarantee and furnish security for the debt of any person where any such financial assistance is directly or indirectly related to that person subscribing for options, shares or securities in the Company or its subsidiaries or purchasing options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a wholly-owned subsidiary raises funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its wholly-owned subsidiary to the third-party funder arising from the issue of the preference shares.

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the Directors of the Company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolutions numbers 9 and 10 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company); and
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months.

In addition, the Board will only approve the provision of any financial assistance contemplated in special resolutions numbers 9 and 10 above, where:

- the Board is satisfied that the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the Company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's MOI have been met.

## 8. SHARE REPURCHASES BY THE COMPANY AND ITS SUBSIDIARIES

### 8.1 SPECIAL RESOLUTION NUMBER 11

Resolved, as a special resolution, that the Company and its subsidiaries be and are hereby authorised, as a general approval, to repurchase any 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 MOI of the Company and the JSE Listings Requirements, including, *inter alia*, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the Company, provided that it shall not extend beyond 15 months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20% in the aggregate in any one financial year of the Company's issued share capital at the time the authority is granted;
- a resolution has been passed by the Board approving the repurchase, confirming that the Company and its subsidiaries (the Group) have satisfied the solvency and liquidity test as defined in the Companies Act, and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Group;
- the general repurchase is authorised by the Company's MOI;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five-business-day period;
- the Company may at any point in time appoint only one agent to effect any repurchase(s) on the Company's and/or its subsidiaries' behalf; and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless a repurchase programme, as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements, has been submitted to the JSE in writing prior to the commencement of a prohibited period and executed by an independent third party.

# 02 Notice of 7th annual general meeting

## continued

The reason for and effect, if passed, of special resolution number 11 is to grant the Directors a general authority in terms of the Company's MOI and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 11. This authority will provide the Board with the necessary flexibility to repurchase shares in the market, should a favourable opportunity arise and the Board believe that it is in the interest of the Company to do so.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not collectively hold more than 10% in aggregate of the number of the issued shares of any class of a company. In order to avoid doubt, (i) a *pro rata* repurchase by the Company from all its shareholders and (ii) intra-group repurchases by the Company of its shares from wholly-owned subsidiaries, share incentive schemes pursuant to Schedule 14 of the JSE Listings Requirements and/or non-dilutive share incentive schemes controlled by the Company, where such repurchased shares are to be cancelled, will not require shareholder approval, save to the extent as may be required by the Companies Act.

### 8.2 INFORMATION RELATING TO SPECIAL RESOLUTION NUMBER 11

1. The Directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company, as set out in special resolution number 11, to the extent that the Directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:
  - The Company's and the Group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this notice of AGM and for a period of 12 months after the repurchase.
  - The consolidated assets of the Company and the Group (fairly valued) will, at the time of this notice of AGM and at the time of making such determination and for a period of 12 months thereafter, be in excess of the consolidated liabilities of the Company and Group (fairly valued). The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group.
  - The ordinary capital and reserves of the Company and the Group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 months after this notice of AGM and after the date of the share repurchase.
  - The working capital available to the Group after the repurchase will be sufficient for the Group's ordinary business purposes for a period of 12 months after the date of this notice of the AGM and for 12 months thereafter and/or after the date of the repurchase.
  - The Directors have passed a resolution authorising the repurchase, resolving that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and resolving that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Group.
2. The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Notice of AGM contains all information required by law and the JSE Listings Requirements.
3. Special resolutions numbers 9, 10 and 11 are renewals of resolutions passed at the previous annual general meeting held on 22 June 2023.
4. General information in respect of major shareholders and the share capital of the Company is contained

in Annexure 2 of this Notice of AGM, as well as the full set of annual financial statements, being available on the Company's website at [www.stadio.co.za](http://www.stadio.co.za) or which may be requested and obtained in person, at no charge, at the registered office of the Company during office hours. Other than the facts and developments reported on in the annual financial statements, there have been no material changes in the financial position of the Company and its subsidiaries.

## 9. OTHER BUSINESS

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the Company.

### 9.1 VOTING

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company (the share register) for purposes of being entitled to receive this Notice of AGM is Friday, 19 April 2024.
2. The date on which shareholders must be recorded in the share register for purposes of being entitled to attend and vote at this meeting is Friday, 7 June 2024, with the last day to trade being Tuesday, 4 June 2024.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the transfer secretaries before being entitled to participate in the AGM and must accordingly submit a copy of their valid identity document, passport or driver's licence to the transfer secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za). If in any doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.
4. Certificated shareholders and own-name dematerialised shareholders entitled to attend, speak and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the Company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed on pages 50 to 51 for use by such shareholders who wish to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM. Forms of proxy must be completed and lodged at or posted to the transfer secretaries, Computershare Investor Services Proprietary Limited (Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or Private Bag X9000, Saxonwold, 2132), or emailed to [proxy@computershare.co.za](mailto:proxy@computershare.co.za) so as to be received by the transfer secretaries by no later than 10:00 a.m. (South African time) on Friday, 14 June 2024, provided that any form of proxy not delivered to the transfer secretaries by this time may be submitted to the transfer secretaries via email at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) at any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the transfer secretaries verifying the form of proxy and proof of identification before any shareholder rights are exercised.
5. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM will need to request their Central Securities Depository Participant (CSDP) or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and the CSDP or broker in the manner and time stipulated therein.
7. Voting will be performed by way of a poll and, accordingly, each shareholder participating in person, by proxy or by authorised representative shall have one vote in respect of each share held.

# 02 Notice of 7th annual general meeting continued

## 10. ELECTRONIC PARTICIPATION

1. Shareholders or their proxies who wish to participate in the AGM via electronic communication (Participants) must either:
  - a. register online using the online registration portal at [www.meetnow.global/za](http://www.meetnow.global/za); or
  - b. apply to Computershare, by sending a request by email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za) so as to be received by Computershare by no later than 10:00 a.m. on Friday, 14 June 2024. Such shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM. Computershare will first validate such request and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided.
2. Participants must submit proof of identification before the Participant is provided with an invitation code.
3. Following successful registration, the transfer secretaries will provide the Participant with an invitation code in order to participate in the AGM.
4. Participation in the AGM is through the Computershare website as set out in the steps on [www.meetnow.global/za](http://www.meetnow.global/za).
5. Participants will receive a meeting link and invitation code from Computershare by email.
6. Click on the meeting link and follow the instructions provided to access the meeting.
7. Invitation codes can be requested from [proxy@computershare.co.za](mailto:proxy@computershare.co.za) as part of the above registration process or by registering at [www.meetnow.global/za](http://www.meetnow.global/za).
8. Computershare will inform Participants by no later than 17:00 p.m. on Tuesday, 18 June 2024, by email, of the relevant details through which they can participate electronically.
9. The cost of electronic participation in the AGM is for the expense of the Participant and will be billed separately by the Participant's own service provider.
10. The Participant acknowledges that the electronic communication services are provided by third parties and indemnifies STADIO Holdings against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against STADIO Holdings, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the Participant via the electronic services to the AGM.
11. STADIO Holdings cannot guarantee there will not be a break in electronic communication that is beyond the control of the Company.
12. Guests will be able to join the meeting by visiting [www.meetnow.global/za](http://www.meetnow.global/za) and clicking on the STADIO Holdings logo.
13. Click on "Join meeting now" and follow the instructions provided. Guests may listen to the presentation, but will not be able to ask any questions or vote.

By order of the Board



**STADIO Holdings Limited**

30 April 2024

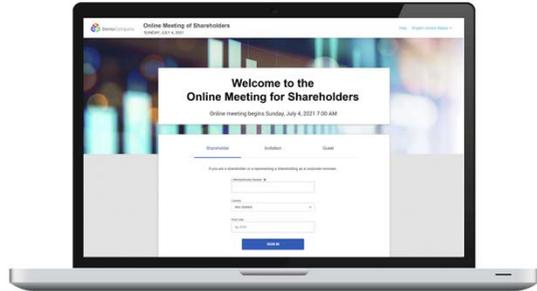
# HOW TO PARTICIPATE IN VIRTUAL MEETINGS

## Attending the meeting online

Our online meetings provide you with the opportunity to participate online using your smartphone, tablet or computer.

You will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

**You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.**



Visit <https://meetnow.global/za>



### Access

Access the online meeting at <https://meetnow.global/za>, select the applicable meeting from the drop down option. Click 'JOIN MEETING NOW'.

#### If you are a shareholder:

Select 'Invitation' on the login screen and enter the applicable information as per your invitation. Accept the Terms and Conditions and click Continue.

#### If you are a guest:

Select 'Guest' on the login screen. As a guest, you will be prompted to complete all the relevant fields, including title, first name, last name and email address.

Please note, guests will not be able to ask questions or vote at the meeting.

#### If you are a proxy holder:

You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the invitation to access the meeting.

### Contact



If you have any issues accessing the website please email [proxy@computershare.co.za](mailto:proxy@computershare.co.za).



### Navigation



When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder. The image highlighted blue indicates the page you have active.

The webcast will appear and begin automatically once the meeting has started.



### Voting

Resolutions will be put forward once voting is declared open by the Chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears. To change your vote, select 'Change Your Vote'.



### Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.

# 03 Annexure 1: Summary financial statements

for the year ended 31 December 2023



Our annual financial statements were approved by the Board, and our auditors, PwC, and presented to shareholders at our annual results presentation on 18 March 2024.

Visit our website to view the full annual financial statements for the year ended 31 December 2023, as well as the investor presentation, [www.stadio.co.za](http://www.stadio.co.za).

# Independent auditor's report



## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Stadio Holdings Limited

### OPINION

The summary consolidated financial statements of Stadio Holdings Limited, set out on pages 18 to 29, which comprise the summary consolidated statement of financial position as at 31 December 2023, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Stadio Holdings Limited for the year ended 31 December 2023.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, as set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

### SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

### THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 17 March 2024. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

### DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

*PricewaterhouseCoopers Inc.*

PricewaterhouseCoopers Inc.  
Director: V Harri  
Registered Auditor  
Cape Town, South Africa  
30 April 2024

# 03 Summary consolidated statement of comprehensive income for the year ended 31 December 2023

	Year-on-year change %	Audited 2023 R'000	Audited 2022 R'000
Revenue (Note 4)	16%	1 413 650	1 213 812
Other income	>100%	15 055	6 165
Loss allowance	60%	(127 167)	(79 494)
Fair value gains/(losses) on financial instruments	>(100%)	(21)	127
Employee costs	14%	(586 092)	(515 254)
Operating expenses	18%	(324 885)	(274 219)
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>			
Depreciation and amortisation	11%	390 540	351 137
Impairment (Note 7 & 8)	3%	(70 474)	(68 353)
	(100%)	-	(6 456)
<b>Earnings before interest and taxation (EBIT)</b>	16%	320 066	276 328
Investment income	71%	20 640	12 038
Finance cost	(11%)	(16 677)	(18 650)
<b>Profit before taxation</b>	20%	324 029	269 716
Taxation	5%	(87 767)	(83 228)
<b>Profit for the period</b>	27%	236 262	186 488
Attributable to:			
Owners of the parent	26%	208 247	165 638
Non-controlling interests	34%	28 015	20 850
<b>Total comprehensive income for the period</b>	27%	236 262	186 488
Headline earnings (Note 5)	23%	208 146	169 826
Core Headline earnings (Note 6)	19%	209 100	175 571
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share</b>			
- Basic	26%	24.5	19.5
- Diluted	27%	24.1	19.1
<b>Headline earnings per share</b>			
- Basic	23%	24.5	20.0
- Diluted	23%	24.1	19.6
<b>Core headline earnings per share (Core HEPS)</b>			
- Basic	19%	24.6	20.7
- Diluted	20%	24.2	20.2
		<b>Million</b>	<b>Million</b>
<b>Number of shares in issue (net of treasury shares)</b>			
- Basic	(0.4%)	847	850
- Diluted	(0.9%)	860	868
<b>Weighted average number of shares in issue</b>			
- Basic	0.0%	849	849
- Diluted	(0.7%)	863	868

# Summary consolidated statement of financial position as at 31 December 2023

	Audited 2023 R'000	Audited 2022 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment (Note 7)	872 281	866 846
Right-of-use assets (Note 7)	65 062	84 533
Goodwill	751 082	751 082
Intangible assets (Note 8)	151 872	141 147
Trade and other receivables (Note 9)	20 533	19 377
Other financial assets (Note 14)	16 244	14 740
Deferred tax asset	75 844	86 783
<b>Total non-current assets</b>	<b>1 952 918</b>	<b>1 964 508</b>
<b>Current assets</b>		
Trade and other receivables (Note 9)	196 544	158 858
Current tax receivable	36 203	9 592
Cash and cash equivalents	130 323	148 207
<b>Total current assets</b>	<b>363 070</b>	<b>316 657</b>
<b>Total assets</b>	<b>2 315 988</b>	<b>2 281 165</b>
<b>EQUITY</b>		
Share capital (Note 10.1)	1 628 781	1 628 517
Treasury shares (Note 10.2)	(17 114)	(145)
Other reserves	24 361	16 960
Accumulated profit	158 541	126 853
<b>Total equity attributable to equity holders of the Company</b>	<b>1 794 569</b>	<b>1 772 185</b>
Non-controlling interest	67 633	109 517
<b>Total equity</b>	<b>1 862 202</b>	<b>1 881 702</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	80 298	127 455
Deferred tax liability	51 897	43 320
Trade and other payables	–	2 676
<b>Total non-current liabilities</b>	<b>132 195</b>	<b>173 451</b>
<b>Current liabilities</b>		
Lease liabilities	34 715	42 325
Borrowings (Note 11)	237	68
Loans from related parties	96	96
Trade and other payables <sup>1</sup>	185 753	67 133
Contract liabilities	100 715	96 270
Tax payable	75	20 120
<b>Total current liabilities</b>	<b>321 591</b>	<b>226 012</b>
<b>Total liabilities</b>	<b>453 786</b>	<b>399 463</b>
<b>Total equity and liabilities</b>	<b>2 315 988</b>	<b>2 281 165</b>
Net asset value per share (cents)	212	209

<sup>1</sup> The increase in trade and other payables is due to the consideration payable for the acquisition of the non-controlling shareholding in Milpark Education for R117.5 million.

# 03 Summary consolidated statement of changes in equity for the year ended 31 December 2023

	Audited 2023 R'000	Audited 2022 R'000
Balance as at 1 January	1 881 702	1 751 177
<b>Movement in share capital</b>		
Issue of ordinary shares (Note 10.1)	14 652	9 757
Share issue costs	(162)	(57)
Shares repurchased and cancelled	(14 226)	-
<b>Movement in treasury share</b>		
Net repurchase and issue of treasury shares to employees (Note 10.2)	(16 969)	(145)
Share-based payments expense and vesting of share incentive scheme	7 401	(14 982)
<b>Movement in reserves</b>		
Total comprehensive income for the period attributable to owners of the parent	208 247	165 638
Settlement of employee share scheme (Note 10.2)	(20 506)	-
Dividends paid to ordinary shareholders	(75 676)	(39 975)
Transaction with non-controlling shareholders (Note 12)	(80 377)	-
<b>Movement in non-controlling interest</b>		
Total comprehensive income for the period attributable to non-controlling interest	28 015	20 850
Dividends paid to non-controlling shareholders	(17 345)	(18 922)
Transaction with non-controlling shareholders (Note 12)	(52 554)	(2 022)
Capital contribution from non-controlling shareholder in subsidiary	-	10 383
<b>Balance as at 31 December</b>	<b>1 862 202</b>	<b>1 881 702</b>
<b>Comprising:</b>		
Share capital	1 628 781	1 628 517
Treasury shares	(17 114)	(145)
Share based payment reserve	3 855	16 960
Accumulated profit	179 047	126 853
Non-controlling interest	67 633	109 517

# Summary consolidated statement of cash flows for the year ended 31 December 2023

	Year-on-year change %	Audited 2023 R'000	Audited 2022 R'000
<b>Net cash flow from operating activities</b>		<b>245 726</b>	229 926
Cash generated from operations (Note 13)	17%	<b>360 268</b>	307 696
Interest income received	89%	<b>17 038</b>	9 022
Finance cost paid	(11%)	<b>(16 677)</b>	(18 650)
Taxation paid	69%	<b>(114 903)</b>	(68 142)
<b>Net cash flow used in investing activities</b>		<b>(59 921)</b>	(45 197)
Purchase of property, plant and equipment (Note 7)	(56%)	<b>(37 336)</b>	(85 028)
Purchase of intangible assets	>100%	<b>(22 356)</b>	(7 838)
Proceeds from sale of property, plant and equipment	(99%)	<b>426</b>	52 669
Acquisition of other financial assets	(87%)	<b>(655)</b>	(5 000)
<b>Net cash flow used in financing activities</b>		<b>(203 689)</b>	(102 114)
Share issue costs	>100%	<b>(162)</b>	(57)
Issue of share	(100%)	-	997
Proceeds from non-controlling interest with no change in control (Note 12.1)	(100%)	-	10 383
Acquisition of shares from non-controlling shareholder	100%	<b>(15 431)</b>	-
Proceeds from borrowings	>100%	<b>221</b>	68
Repayment of borrowings	(100%)	<b>(52)</b>	(15 065)
Payment of principal portion of lease liabilities	97%	<b>(62 163)</b>	(31 567)
Dividends paid to non-controlling interests in subsidiaries	(8%)	<b>(17 345)</b>	(18 922)
Dividends paid to shareholders	89%	<b>(75 676)</b>	(39 975)
Cash received on exercise of share options by employees	100%	<b>3 319</b>	-
Net share repurchase	>100%	<b>(36 400)</b>	(7 976)
Net movement in cash and cash equivalents for the period	<(100%)	<b>(17 884)</b>	82 615
Cash and cash equivalents at the beginning of the period	>100%	<b>148 207</b>	65 592
<b>Cash and cash equivalents at the end of the period</b>	(12%)	<b>130 323</b>	148 207

# 03 Notes to the summary consolidated financial statements

for the year ended 31 December 2023

## 1. STATEMENT OF COMPLIANCE

The summary consolidated financial statements (“Summary Financial Statements”) are prepared in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, and the requirements of the Companies Act applicable to summary financial statements. The JSE Limited Listings Requirements require summary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous year’s consolidated annual financial statements.

The Summary Financial Statements have been prepared internally under the supervision of the Chief Financial Officer, I Kula, CA(SA), and approved by the Board of Directors on 15 March 2024.

These Summary Financial Statements for the year ended 31 December 2023 have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the annual financial statements from which these summary consolidated financial statements were derived. Any reference to future financial performance included in this announcement, has not been audited or reported on by the Group’s auditor.

The audited annual financial statements and the auditor’s report thereon are available for inspection at the Company’s registered office and on the Company’s website [www.stadio.co.za](http://www.stadio.co.za).

The auditor’s report does not necessarily report on all of the information contained in this announcement or financial results.

## 2. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Financial Results are in terms of IFRS® and are consistent in all material respects with those applied in the annual financial statements for the year ended 31 December 2023.

For a full list of standards and interpretations that have been adopted by the Group, we refer you to the annual financial statements for the year ended 31 December 2023.

## 3. ESTIMATES

The preparation of the audited financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Summary Financial Statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statement for the year ended 31 December 2022.

## 4. REVENUE

	2023 31 Dec Audited R'000	Restated <sup>1</sup> 2022 31 Dec Audited R'000
<b>Revenue from contracts with customers</b>		
The group disaggregates revenue from customers as follows:		
<b>Rendering of services recognised over time</b>		
<b>Contact learning</b>		
Tuition fees	456 327	431 129
Discounts and bursaries granted	(12 701)	(12 586)
	<b>443 626</b>	418 543
Registration and enrolment fees	10 966	10 018
Other academic income	1 733	2 132
	<b>456 325</b>	430 693
<b>Rendering of services recognised over time</b>		
<b>Distance learning</b>		
Tuition fees	896 183	735 002
Discounts and bursaries granted	(28 450)	(18 229)
	<b>867 733</b>	716 773
Registration and enrolment fees	61 799	45 854
Other academic income	15 479	11 369
	<b>945 011</b>	773 996
<b>Sale of goods recognised at a point in time</b>		
Learning material	10 837	7 796
Canteen sales	1 477	1 327
	<b>12 314</b>	9 123
<b>Total revenue from contracts with customers</b>	<b>1 413 650</b>	1 213 812

<sup>1</sup> The Group restated the prior year revenue from rendering of services to disclose the revenue applicable to distance learning and contact learning separately.

# 03 Notes to the summary consolidated financial statements continued

for the year ended 31 December 2023

## 5. HEADLINE EARNINGS PER SHARE

	Audited 2023 R'000	Audited 2022 R'000
<b>Reconciliation of headline earnings:</b>		
Basic earnings	208 247	165 638
<i>Adjustments attributable to parent:</i>		
Impairment on right-of-use assets, property, plant and equipment, and intangibles assets	–	5 820
Loss on disposal of property, plant and equipment	280	1 257
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up	(425)	(1 017)
Tax on above	44	(1 872)
<b>Headline earnings</b>	<b>208 146</b>	<b>169 826</b>

## 6. OPERATING SEGMENTS

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.

	Year- on-year change %	2023 31 Dec Audited R'000	2022 31 Dec Audited R'000
<b>Reconciliation of core headline earnings</b>			
Headline earnings attributable to owners of parent	23%	208 146	169 826
<b>Adjusted for:</b>			
Amortisation of client list and trademarks	(49%)	2 162	4 247
Onerous contract	>(100%)	(3 686)	5 471
Tax penalties	100%	1 231	–
Less: Non-controlling interest	>(100%)	848	(1 337)
Less: Taxation	>(100%)	399	(2 636)
<b>Core headline earnings</b>	19%	<b>209 100</b>	<b>175 571</b>
<b>Core HEPS – basic (cents)</b>	19%	<b>24.6</b>	<b>20.7</b>
<b>Core HEPS – diluted (cents)</b>	20%	<b>24.2</b>	<b>20.2</b>

## 7. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSET

### 7.1 PROPERTY, PLANT AND EQUIPMENT

The Group invested R37 million into infrastructure and capital assets (2022: R85 million), which included R4.7 million investment into solar projects for the Group. A further R2.3 million was invested in the Durbanville campus construction, which is due for completion during 2025. Depreciation of R31 million (2022: R26 million) was incurred for the period.

### 7.2 RIGHT-OF-USE ASSETS

There were no additional right-of-use assets in the current period (2022: R14 million). During the period, the Group extended leases which resulted in an increase in right-of-use asset by R8 million. Depreciation of R28 million (2022: R27 million) was incurred for the period.

	Audited 2023		Audited 2022	
	Property, Plant and Equipment R'000	Right-of-use assets R'000	Property, Plant and Equipment R'000	Right-of-use assets R'000
Opening balance	866 846	84 533	810 319	97 185
Additions (including borrowing costs capitalised)	37 336	–	84 948	13 982
Disposals and other movements	(704)	–	(2 087)	(61)
Depreciation	(31 197)	(27 646)	(26 334)	(27 098)
Impairment	–	–	–	(2 769)
Remeasurement	–	8 175	–	3 294
Closing balance	872 281	65 062	866 846	84 533

## 8. INTANGIBLE ASSETS

The Group invested R22 million, of which development of curriculum intangibles was R15 million and the remaining R7 million in computer equipment and systems.

	Audited 2023 R'000	Audited 2022 R'000
Opening balance	141 147	151 931
Additions	22 356	7 824
Amortisation	(11 631)	(14 921)
Impairment	–	(3 687)
Closing balance	151 872	141 147

## 9. TRADE AND OTHER RECEIVABLES

The increase in trade receivables as at 31 December 2023 is as a result of growth in students coupled with slower payments. As a result, an increase in loss allowance follows an increase in the debtors' book.

During the period, the Group had written off R101 million (2022: R72 million). Of the amounts written off, R75 million (2022: R26 million) has been handed over for legal enforcement.

# 03 Notes to the summary consolidated financial statements continued

for the year ended 31 December 2023

## 9. TRADE AND OTHER RECEIVABLES continued

To 31 December 2023, bad debts recovered improved to R4.8 million (2022: R3.8 million).

	Year-on-year change %	Audited 2023 R'000	Audited 2022 R'000
Trade receivables	27%	330 265	260 412
Less: loss allowance	23%	(163 518)	(132 971)
Net trade receivables	31%	166 747	127 441
Other receivables	(1%)	50 330	50 794
<b>Total trade and other receivables</b>	22%	<b>217 077</b>	178 235

## 10. SHARE CAPITAL AND OTHER EQUITY

### 10.1 SHARE CAPITAL

During the period, the Company issued ordinary shares in relation to the settlement of employee share options as per the share capital reconciliation below:

	Number of ordinary shares (million)	Share capital R'000
Balance as at 1 January	850	1 628 517
Issue of shares in respect of employee share options	3	14 652
Shares repurchased and cancelled	(3)	(14 226)
Share issue costs	–	(162)
<b>Balance at the end of the period</b>	<b>850</b>	<b>1 628 781</b>

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.

## 10. SHARE CAPITAL AND OTHER EQUITY continued

### 10.2 TREASURY SHARES

During the year, the STADIO Group Share Incentive Trust (“SIT”) purchased 4.8 million shares in the market at an average purchase price of R4.59 per share. The total cash outflow from the Group, which advanced a cash loan to the SIT for the purchase of shares, was R22 million for the year ended 31 December 2023.

In April 2023, the Company issued 3.2 million shares to the SIT for R14.7 million, in order for the SIT to meet its obligations under the STADIO Group Share Incentive Scheme (“Scheme”). Refer to note 10.1.

Treasury shares are shares in the Company that are held by the SIT for purposes of settling its future obligations to transfer shares to participants in terms of the Scheme.

	Number of shares (million)	Treasury shares R'000
<b>Treasury shares</b>		
<b>Balance as at 1 January</b>	(0.2)	(145)
Issue of shares for settlement of employee share incentive scheme	(3.2)	(14 652)
Treasury shares repurchased	(4.8)	(22 073)
Treasury shares issued to employees	4.5	19 756
<b>Balance at the end of the period</b>	<b>(3.7)</b>	<b>(17 114)</b>

As at 31 December 2023, the Group held 3 710 796 Treasury shares (2022: 234 757).

## 11. BORROWINGS

The Group had access to a revolving credit facility of R100 million with Standard Bank of South Africa Limited with the option to increase by a further R100 million. The Group utilised existing cash resources during the period to operate. The entire available facility was undrawn for the year. Refer to note 15 for events after the reporting period.

# 03 Notes to the summary consolidated financial statements continued

for the year ended 31 December 2023

## 12. ACQUISITIONS

	2023 31-Dec Audited R'000	2022 31-Dec Audited R'000
Balance as at 1 January	–	31 111
Derecognition of non-controlling interest on acquisition	–	2 022
Consideration payable	132 931	–
Settlement of consideration payable (not through profit and loss)	(15 431)	(33 120)
Interest on consideration payable	–	(13)
Balance at the end of the period	117 500	–

### 12.1 NON-CONTROLLING INTEREST ACQUIRED

Milpark Education is a material subsidiary with non-controlling shareholders holding 16.9% (2022: 31.5%).

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

- 1.8% equity interest from one of the non-controlling shareholders for a consideration of R15.4 million on 14 December 2023.
- 12.8% equity interest from Brimstone Investment Corporation Limited for a consideration of R117.5 million. This amount was only settled after year end. Refer to Note 15.

## 13. CASH GENERATED FROM OPERATIONS

	Year-on-year change %	Audited 2023 R'000	Audited 2022 R'000
<b>Profit before taxation</b>	20%	<b>324 029</b>	269 716
Non-cash and other items disclosed separately	(12%)	<b>80 068</b>	91 300
	12%	<b>404 097</b>	361 016
<b>Movements in working capital</b>	(18%)	<b>(43 829)</b>	(53 320)
Increase in trade and other receivables	(15%)	<b>(36 109)</b>	(42 429)
(Decrease)/increase in trade and other payables	>(100%)	<b>(12 165)</b>	2 738
Decrease in trade and other payables – consideration payable <sup>1</sup>	(100%)	–	(33 120)
Increase in contract liabilities	(77%)	<b>4 445</b>	19 491
Cash generated from operations		<b>360 268</b>	307 696

<sup>1</sup> In the prior year, trade and other payables working capital movement included the cash-settled portion of the CA Connect early settlement agreement, R33 million of which was paid by the non-controlling shareholder of Milpark Education.

## 14. FINANCIAL INSTRUMENTS – FAIR VALUE ESTIMATION

The information below analyses financial assets and liabilities which are carried at fair value by level of hierarchy.

The carrying value of financial assets and liabilities carried at amortised cost approximates their fair value, while those measured at fair value can be summarised as follows:

Fair value hierarchy	Audited 2023			Audited 2022		
	Level 1 R'000	Level 2 R'000	Level 3 R'000	Level 1 R'000	Level 2 R'000	Level 3 R'000
Other financial assets	16 244	–	–	14 740	–	–

## 15. EVENTS AFTER THE REPORTING PERIOD

On 1 January 2024, Ishak Kula was appointed as Group Chief Financial Officer.

On 29 December 2023, the Group, through its wholly owned subsidiary, STADIO Investment Holdings Proprietary Limited (“SIH”), entered into a sale of shares agreement 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 Education, for a purchase consideration of R117.5 million. The effective date of the transaction was 31 December 2023. The purchase consideration was settled on 22 January 2024.

In January 2024, the Group purchased a further 0.7% interest in Milpark Education from one of the other non-controlling shareholders for a purchase consideration of R6.1 million.

The net result of these transactions leaves the Group with a net effective interest in Milpark Education of 83.9% as at the end of January 2024.

In order to finance these transactions, the Group utilised the R100 million rolling credit facility (RCF).

On 18 March 2024, the Group declared a dividend of 10.0 cents per share from income reserves for the year ended 31 December 2023, which is payable on 22 April 2024. 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.

In the period 1 January 2024 until 15 March 2024, STADIO Holdings repurchased and cancelled 3 089 000 shares in accordance with its general authority and approved repurchase programme.

# 04 Annexure 2: Shareholder information

## SHAREHOLDING OF DIRECTORS

The shareholding of Directors in the issued share capital of the Company as at 31 December excluding the participation in the share incentives plan, was as follows:

Ordinary shares	2023			2022		
	Direct '000	Indirect '000	Total '000	Direct '000	Indirect '000	Total '000
Mr Chris Vorster	–	17 043	17 043	–	15 669	15 669
Ms Samara Totaram	1 391	–	1 391	1 172	–	1 172
Dr Divya Singh	1 387	180	1 567	1 049	21	1 070
Dr Chris van der Merwe	–	6 448	6 448	–	8 500	8 500
Mr Nico de Waal	154	1 783	1 937	154	1 783	1 937
Mr Dries Mellet	4	2 032	2 036	4	2 032	2 036
Dr Vincent Maphai	440	20	460	385	–	385
Ms Mathukana Mokoka	174	30	204	174	–	174
Dr Tom Brown	100	–	100	100	–	100
Dr Busisiwe Vilakazi	1	–	1	1	–	1
	<b>3 651</b>	<b>27 536</b>	<b>31 187</b>	<b>3 039</b>	<b>28 005</b>	<b>31 044</b>

<sup>†</sup> The shares disclosed for Mr Nico de Waal in the prior year were restated from an indirect holding of 1 987 to 1 783 to correctly reflect the number of shares held indirectly by the director. There were no share dealings by the director during the year.

Since the year ended 31 December 2023, there have been no movements in the above shareholding of the directors, other than those in relation to the share options that vested on 3 April 2024, resulting in the following additional shares being issued: Mr Chris Vorster – 844 061 shares, Dr Chris van der Merwe – 80 674 shares, Ms Samara Totaram – 342 714 shares, Dr Divya Singh – 268 212 shares, and Mr Johan Human – 775 993 shares.

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

## SHAREHOLDERS' ANALYSIS as at 31 December

Range of shareholding 2023	Number of shareholders	% of shareholders	Number of shares held '000	% of total 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
	<b>21 572</b>	<b>100.0</b>	<b>846 806</b>	<b>100.0</b>

Range of shareholding 2022 <sup>1</sup>	Number of shareholders	% of shareholders	Number of shares held '000	% of total shares
1 – 10 000	22 262	88.9	24 960	2.9
10 001 – 100 000	2 290	9.2	65 707	7.7
100 001 – 1 000 000	393	1.6	109 804	12.9
More than 1 000 000	85	0.3	649 821	76.5
	<b>25 030</b>	<b>100.0</b>	<b>850 292</b>	<b>100.0</b>

## Shareholder spread

To the best knowledge of the Directors and after reasonable enquiry, the spread of shareholders as at 31 December were as follows:

	Number of shareholders	% of shareholders	Number of shares held '000	% of total shares
<b>Public and non-public shareholding 2023</b>				
PSG Alpha Investments <sup>2</sup>	1	–	145 868	17.2
Brimstone Investment Corporation Limited	1	–	43 565	5.1
BBBEE Private Placement*	1	–	33 780	4.0
STADIO Khulisa Student Share Scheme	1	–	790	0.1
Directors (including prescribed officers and subsidiary directors)	12	0.1	32 936	3.9
<b>Non-public shareholding</b>	<b>16</b>	<b>0.1</b>	<b>256 939</b>	<b>30.3</b>
Public shareholding	21 556	99.9	589 867	69.7
<b>Total of all shareholders</b>	<b>21 572</b>	<b>100.0</b>	<b>846 806</b>	<b>100.0</b>

	Number of shareholders	% of shareholders	Number of shares held '000	% of total shares
<b>Public and non-public shareholding 2022<sup>1</sup></b>				
PSG Alpha Investments <sup>2</sup>	1	–	145 868	17.2
Brimstone Investment Corporation Limited	1	–	43 565	5.1
BBBEE Private Placement*	1	–	33 780	4.0
STADIO Khulisa Student Share Scheme	1	–	647	0.1
Directors (including prescribed officers and subsidiary directors)	12	0.1	32 293	3.7
<b>Non-public shareholding</b>	<b>16</b>	<b>0.1</b>	<b>256 153</b>	<b>30.1</b>
Public shareholding	25 014	99.9	594 139	66.9
<b>Total of all shareholders</b>	<b>25 030</b>	<b>100.0</b>	<b>850 292</b>	<b>100.0</b>

<sup>1</sup> In addition to the shares held by PSG Alpha Investments Proprietary Limited, the PSG Group has a 3,3% shareholding through another entity.

<sup>2</sup> The 2022 shareholder analysis was represented to exclude the STADIO Incentive Trust from the analysis as these shares are considered treasury shares of the Group.

\* 483 individuals restricted until 2024

## Major shareholders

According to the information available to the Company, the following beneficial shareholders are directly or indirectly interested in 5% or more of the Group's share capital:

	Shares held 2023		Shares held 2022	
	Number '000	%	Number '000	%
PSG Alpha Investments	145 868	17.2	145 868	17.2
Coronation	140 588	16.6	136 620	16.1
Brimstone Investment Corporation Limited	43 565	5.1	43 565	5.1

## Share information

	2023	2022
Closing price at period end (cents)	5.22	491
JSE market high (cents)	510	500
JSE market price low (cents)	380	299
Total number of transactions on JSE	21 255	41 103
Total number of shares traded	103 951 340	186 147 126
Total value of shares traded (R)	486 894 567	711 890 108
Average price per share (cents)	468	382
Shares in issue	846 806 147	850 291 969
Percentage volume traded to shares in issue	12	22

# 05 Annexure 3: Remuneration and nominations committee's report

*Our staff and human capital is critical to our success and the Remuneration and nominations committee (REMNO) recognises the importance of attracting, developing and retaining high quality individuals who can contribute to creating value for our stakeholders.*

The Group is a purpose-led business that is committed to fulfilling a huge need in our country, of widening access to quality education to more deserving individuals. Despite a tough economic environment, the Group continued to deliver on its key strategic objectives and vision, and once more, produced solid results for the year ended 31 December 2023.

On behalf of the Board, REMNO is pleased to present the REMNO report for the year ended 31 December 2023. Our REMNO report and disclosures are aligned to the principles and recommended practices of King IV™ for remuneration and have considered the proposed amendments in the Companies Amendment Bill. We have adopted a three-part remuneration report approach.

- Part 1 consists of the Remuneration Background Statement;
- Part 2 sets out the details of the Forward-Looking Remuneration Policy; and
- Part 3 illustrates the Implementation of the Remuneration Policy adopted in 2023.

REMNO believes that it has fulfilled its roles and responsibilities in terms of its mandate and that the objectives stated in the Remuneration Policy have been achieved for the period under review as illustrated in the Implementation Report on pages 44 to 49.

The Group held two REMNO meetings during 2023, which were attended by all REMNO members. All REMNO members are non-executive Directors, with the majority being independent non-executive Directors, as follows:

- Mathukana Mokoka (chairperson of the Remuneration section);
- Vincent Maphai (chairperson of the Nominations section); and
- Nico de Waal.

The Group CEO is a permanent invitee to REMNO meetings and other members of the Board may attend REMNO as invitees, should they wish.

REMNO assists the Board in addressing both Remuneration and Nomination matters, as follows:

Remuneration matters include:

- overseeing the overall remuneration framework of the Group;
- ensuring remuneration practices and structures support the strategy and performance goals of the Group, whilst safeguarding stakeholder interest, and promoting a high- performance culture;
- administering the Group's Share Scheme as delegated to the Committee by the Share Incentive Trust and the Board;
- recommending key financial performance targets for approval by the Board;
- recommending executive Directors' remuneration for approval by the Board, ensuring that this is fair, responsible and transparent so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term;
- ensuring the disclosure of Directors' Remuneration is accurate, complete and transparent; and
- ensuring effective succession planning for executive Directors.

Nomination matters include:

- succession planning for non-executive Directors;
- carrying out its duties in terms of non-executive Directors' fees and advising the Board on what to recommend to the Shareholders for consideration;
- the process for identifying and appointing non-executive Directors with a focus on Board diversity in terms of skills, race and gender;
- the Board evaluation process; and
- Director induction, orientation and ongoing training.

During the year, the Board accepted the resignation of Ms Samara Totaram, as CFO and Executive Director, acknowledging Samara's contributions to the Group since the Group's inception. REMNO supported the appointment of the new CFO, Mr Ishak Kula, and

believes Ishak has the necessary skills and experience to contribute to the Group's growth strategy and vision. REMNO continues to monitor industry norms in assessing the executive Directors' and non-executive Directors' remuneration, considering best practices to ensure that such total remuneration is fair and reasonable to both the Directors and the Group.

The Group's Remuneration Policy and the Implementation Report will be tabled at the AGM on 19 June 2024, where shareholders are requested to cast a non-binding advisory vote on both. At the AGM held on 22 June 2023, the Remuneration Policy received 92.0% endorsement by shareholders (2022: 96.8%), with the Implementation Report receiving 92.8% endorsement by shareholders (2022: 99.3%).

Overall, REMNO believes that the remuneration of executive Directors during 2023 (as set out in Part 3 of this report) is aligned with the Group's overall performance and takes into account the strong leadership and efforts of the Group's management team during another challenging year.

We want to thank our shareholders, and all stakeholders, for their continued support – together we can make a big difference to the lives of many individuals, which in turn will positively impact our great country.



**Mathukana Mokoka**  
Remuneration Committee  
Chairperson  
30 April 2024



**Vincent T Maphai**  
Nominations Committee  
Chairperson  
30 April 2024

# 05 Annexure 3: Remuneration and nominations committee's report continued

## PART 1: REMUNERATION BACKGROUND STATEMENT

REMNO understands that good human capital drives success and sustainability of a company, and therefore continues to support a remuneration policy that promotes a high-performing culture that incentivises the Group's Executive Committee, senior leadership, and key individuals to strategically position the business to achieve its strategic objectives, whilst considering the economic challenges within our country. As a higher education provider, our human capital is critical to the overall success of our students, and the Group, and it is important that the Group's Remuneration Policy attracts, retains, motivates and develops our staff.

### 1.1 OVERALL REMUNERATION PHILOSOPHY

The Group's overarching philosophy regarding remuneration is to:

- align remuneration with the interests of all stakeholders ensuring that remuneration remains fair and responsible;
- promote a performance-driven culture within the organisation;
- align remuneration practices with the Group's business strategies and objectives;
- attract, develop, motivate and retain key employees responsible for the achievement of the Group's business strategies and objectives; and
- reward for success, having regard to the current financial position of the business in the context of the overall economy.

We believe that our staff are aligned to our overall vision and mission. If our staff feel valued, they will, in return, strive to go beyond their day jobs for the advancement of the Group, and fulfilment of the Group's overall purpose.

As part of the broader Group strategy, we continue to establish our Employee Value Proposition through the below People Strategy. The People Strategy is underpinned by the values of the Group and strives to ensure the STADIO Group is an employer of choice. Our three institutions are separate legal entities, and therefore their respective People Strategies do differ slightly, whilst applying consistent underlying principles as shown below.

### PEOPLE STRATEGY

REMUNERATION	PERFORMANCE FEEDBACK	PERSONAL AND CAREER DEVELOPMENT	WORK ENVIRONMENT	INSPIRATIONAL VISION AND LEADERSHIP
<ul style="list-style-type: none"> <li>• Fair</li> <li>• Market related</li> <li>• Performance related</li> <li>• Internally equitable</li> </ul>	<ul style="list-style-type: none"> <li>• How am I doing?</li> <li>• Constructive</li> <li>• Developmental</li> <li>• Linked to my performance</li> </ul>	<ul style="list-style-type: none"> <li>• I know where I am going</li> <li>• I have a personal development plan</li> <li>• Training and development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Stimulating</li> <li>• Flexible</li> <li>• Work-life balance is enhanced</li> <li>• Supporting policies in place</li> </ul>	<ul style="list-style-type: none"> <li>• Inspiring vision – a clear “WHY”</li> <li>• Supporting values</li> <li>• Authentic leadership</li> <li>• Competent management</li> <li>• Real teamwork</li> </ul>
ATTRACT	MOTIVATE	DEVELOP AND RETAIN	ENJOY	ENTHUSE AND INSPIRE

## 1.2 2023 KEY FOCUS AREAS:

REMNO focused and discussed the following key matters in 2023, in accordance with its Terms of Reference, and, where relevant, made recommendations to the Board for approval:

- Ensure the annual salary increases of the Executive Committee members are fair and competitive, taking into account industry and sector norms;
- Reviewed and approved the performance evaluations of the executive Directors for the 2022 financial year against agreed financial and individual targets and performance;
- Set the financial targets used in the short-term incentive (STI) toolkit, for awarding bonuses to executive Directors in 2023, ensuring these stretch targets are aligned to creating value for the shareholders, whilst meeting shareholders' expectations;
- Reviewed and approved the 2023 long-term share incentive (LTI) awards and participants, ensuring the LTI scheme is "not a lazy scheme" that rolls forward annually, but instead is dynamic and incentivises identified key individuals to achieve the Group's long-term strategic goals;
- Recommended the non-executive Directors fees payable, to shareholders for approval at the AGM, taking into account the general salary increases across the Group and industry norms;
- Supported the executive Directors' succession and development plan;
- Reviewed and approved the non-executive Directors' succession plan and identified skills required on the Board to enable the Board to operate optimally and provide sufficient strategic input to drive the Group forward;
- Discussed and agreed an appropriate exit package for Samara Totaram, considering her contributions to the Group;
- Supported the appointment of the new CFO, Ishak Kula, having considered his expertise, commercial experience and cultural fit;

- Approved the first payout to staff through the STADIO Phantom Staff Share Scheme which was implemented in 2023;
- Monitored the Group's progress against its succession and development plan for key management across the Group;
- Reviewed and discussed the gender pay gap and total pay gap, whilst continuing to monitor changes proposed to section 30A of the Companies Amendment Bill that directly influences remuneration matters and reporting.

## 1.3 KEY FOCUS AREAS GOING FORWARD

For 2024, REMNO will continue to monitor and approve remuneration-related matters in accordance with its terms of reference and committee duties, ensuring the remuneration policy is aligned with King IV™. REMNO strives to implement best practice in determining the Remuneration Policy of the Group, whilst balancing the economic environment and overall average increase in tuition fees across the Group. REMNO take a holistic approach in considering total remuneration, whilst benchmarking remuneration for key staff to ensure staff are fairly remunerated. In addition, REMNO will consider:

- STADIO Higher Education's progress against the remuneration harmonisation plan, following the migration of the former underlying institutions into a single registered higher education provider;
- Progress against the people development and succession planning for key management and executive Directors;
- Any further changes proposed to section 30A in the revised draft of the Companies Amendment Bill; and
- The Group, and individual institution's, progress against the specific Employment Equity targets set for the higher education industry, as well as consequent amendments to the respective EE Plans.

# 05 Annexure 3: Remuneration and nominations committee's report continued

## 1.4 VOTING AT THE 2023 AGM AND FEEDBACK FROM SHAREHOLDERS

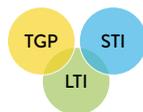
At STADIO Holdings' AGM held virtually on 22 June 2023, shareholders endorsed the Remuneration Policy and the Implementation Report of the Company by way of separate non-binding advisory votes of 92.0% (2022: 96.9%) and 92.8% (2022: 99.3%) respectively. The JSE Listing Requirements require the Company to engage with shareholders in the event that more than 25% of shareholders vote against either the Remuneration Policy or the Implementation Report. As the non-binding votes were passed by the requisite majorities, no further engagement with shareholders was required. Notwithstanding the above, the views of our shareholders are important to the Company and REMNO are open to engage with shareholders. During 2023, no new remuneration matters were flagged for discussion with our shareholders.

## PART 2: REMUNERATION POLICY

In line with the overall remuneration philosophy set out in Part 1, the Remuneration Policy aims to:

- align remuneration practices with the Group's business strategies, objectives, and values, in the short-, medium- and long-term;
- attract, retain and motivate key employees to deliver on the Group's performance goals and strategy;
- ensure remuneration remains market-related and competitive, attracting (and retaining) high-quality individuals;
- ensure remuneration packages take into account Group performance and the interests of all our stakeholders;
- align the STI tool to the key strategic objectives of the Group, as well as shareholders' expectations;
- reward exceptional performance through STIs linked to key performance objectives and financial targets that create value for shareholders;
- provide LTIs to motivate and retain staff whilst driving shareholder value aligned with the long-term objectives of the Group; and
- recognise equal pay for equal work.

The Group has three components of remuneration for its Executive Committee (Tier 1); senior leaders (Tier 2); identified key individuals (Tiers 3); and other employees (other Tiers):



1. **TGP** – a total guaranteed cost to company package including benefits – paid monthly;
2. **STI** – a discretionary variable short-term cash-settled incentive bonus, linked to overall Group performance and individual employee performance – paid annually; and
3. **LTI** – a variable long-term incentive scheme to motivate individuals to produce results that create, enhance and sustain stakeholder value and Group performance over the long-term – awarded annually and vests over five years.

REMNO performs a holistic review of the Executive Committee's remuneration on an annual basis, whereby it seeks to ensure there is an appropriate balance between the various remuneration elements – the Executive Committees' base salary, which is fixed, and the variable elements of their remuneration such as STI and LTI, which are not guaranteed. In addition, REMNO ensures there is an equilibrium between the variable short-term and longer-term financial performance incentives, ensuring the total package is fair considering the size of the business and competitive benchmarking, and will motivate employees both in the short- and long-term.

LEVEL	FOCUS	STRATEGIC VIEW	REMUNERATION		
			TGP	STI	LTI
<b>Tier 1:</b> Holdings Executive Committee (CEO, CFO, CAO, COO)	Strategy formulation and execution	Long-term	Base salary + benefits	<ul style="list-style-type: none"> <li>Up to a maximum of 125% of TGP on achieving certain targets</li> </ul>	Share options
<b>Tier 2:</b> Executive Heads and Subsidiary CEOs and Executive Directors	Primarily strategy execution	Medium- to long-term	Base salary + benefits	<ul style="list-style-type: none"> <li>Up to a maximum of 50% of TGP on achieving certain targets</li> </ul>	Share options where applicable
<b>Tier 3:</b> Identified key individuals	Elements of strategy execution and operational input	Medium- to long-term	Base salary + benefits	<ul style="list-style-type: none"> <li>Up to a maximum of 25% of TGP dependent on performance and employment grading</li> <li>Where no LTI awarded, partake in the phantom staff share scheme if employed for greater than 1 year</li> </ul>	Share options where applicable
<b>Other Tiers:</b> General Employees	Primarily operational	Short-term	Base salary + benefits	<ul style="list-style-type: none"> <li>Up to a maximum of 25% of TGP dependent on performance and employment grading</li> <li>Partake in the phantom staff share scheme (if employed for greater than 1 year)</li> </ul>	Not currently applicable

## 2.1 TOTAL GUARANTEED PACKAGE (TGP)

TGP is reviewed annually with increases effective across the Group between 1 January to 1 April each year. In determining the TGP remuneration structure, current market-related remuneration and economic conditions (e.g. inflation), are considered, as well as the average increase in tuition fees going forward, and the financial performance of the Group.

In determining individual TGP increases (within the above agreed TGP remuneration structure); the individual's performance, level of skill, experience, and overall individual's job grading, is also considered.

During the year, REMNO considered the total pay gap and gender pay gap for the first time. Acknowledging that there are many nuances in calculating these figures, REMNO is committed to equal pay for equal work and will formalise a process to calculate and monitor this going forward.

## 2.2 SHORT-TERM INCENTIVE (STI)

The STI for the Group's Executive Committee and key management is underpinned by the performance of the Group, as well as the individual's performance.

# 05 Annexure 3: Remuneration and nominations committee's report continued

## PART 2: REMUNERATION POLICY CONTINUED

To evaluate the overall performance, a detailed scorecard matrix is utilised, incorporating pre-determined key performance objectives approved by REMNO, allocated between the attainment of business (or financial) performance targets, and individual performance. During 2023, the STI tool allocated 75% of the bonus to the achievement of the overall business targets, weighted equally at 25% per Revenue Growth, 25% to EBITDA margin, 25% to growth in Core Headlines Earnings per share, and 25% allocated to individual performance (which may be considered more subjective). STI is payable in cash every year in April, with individuals in the lower tiers receiving their STI payments in December. The STI payment is capped per individual, albeit, in exceptional circumstances, the CEO can motivate for a higher or lower bonus. All bonuses of the Executive Committee are subject to the REMNO's discretion and are subject to malus and clawback provisions. The Group is entitled to exercise the clawback provisions in relation to a participant for a period of up to three years following payment of the STI to the participant.

REMNO supports fair, market-related pay and agrees that STIs should only be paid when the business performs well, and should reflect exceptional performance. REMNO further acknowledges that the STI structure needs to motivate value creation behaviour (i.e. motivates an individual to go beyond their day job, and not become a tick-box exercise). Accordingly, as the STADIO Group moves into its growth phase, REMNO reassessed the business targets in the STI tool for 2024, introducing Return on equity as a target, and amending the weightings of revenue growth and EBITDA margin as shown on page 39.

The overall STI entitlement is as follows:

	CEO	CFO	CAO	COO
1. Business performance	93.75%	75%	75%	75%
2. Individual performance	31.25%	25%	25%	25%
	125%	100%	100%	100%

Individual KPAs are based on the individual's portfolio of responsibilities (and include academic performance). The individual KPAs in 2023 were derived from the key strategic focus areas, as detailed on pages 45 to 46. The 2024 individual KPAs are derived from the 2024 key focus areas.

Business performance against which the Executive Committee will be assessed in 2024 are shown below. The details of the 2023 STI are set out in Part 3 of this report.

## Relative weight of Key Performance Measures

Business results	Weighting	Targets			Motivation of balanced scorecard
		Low road	Median road	High road	
Organic revenue growth	10%	14%	16%	18%	• Revenue growth is directly linked to growth in student numbers, and is important for overall growth of the Group
EBITDA margin	15%	27.6%	28.1%	28.6%	• Drives responsible cost management and operational efficiencies within operations
Core HEPS growth	25%	16%	18%	20%	• Reflects the underlying performance of the Group and directly impacts shareholders' return
Return on equity	25%	11.7%	12.2%	12.7%	• Aligns the business to shareholders' expectation and creating value for our shareholders
<b>Business performance</b>	<b>75%</b>				

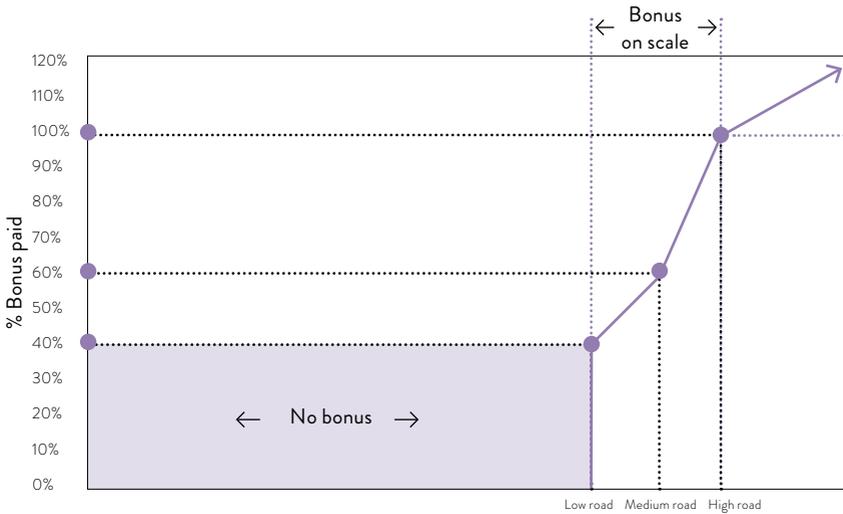
The STI is calculated as follows:

Annual TGP x combined performance score.

Combined performance score = business performance (calculated as weighting x business results performance score) + individual performance.

# 05 Annexure 3: Remuneration and nominations committee's report continued

REMNO has assessed the targets for 2024, as well as the increased targets for the next few years and is comfortable that the STI targets remain stretch targets that will meet shareholders' expectations, whilst motivating the right behaviour to achieve the Group's longer term targets. A minimum 80% of target needs to be achieved in order to receive a bonus. The bonus entitlement is allocated on a sliding scale, with the Executive Committee entitled to receive 40% of the bonus allocation should they meet the Low Road target, 60% allocation should they meet the Median Road target, and 100% should they meet the High Road target, as illustrated below. In exceptional cases, the CEO may motivate for an increase or decrease in the overall STI to be paid, and REMNO has discretion on all payments.



<sup>1</sup> Illustrative example: The above illustrates the bonus entitlement and allocation for the Executive Committee, noting the CEO is entitled to achieve 125%. No bonus is paid if the low road target.

## 2.3 STADIO STAFF PHANTOM SHARE SCHEME

The STADIO Staff Phantom Share Scheme (Phantom Share Scheme) was rolled out for implementation in 2023 and will continue into 2024. The Phantom Share Scheme aims to align all staff to the overall growth strategy of the Group, whilst rewarding our staff for their dedication and hard work in growing the Group.

Salient features of the Phantom Share Scheme:

- 21.3 million phantom shares, being 2.5% of the overall issued share capital at the point of approval, have been ringfenced for beneficiaries of the Phantom Share Scheme.
- All staff who have been employed for more than a year and who are not active participants in the LTI are beneficiaries of the Phantom Share Scheme\*.
- The phantom shares will attract dividends that are aligned with the overall Group dividend declared, i.e. in 2024, the Group declared a dividend of 10.0 cents per share to shareholders of STADIO Holdings. The phantom shares will also receive 10.0 cents per phantom share.
- Payouts are linked to the declaration of STADIO Holdings ordinary dividends and not special dividends.
- The total amount payable will be shared equally amongst the beneficiaries of the Phantom Share Scheme, fostering a stronger sense of community and solidarity.
- The Phantom Share Scheme will be in place for five years and subject to review thereafter. 2023 was its first year.

*\* Milpark Education have resolved to not partake in the Share Scheme as their management seek alternative remuneration rewards for this institution.*

This Phantom Share Scheme assists in acknowledging the importance we place on our staff, and the appreciation we have for each one of them. We believe the Phantom Share Scheme will help to foster a stronger sense of ownership and shared purpose among our staff, which will ultimately benefit the business as a whole.

## 2.4 LONG-TERM INCENTIVE PLAN (LTI)

The Group established a share incentive scheme for the Executive Committee and certain key individuals of the Group. The LTI provides a powerful tool to motivate employees to remain with the Group and to work towards the attainment of the Group's long-term strategic goals. Retention of key individuals and skills is important to the sustainability of the Group and the LTI aids management in their succession pipeline whilst ensuring key industry knowledge and skills are retained within the Group. Through the share incentive scheme, the Group's performance is linked to longer-term value creation, and is aligned to the value earned by the shareholder. The LTI awards are also subject to malus and clawback provisions.

At 31 December 2023, the number of share options that had already been awarded, but remain unvested amounted to 28 025 651 shares (2022: 35 431 789). At 31 December 2023, the share incentive scheme had 18 participants (2022: 17), being qualifying individuals across the Group. During the year, REMNO requested management to relook at the active participants in the scheme to ensure key individuals identified as part of the overall Group's succession plan, also receive share options. The award of share options to these identified individuals will occur over a number of years, with share option awards not a guarantee for every year. In 2024, the number of participants entitled to receive new share option awards increased to 14 (2023: 11 participants). REMNO believes that all participants in the LTI scheme going forward are key to the strategic outcomes of the Group and the respective factors of salary used to determine the amount of exposure is fair and ensures sustainability of the scheme.

Furthermore, the Board aims to preserve shareholder value, as far as possible. To counter the impact of any future LTI-related dilution, the Group entered into a share repurchase programme, and will continue to balance share repurchases, with future LTI-related share issues. The Group also purchased shares through the Share Incentive Trust during the year, which were, and will be, used to settle its obligations under the LTI.

Further detail relating to share options that vested during the year is disclosed in Part 3.

# 05 Annexure 3: Remuneration and nominations committee's report continued

## MECHANICS OF THE SHARE INCENTIVE SCHEME AWARD

Share options are awarded annually at the discretion of REMNO. The number of share options to be awarded is calculated based on an agreed factor of the respective individual's base salary applied thereto, depending on the individual's seniority and level of responsibility assumed within the organisation.

The following factors are applied to the Executive Committee members and key individuals' awards:

	2024	2023
CEO	5	5
Executive Committee	4	4
Tier 2	2 – 3	2
Tier 3	0.5 – 1	1

All share options are awarded at a strike price equal to the Group's 30-day volume weighted average price (VWAP) immediately preceding such award date.

## VESTING

The vesting of share options is dependent on the individual remaining in service, with 25% vesting on each of the second, third, fourth and fifth anniversary of the award date. In the case of resignation or dismissal of an individual (i.e. bad leaver), unvested share options are generally forfeited. In the case of the death, retirement or retrenchment of an individual (i.e. good leaver), any share options capable of being exercised are exercised within a period of 12 months. It is noted that the share options will not be exercised unless there is growth in the Company's share price. The REMNO sees the share price as a natural performance hurdle, albeit noting that management has no direct influence over share price.

## 2.5 NON-EXECUTIVE DIRECTOR REMUNERATION

The remuneration of non-executive Directors is reviewed annually by REMNO, ensuring it is market-related whilst taking into account the size and stage of the Group, as well as the general staff increase applied across the Group.

In previous years, it was agreed to align the non-executive Director fees to market-related fees on a phased approach, looking to address any shortfall in fees over the medium-term. In 2024, a further benchmarking exercise was performed and, considering an average salary increase of 6% across the Group. It is recommended that the non-executive Director fees are increased by between 4% and 15% as shown in the table below. Changes to the fee structure are effective 1 January, subject to approval by shareholders at the Group's AGM. The annual fees payable to non-executive Directors are fixed and not subject to the attendance of meetings. In the event of non-attendance on a regular basis, same may be reviewed. These fees are paid bi-annually in June (following approval at the AGM) and December. REMNO believes the fee increases proposed are fair considering the Directors' responsibilities and ensures the Group attracts and retains a robust board with the appropriate skills and knowledge required to fulfil their duties.

The below non-executive Director's fees for the financial year ending 31 December 2024, excluding value-added tax, are recommended by the Board to shareholders for approval at the AGM.

	BOARD		ARC		REMNO		TSEC	
	2024 Proposed Rands	2023 Actual Rands	2024 Proposed Rands	2023 Actual Rands	2024 Proposed Rands	2023 Actual Rands	2024 Proposed Rands	2023 Actual Rands
<b>Annual fixed fee:</b>								
Chairperson	<b>545 796</b>	505 367	<b>149 839</b>	130 295	<b>105 386</b>	101 333	<b>107 413</b>	101 333
Members	<b>291 838</b>	270 221	<b>77 688</b>	67 555	<b>70 257</b>	67 555	<b>71 608</b>	67 555
Increase	<b>8%</b>		<b>15%</b>		<b>4%</b>		<b>6%</b>	

*The Group also pays all reasonable travelling and accommodation expenses incurred to attend Board and Committee meetings.*

## 2.6 VOTING ON REMUNERATION

As required by King IV™, the Group's Remuneration Policy and Implementation Report as detailed in this Remuneration Report, need to be tabled for separate non-binding advisory votes by shareholders at the upcoming AGM to be held virtually on 19 June 2024. In the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the voting rights entitled to be exercised by shareholders at such AGM, then REMNO will ensure that the following measures are taken in good faith and with best reasonable efforts:

- An engagement process to ascertain the reasons for the dissenting votes.
- Legitimate and reasonable objections and concerns raised which may include amending the Remuneration Policy or clarifying or adjusting remuneration governance and/or processes.

# 05 Annexure 3: Remuneration and nominations committee's report continued

## PART 3: IMPLEMENTATION OF THE REMUNERATION POLICY REMUNERATION

### 3.1 TGP

Each institution applies their own salary percentage increase based on their current salary structures. For 2024, the average TGP of all employees across the Group was increased by between 5.5% and 6.5% (2023: 5% and 7%), with certain structural adjustments to some individuals to better align their salaries to market rate, as needed. This increase was dependent on the institution with whom one was employed, considering the tuition fee increases, the current economic conditions, size of the Company and stage of the Company's life cycle.

Without detracting from the importance placed on each staff member, it is recognised that the Executive Committee are critical to the success of the Group, and it is imperative that these individuals are appropriately incentivised and retained. Accordingly, REMNO benchmarked the Executive Committee salaries, as well as the subsidiary CEOs, against the median salary of Executives in similar positions at other JSE small cap listed entities. Therefore, staying true to the Group's Remuneration philosophy of ensuring remuneration is market-related and competitive, in 2023, increases of between 6.5% and 12% were approved. In 2024, the Executive Committee members' salaries remained below the median and therefore, approved increases of between 6% and 6.5%, being aligned to the average increase of the Group. REMNO believes these increases are fair and recommended the salary increases to the Board for approval.

### GENDER PAY GAP

In 2023, the Group assessed its gender pay gap at 13.4%, noting this was better than the average Global and South African gender pay gap. The Group and REMNO remain committed to equitable pay and remunerating equal pay, for equal work.

### 3.2 STI

For the year ended 31 December 2023, the Group's primary business performance targets were:

TARGETS	NOTES
Organic growth in revenue of 20%	Excludes impact of acquisitions, comparing the Group on a like-for-like basis year on year. No adjustments during the year.
Adjusted Earnings before interest, tax, depreciation and amortisation (EBITDA) margin of 29%*	<p>Adjusted EBITDA is calculated by adjusting EBITDA to exclude onerous lease settlement and tax penalties in 2023, as well as excluding items which do not form part of the underlying performance of the business.</p> <p>In 2023, adjusted EBITDA specifically excludes the early settlement of the Milpark Education lease (reversal of onerous contract costs of R4 million) and tax penalties of R1 million.</p> <p>In 2022, adjusted EBITDA specifically excludes the onerous contract costs of R5.5 million.</p>
Growth in Core HEPS of 20%	<p>Excludes impact of acquisitions and other items that do not form part of the underlying business, comparing the Group on a like-for-like basis, year on year.</p> <p>In 2023, the partial reversal of the onerous lease due to the early settlement of the Melville lease, as well as one-off tax penalties, was excluded from core headline earnings.</p> <p>In 2022, the dilution in the shareholding of Milpark Education from 87.2% to 68.5% was adjusted for to allow a like-for-like comparison.</p>
Individual performance against agreed KPIs aligned to the Group's primary strategic focus areas for 2023	REMNO assesses the individuals performance during the year.

### ACHIEVEMENT OF TARGETS

TARGETS	ACHIEVED	Bonus allocation			
		CEO	CFO	CAO	COO
Growth in organic revenue	+ 16%	14%	11.2%	11.2%	11.2%
Adjusted EBITDA margin of 29%	27%	23%	18.4%	18.4%	18.4%
Growth in Core HEPS of 20%*	+ 19%	24.8%	19.8%	19.8%	19.8%

The individual performance targets of the Executive Committee were aligned to achievement of the 2023 strategic focus areas, within an individual's area of influence. These areas, in many instances, overlap across portfolios. REMNO believes bonuses are paid for exceptional performance and therefore assessed the performance against stringent targets accordingly.

The achievement of the 2023 Strategic Focus Areas have been discussed across the Integrated Report and are summarised on the following pages.

# 05 Annexure 3: Remuneration and nominations committee's report continued

2023 STRATEGIC FOCUS AREAS	PERFORMANCE AGAINST 2023 FOCUS AREAS
1. On track for university status	<p>Institutional mock-audits were performed, and institutional improvement plans were put in place, where necessary, which will further contribute to increasing the high-quality offering at our institutions.</p> <p>STADIO Higher Education, our comprehensive institution, is well placed to become a university when the regulations allow, noting the Institutional Type document is not yet finalised and subject to change.</p>
2. Execute agreed technologies to enable efficiencies	<p>Multiple new processes and technological efficiencies identified and rolled out, enabling data-based decision-making and improved student experience and operational efficiencies.</p> <p>CANVAS implementation and roll out continued across STADIO Higher Education, as well as started at Milpark Education.</p> <p>The CRM payment gateway went live at STADIO Higher Education with Milpark Education's new website and CRM going live. Registration processes streamlined with quicker turnaround times.</p> <p>ERP was rolled out across STADIO Higher Education. Although there were teething issues, being on one financial system will assist in bringing about better controls and efficiencies in time. We continue to refine ERP and improve its integration with other systems.</p>
3. Improved student experience	<p>Student experience is multi-faceted and covers numerous aspects. The Group assessed all student "touchpoints" and considered how to improve the student experience at these points. Some highlights include:</p> <ul style="list-style-type: none"> <li>• Sport introduced at STADIO Higher Education</li> <li>• Streamlined registration processes</li> <li>• Milpark Education student experience work group established</li> <li>• Inter-campus film competitions at AFDA create lots of energy and excitement</li> <li>• Inter-campus debates (inaugural debate on Africanisation)</li> </ul>
4. Student retention	<ul style="list-style-type: none"> <li>• Student at-risk dashboard created</li> <li>• Improved student experience is directly linked to student retention</li> </ul>
5. Optimisation of staff, campus, and structure (including debt collection)	<ul style="list-style-type: none"> <li>• Loss allowance increased to 9% during the year, exasperated by the lagging economy, but also impacted by the introduction of new systems which impacted timeous billing. Management have appointed a debtors risk manager and have clear plans in place to mitigate any risk going forward and improve debtors collections.</li> <li>• Higher education takes patience and the efficiencies are starting to show with optimisation plans in place for all campuses and plans to consolidate the smaller campuses in place, and subject to regulatory approval, to be rolled out in the short- to medium-term.</li> </ul>
6. Continued expansion and refinement of the PQM	<p>Successfully expanded the programme and qualifications mix across the various schools in the Group with key-in demand programmes being accredited.</p>

■ 100% achieved 
 ■ 90%–99% achieved 
 ■ 75%–89% achieved

In 2023, the individual performance of the Executives were agreed based on their performance against KPAs aligned to the above focus areas. In addition, the CEO proposed a discretionary downward adjustment for the Executive Committee as he believes managements internal objectives to improve EBITDA margin and efficiencies were not met. In addition, in recognition of her contributions to the Group during the year, REMNO agreed that Ms Samara Totaram would be eligible to receive her STI for the year ended 31 December 2023. Ms Samara Totaram resigned effective 31 December 2023, and continued to consult for the Group through the year end process until March 2024.

The Executive Committee's Bonus for 2023 payable in 2024 is therefore as follows:

	2023 Bonus R'000s	2022 Bonus R'000s
Mr Chris Vorster	3 500	3 544
Ms Samara Totaram	1 800	1 895
Dr Divya Singh	2 000	1 894
Mr Johan Human	1 800	1 774
	<b>9 100</b>	<b>9 107</b>

The following table sets out the remuneration actually paid to the Executive Committee for the years ended 31 December 2023 and 2022:

	Basic salary R	Pension contributions R	Bonuses R	Gains on exercise of options R	Other* R	Total R
<b>2023</b>						
Mr Chris Vorster	4 485	255	3 544	11 386	35	19 705
Ms Samara Totaram	3 155	471	1 895	4 225	–	9 746
Dr Divya Singh	2 913	309	1 894	2 712	96	7 924
Mr Johan Human	2 787	158	1 774	2 160	–	6 879
<b>Total</b>	<b>13 340</b>	<b>1 193</b>	<b>9 107</b>	<b>20 483</b>	<b>131</b>	<b>44 254</b>
<b>2022</b>						
Mr Chris Vorster	4 028	198	3 671	–	8 459	16 356
Ms Samara Totaram	2 765	407	1 998	151	3 012	8 333
Dr Divya Singh	2 662	261	2 217	124	2 127	7 391
Mr Johan Human	2 503	123	2 123	–	2 134	6 883
<b>Total</b>	<b>11 958</b>	<b>989</b>	<b>10 009</b>	<b>275</b>	<b>15 732</b>	<b>38 963</b>

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

During the year 3.8 million (2022: 5.7 million) shares options were awarded to the Executive Committee. No share options lapsed in the current or prior year in respect of share options held by the Executive Committee.

# 05 Annexure 3: Remuneration and nominations committee's report continued

## 3.3 STAFF PHANTOM SHARE SCHEME

The Staff Phantom Share Scheme was rolled out for the first time in 2023 and was well received by our staff.

21.3 million phantom shares were ring-fenced for the Staff Phantom Share Scheme and on declaration of the Group dividend in March 2023, these shares were entitled to a phantom dividend of 8.9 cents per share. A total payout of R1.9 million was made in 2023, in respect of the Staff Phantom Share Scheme. 567 permanent staff members from across the Group (excluding Milpark Education) were eligible for the award, resulting in a total payout of R3 338 per staff member. This payout is expected to grow as the Group grows and the dividend payout grows.

## 3.4 LTI (SHARE OPTIONS)

Details of share options outstanding to Executive Committee members and directors at the year-end are as follows:

Director	Opening balance of share options at 1 January 2023 R'000s	Number of share options awarded during the year R'000s	Number of share options forfeited during the year R'000s	Number of share options vested during the year R'000s	Strike price per share option awarded	Share option granted dated	Closing balance of share options at 31 December 2023 R'000s
Mr Chris Vorster	5 989	–	–	(1 996)	1.23	03-Apr-20	3 993
	3 225	–	–	(1 075)	1.21	01-Jul-20	2 150
	1 221	–	–	–	2.62	03-Apr-21	–
	1 452	–	–	–	3.64	03-Apr-22	1 221
	–	–	–	–	3.64	01-Jul-22	1 452
			885	–	–	4.58	03-Apr-23
	11 887	885	–	(3 071)	–	–	9 701
Ms Samara Totaram	580	–	–	(290)	3.63	03-Apr-19	290
	1 653	–	(551)	(551)	1.23	03-Apr-20	551
	890	–	(297)	(297)	1.21	01-Jul-20	296
	928	–	(464)	(232)	2.62	03-Apr-21	232
	976	–	(732)	–	3.64	03-Apr-22	244
	–	912	(912)	–	4.58	03-Apr-23	–
	5 027	912	(2 956)	(1 370)	–	–	1 613

Director	Opening balance of share options at 1 January 2023 R'000s	Number of share options awarded during the year R'000s	Number of share options forfeited during the year R'000s	Number of share options vested during the year R'000s	Strike price per share option awarded	Share option granted dated	Closing balance of share options at 31 December 2023 R'000s
Dr Divya Singh	932	-	-	(466)	3.63	03-Apr-19	466
	951	-	-	(317)	1.23	03-Apr-20	634
	512	-	-	(171)	1.21	01-Jul-20	341
	845	-	-	(211)	2.62	03-Apr-21	633
	1105	-	-	-	3.64	03-Apr-22	1105
	-	967	-	-	4.58	03-Apr-23	967
	4 345	967	-	(1 165)	-	-	4 146
Mr Johan Human	852	-	-	(284)	1.23	03-Apr-20	568
	459	-	-	(153)	1.21	01-Jul-20	306
	1 064	-	-	(266)	2.62	03-Apr-21	798
	904	-	-	-	3.64	03-Apr-22	904
	-	1 037	-	-	4.58	03-Apr-23	1 037
	3 279	1 037	-	(703)	-	-	3 613
Dr Chris van der Merwe <sup>1</sup>	1 290	-	-	(645)	3.63	03-Apr-19	645
<b>Total</b>	<b>25 828</b>	<b>3 801</b>	<b>(2 956)</b>	<b>(6 954)</b>	<b>-</b>	<b>-</b>	<b>19 718</b>

<sup>1</sup> Dr Chris van der Merwe retired on 31 March 2020. The REMNO approved the retention of Dr Chris van der Merwe's unvested share options, noting no new share options will be awarded going forward.

<sup>2</sup> Ms Samara Totaram resigned effective 31 December 2023. All share options that vest to Ms Samara Totaram in 2024 will continue to vest. All other outstanding share options have been forfeited.

# 05 Annexure 3: Remuneration and nominations committee's report continued

## 3.5 NON-EXECUTIVE DIRECTORS

The annual fees and remuneration paid to the non-executive Directors during 2023 and 2022 are as follows:

	Dec-23			Dec-22			
	Directors' fees R	Gains on exercise of options R	Total R	Directors' fees R	Gains on exercise of options R	Other fees R	Total
<b>Non-Executive</b>							
Dr Vincent Maphai	607	–	607	530	–	–	530
Dr Chris van der Merwe	338	657	995	300	1 571	500	2 371
Mr Nico de Waal	338	–	338	300	–	–	300
Ms Mathukana Mokoko	502	–	502	444	–	–	444
Dr Busisiwe Vilikazi	439	–	439	390	–	–	390
Dr Tom Brown	405	–	405	360	–	–	360
<b>Total</b>	<b>2 629</b>	<b>657</b>	<b>3 286</b>	<b>2 324</b>	<b>1 571</b>	<b>500</b>	<b>4 395</b>

Mr Nico de Waal's director's remuneration is paid to PSG Corporate Services Proprietary Limited of which he is a salaried employee. Dr Chris van der Merwe's other fees relate to restraint of trade fees which ended in April 2022. Non-executive director's fees are paid according to the director's time of service and not per board meeting.

## 3.6 STATEMENT BY THE BOARD REGARDING COMPLIANCE WITH THE REMUNERATION POLICY

REMNO reports to the Board annually on remuneration practices across the Group, including salary levels and trends, bonus and long-term incentive participation. The Board endorses the REMNO's position that the Group's remuneration policy appropriately takes into account the remuneration and employment conditions of staff across the Group as well as relevant external factors. It is the view of the Board that this policy as detailed herein, continues to drive business performance and value creation for all stakeholders, whilst appropriately attracting and retaining high quality staff.



# 06 Annexure 4: Corporate information

<b>The Group</b>	STADIO Holdings Limited and its subsidiaries
<b>Company registration number</b>	2016/371398/06
<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	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
<b>Directors</b>	<b>Executive</b> Mr Chris Vorster Mr Ishak Kula (appointed 1 January 2024) Ms Samara Totaram (resigned effective 31 December 2023) Dr Divya Singh <b>Non-Executive</b> Dr Chris van der Merwe Mr Nico de Waal* * Mr Dries Mellet (alternate to Nico de Waal) <b>Independent Non-Executive</b> Dr Vincent Maphai Ms Mathukana Mokoka Dr Busisiwe Vilakazi Dr Tom Brown
<b>Registered office and business address</b>	Office 101, The Village Square c/o Queen and Oxford Streets, Durbanville South Africa, 7550
<b>Postal address</b>	PO Box 2161 Durbanville, South Africa, 7551
<b>Bankers</b>	Standard Bank of South Africa Limited First National Bank Limited Nedbank Limited Absa Bank Limited Bank Windhoek Limited Standard Bank of Namibia Limited
<b>External Auditors</b>	PricewaterhouseCoopers Incorporated (PwC)
<b>Internal Auditors</b>	BDO Advisory Services Proprietary Limited
<b>Company secretary</b>	Stadio Corporate Services Proprietary Limited
<b>Corporate advisor and Independent sponsor</b>	PSG Capital Proprietary Limited  1st Floor, Ou Kollege Building 35, Kerk Street, Stellenbosch, South Africa, 7600 (PO Box 7403, Stellenbosch, South Africa, 7599) and at Suite 1105, 11th Floor, Sandton Eye Building, 126 West Street, Sandton, South Africa, 2196 (PO Box 650957, Benmore, South Africa, 2010)
<b>The Companies Act</b>	Companies Act of South Africa, 71 of 2008 as amended
<b>King IV™</b>	King IV Code of Corporate Governance™ for South Africa, 2016
<b>JSE</b>	Johannesburg Stock Exchange
<b>Annual financial statements</b>	Consolidated and Separate Financial Statements for the year ended 31 December 2023
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act
<b>Preparer</b>	The financial statements were internally compiled under the supervision of: Mr Ishak Kula CA(SA)
<b>Website</b>	<a href="http://www.stadio.co.za">www.stadio.co.za</a>

# 07 Form of proxy

STADIO Holdings Limited  
 Incorporated in the Republic of South Africa  
 Registration number: 2016/371398/06  
 JSE share code: SDO  
 ISIN: ZAE000248662  
 LEI: 3789007C8FB26515D966  
 (STADIO Holdings, or the STADIO Group, or the Company)

**Form of proxy – for use by certificated and own-name dematerialised shareholders only** For use at the 7th annual general meeting of ordinary shareholders of STADIO Holdings to be conducted entirely by electronic communication as permitted by the Companies Act, No. 71 of 2008, as amended and by the Company’s memorandum of incorporation at 10:00 a.m. on Wednesday, 19 June 2024 (the AGM).

I/we (full name in print) .....  
 of (address) .....  
 Telephone: (work) area code (.....) ..... Telephone: (home) area code (.....) .....  
 Cellphone number: (.....) .....

being the registered holder of..... shares in the Company,  
 hereby appoint

1. .... or  
 failing him/her
2. .... or  
 failing him/her

3. the chairperson of the AGM,  
 as my/our proxy to attend, speak and vote for me/us at the AGM for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name(s), in accordance with the following instruction (see notes):

	In favour of	Against	Abstain
<b>Ordinary resolution number 1:</b> To confirm Mr Ishak Kula as a Director			
<b>Ordinary resolution number 2:</b> To re-elect Dr Chris van der Merwe as a Director			
<b>Ordinary resolution number 3:</b> To re-elect Mr Nico de Waal as a Director			
<b>Ordinary resolution number 4:</b> To re-appoint Ms Mathukana Mokoka as a member and chairperson of the Audit and Risk Committee of the Company			
<b>Ordinary resolution number 5:</b> To re-appoint Dr Busisiwe Vilakazi as a member of the Audit and Risk Committee of the Company			
<b>Ordinary resolution number 6:</b> To re-appoint Dr Tom Brown as a member of the Audit and Risk Committee of the Company			
<b>Ordinary resolution number 7:</b> To re-appoint PricewaterhouseCoopers Inc. as the auditor			
<b>Ordinary resolution number 8:</b> General authority to issue ordinary shares for cash			
<b>Ordinary resolution number 9:</b> Non-binding endorsement of STADIO Holdings’ remuneration policy			
<b>Ordinary resolution number 10:</b> Non-binding endorsement of STADIO Holdings’ implementation report on the remuneration policy			

Please see overleaf for special resolutions

# Form of proxy continued

<b>Special resolution number 1:</b>	Remuneration of chairperson of the Board			
<b>Special resolution number 2:</b>	Remuneration of members of the Board			
<b>Special resolution number 3:</b>	Remuneration of chairperson of the Audit and Risk Committee			
<b>Special resolution number 4:</b>	Remuneration of members of the Audit and Risk Committee			
<b>Special resolution number 5:</b>	Remuneration of chairpersons of the Remuneration and Nominations Committee			
<b>Special resolution number 6:</b>	Remuneration of members of the Remuneration and Nominations Committee			
<b>Special resolution number 7:</b>	Remuneration of chairperson of the Transformation, Social and Ethics Committee			
<b>Special resolution number 8:</b>	Remuneration of members of the Transformation, Social and Ethics Committee			
<b>Special resolution number 9:</b>	Inter-company financial assistance			
<b>Special resolution number 10:</b>	Financial assistance for the subscription and/or the acquisition of shares in the Company or a related or inter-related company			
<b>Special resolution number 11:</b>	Share repurchases by the Company and its subsidiaries			

Please indicate your voting instruction by way of either 1. inserting the number of shares; or 2. inserting a cross in the space provided should you wish to vote all of your shares.

Signed at ..... on this ..... day of .....2024.

Signature(s).....

Assisted by (where applicable) (state capacity and full name) .....

Each STADIO Holdings shareholder is entitled to appoint one or more proxy(ies) (who need not be shareholder(s) of the Company) to participate, speak and vote in his/her stead at the AGM.

Please read the Notes to the Form of Proxy on page 55.

# Notes to the form of proxy

## The below notes accompany the Form of Proxy on pages 50 to 51.

1. A STADIO Holdings' shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting 'the chairperson of the AGM'. The person whose name appears first on the form of proxy and who is participating in the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A STADIO Holdings' shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairperson of the AGM, if he/she is the authorised proxy, to vote in favour of the resolutions at the AGM, or any other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of all the shares concerned. A STADIO Holdings' shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect of which abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the AGM in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders are present or represented at any AGM, that one of the said persons whose name stands first in the register in respect of such shares, or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any shares stand shall be deemed joint holders thereof.
4. Proxy forms should be emailed to [proxy@computershare.co.za](mailto:proxy@computershare.co.za), to be received by them not later than Friday, 14 June 2024, at 10:00 a.m. (South African time), provided that any form of proxy not delivered to the transfer secretaries by this time may be submitted to the transfer secretaries via email at [proxy@computershare.co.za](mailto:proxy@computershare.co.za), at any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the Transfer Secretaries verifying the form of proxy and proof of identification before any shareholder rights are exercised.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the chairperson of the AGM.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.





# STADIO

— HOLDINGS —

[www.stadio.co.za](http://www.stadio.co.za)

