



CURRO

2020 INTERIM RESULTS

19 August 2020

#Learners2Leaders



AGENDA



Background



Interim results – 30 June 2020



COVID-19



Business overview



Conclusion



CURRO




Background



#Learners2Leaders

HISTORY SINCE 2011

Curro listed on the JSE – June 2011

	2011	2012	2013	2014	2015	2016	2017	2018	2019	End Jan 2020	End June 2020	9-year CAGR
 Campuses	12	22	26*	32*	41	48	51	58	70	76	76	23%
 Schools	24	61	72	80	100	114	127	138	166	175	177	25%
 Learners	4 200	12 473	21 027	28 737	35 148	42 343	45 870	51 305	57 597	62 698	59 967	34%

*Includes Embury Institute for Teacher Education

STRATEGY BEFORE DECEMBER 2014



Greenfields

- **Included parallel medium schools** – an Afrikaans stream as well as an English stream.
- **Some campuses were developed in rural areas** with lower learner number growth and has seen an economic strain for the previous 3 to 4 years.

Prior to 2011, the maximum learners per class was 20. At some schools this was phased out and **learners per class increased to 25**.



Focus was on Curro traditional schools. Entered into Meridian venture in 2013 – thereafter developed Curro Academy school model.

The **bulk of the acquisitions were realigned to Curro campuses** with the biggest acquisitions being Woodhill, Northern Academy etc.

Lower land prices and limited competition.

STRATEGY AFTER DECEMBER 2014



Competition entered catchment areas of some of our schools which led to negative effects for two to three years, but most of the schools recovered quickly.

Pressure on higher-fee schools (economic and immigration)

Increase in land prices as competition increased

The **education landscape started changing in 2012** with competition entering the private school market. To stay competitive, **additional unplanned capital spend** in Select and traditional Curro schools (construction of additional sport facilities such as AstroTurf hockey fields, swimming pools etc).



Greenfields were only done in the Western Cape, Gauteng and KwaZulu-Natal. Several acquisitions such as Windhoek Gymnasium, Baobab School etc – IRR of 25%

Aggressive growth in the Curro Academy market (from 2015).

Only English medium Curro traditional schools have been constructed.

The **continuous focus on making education more affordable** led to the launch of Curro DigiEd in 2019 and Curro Online in 2020.

Curro traditional schools have 25 learners per class and Curro Academy and **Meridian schools have 35 learners** per class. DigiEd (class dependent).

STRATEGIC FOCUS – BEFORE AND AFTER 2014



Campuses

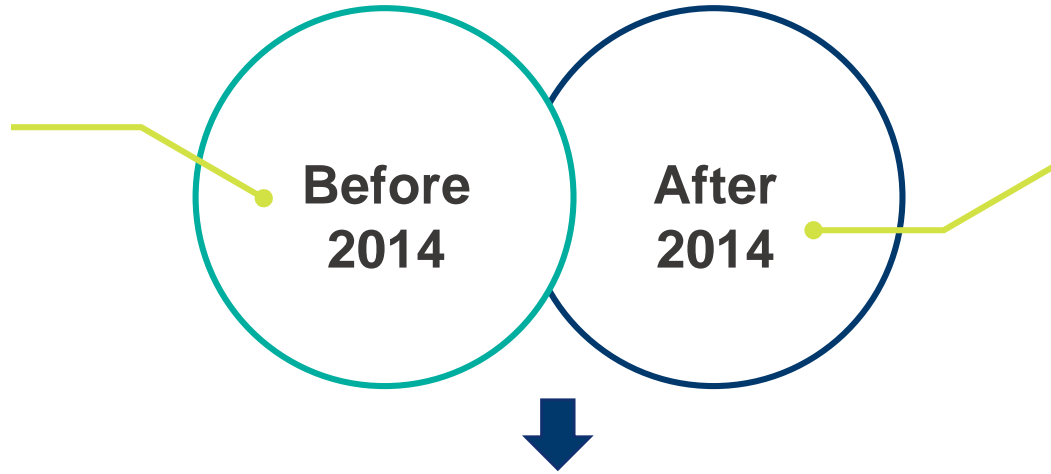
31

Schools

79

Learners

27 937



Campuses

76

Schools

177

Learners

59 967



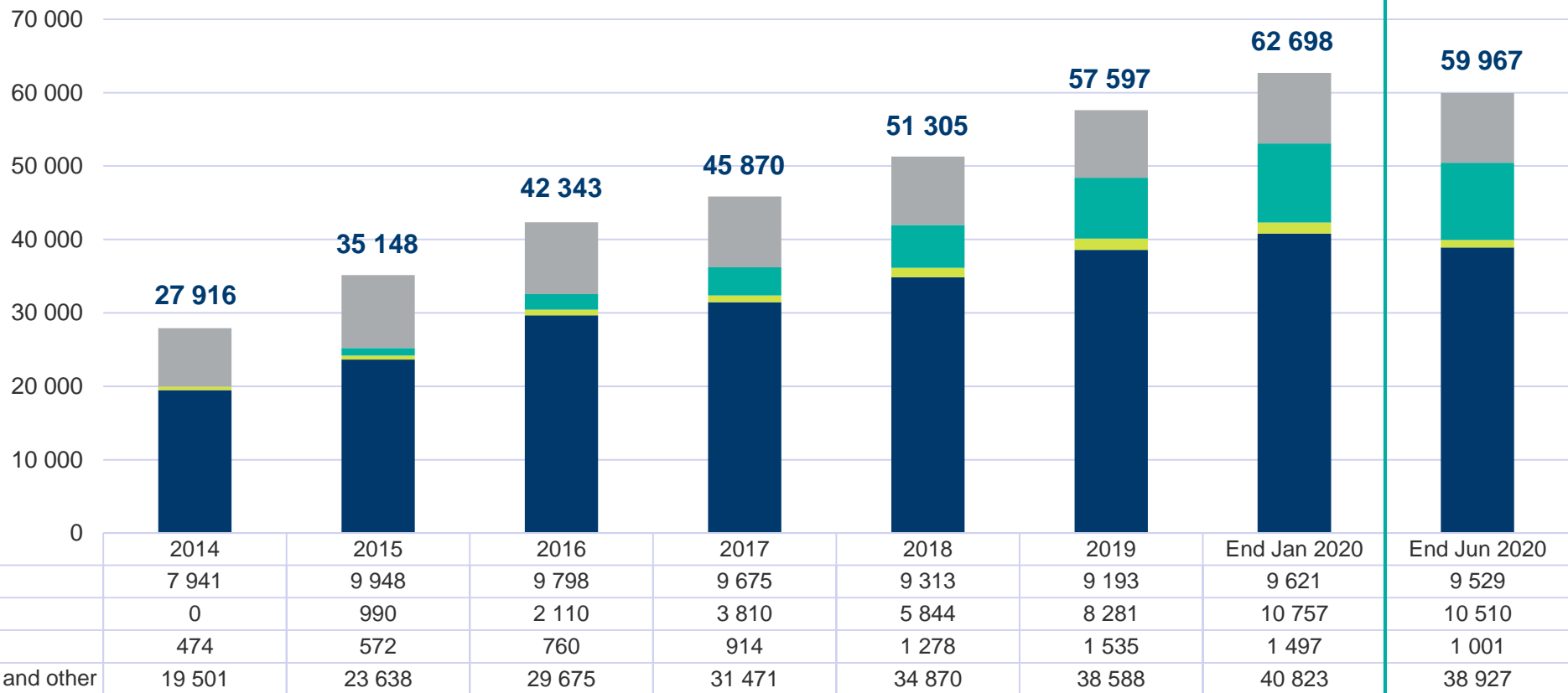
Models	Schools added since 2014	% of total
Curro schools	35	36%
Select schools	21	21%
Academy and Meridian schools	29	30%
DigiEd and NCV schools	5	5%
Curro Online	2	2%
Assisted learning	2	2%
Castles	4	4%
Total	98	100%

School growth since 2014

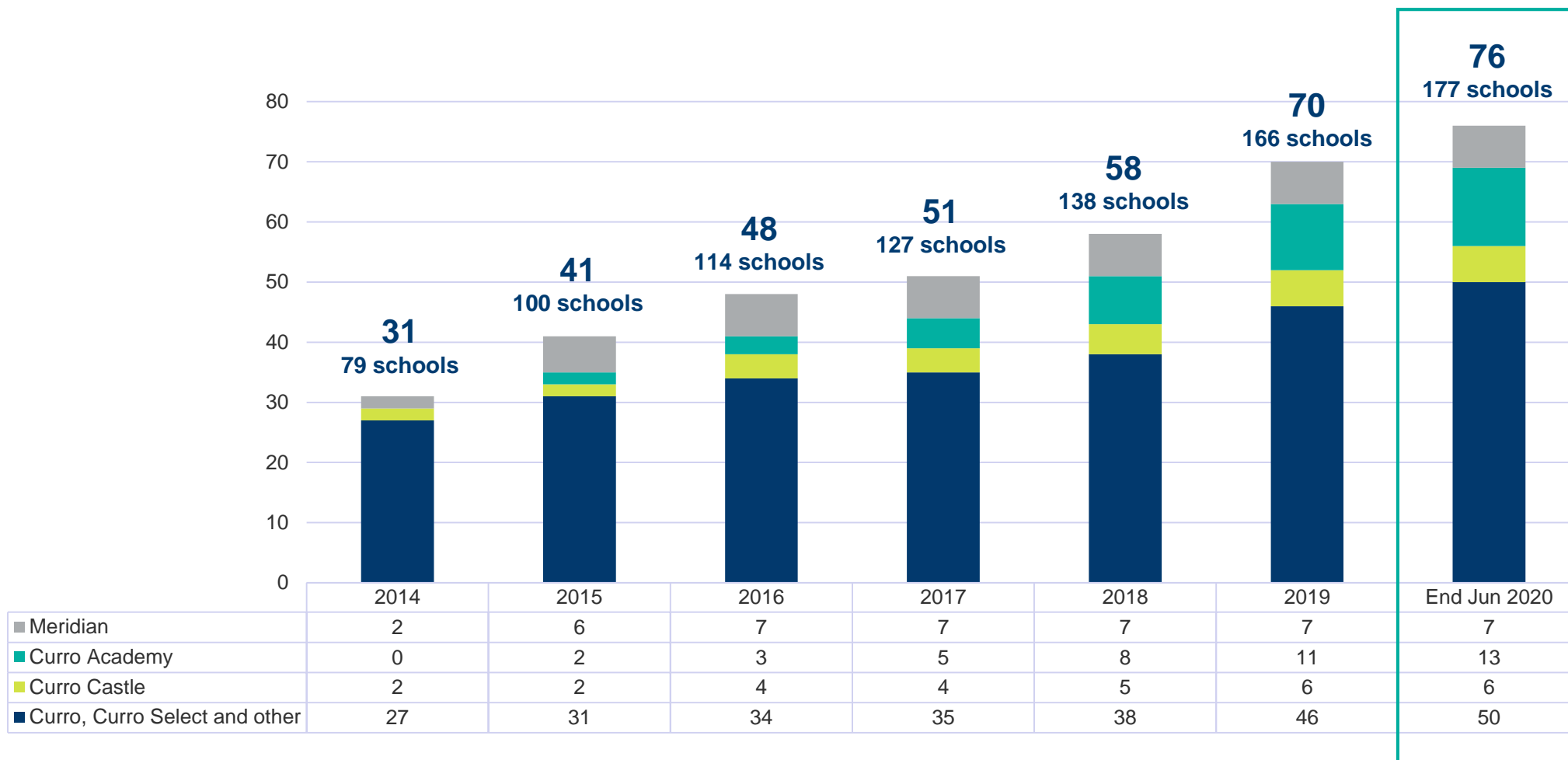
124%



NUMBER OF LEARNERS



NUMBER OF CAMPUSES



KEY OPERATIONAL FOCUS AREAS (1)



Growing footprint

- South Africa
- Namibia
- Botswana



Accessibility in terms of pricing

- Pricing models to suit all income streams



Holistic curriculum

- Digitally-led, future focused
- Investment in Robotics, coding, performing arts and sport
- Grade 12 examination options (IEB, NSC, Cambridge)
- Academic quality ensured across models (core curriculum)



Strong stakeholder relationships

- Government, industry bodies
- Community-driven
- Committed primary shareholder



Technology

- 60 000 devices on a closed network
- 22TB daily data usage
- Online collaboration at 43 703 groups on Microsoft Teams



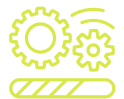
Ability to utilise scale, expertise to expand the offering

- Adapting to global market needs (i.e. Online, DigiEd, NCV, assisted learning)



People

- Experienced executive team
- Solid schools' leadership
- Continued investment in training and development, SETA accreditation



Business structure

- Ability to add new models quickly
- Centralisation of non-core functions

KEY OPERATIONAL FOCUS AREAS (2)

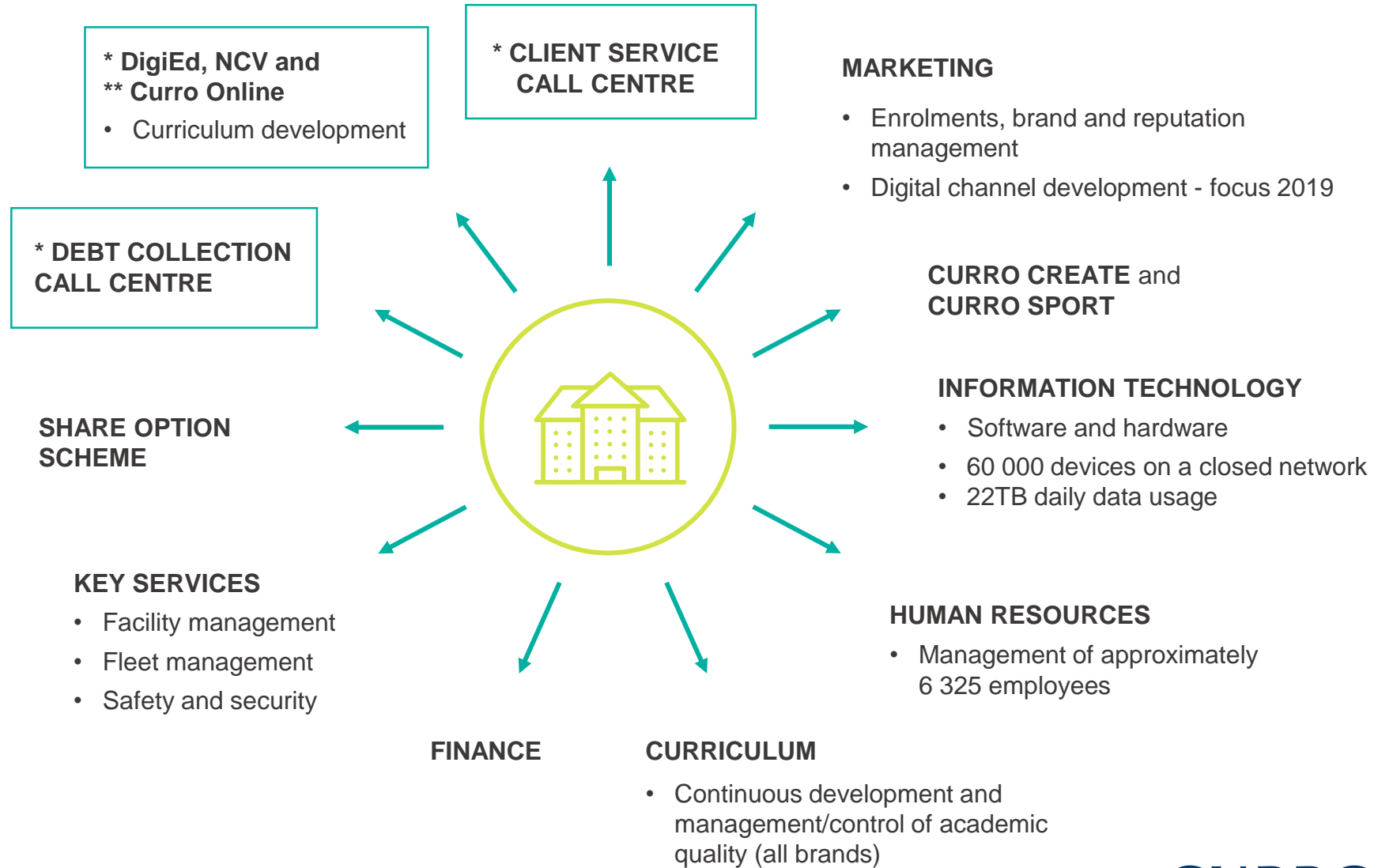


Continued focus on consolidation to:

- Ensure optimisation and to unlock efficiencies throughout the business
- Be poised for growth with a much stronger customer-centric orientation.
- Centralised cost structures to lower costs at school level

Centralisation of non-core functions to ensure school's focus on core functions

* Started in 2019
 ** Started in 2020



CURRO PRODUCT ROADMAP

1998 to
2012

Curro, Select, Curro Castle

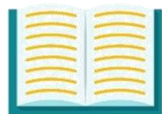
Enriched curriculum, wide variety of sports, cultural and extramural activities, superior facilities, IEB examination

START

2013 to
2015

Meridian and Academy

Enriched curriculum, focussed sports and cultural activities, cost-sensitive, NSC examination



2019

Assisted learning and NCV

Assisted learning: high-quality academic intervention, teaching styles adapted to suit learner needs, CAPS curriculum, NSC examination

NCV: Runs parallel to Grade 12, high-standard, skills-focussed allowing learners to specialise from a school-going age



CURRO DigiEd

Innovative, technologically-advanced, project-based learning through e-learning tools and videos, teachers/tutors provide one-on-one assistance as needed.



2019/
2020

Curro Online

Alternative to mainstream schooling, high-quality curriculum, home-based with teacher touchpoints throughout the day, designed for the parent who has limited time to supervise home-schooling.



EXPANDING OUR MODELS (as at June 2020)

	Curro Castles	Curro, Curro Select, Assisted learning and NCV colleges	Curro Academy and Meridian campuses	Curro DigiEd and Curro Online campuses
Campuses 	6	46	20	4
Learners 	1 001	38 121	20 039	806
Average monthly fees 	R4 482	R5 269	R2 680	R2 867
Maximum learners per class 	25	25	35	Class dependent
Ages 	3 months – 5 years	3 months – 18 years	5 – 18 years	7 – 18 years

SA EDUCATION LANDSCAPE

SA basic
education budget
R281 billion

**6% of
GDP**

% of government
expenditure

20%

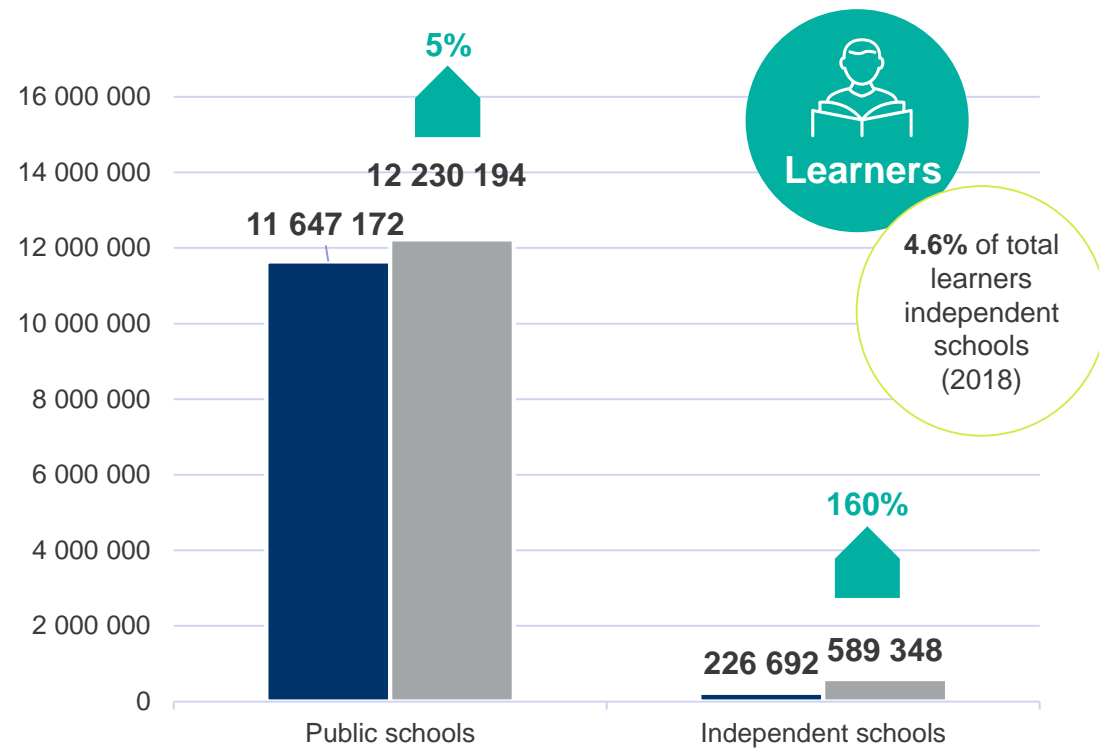
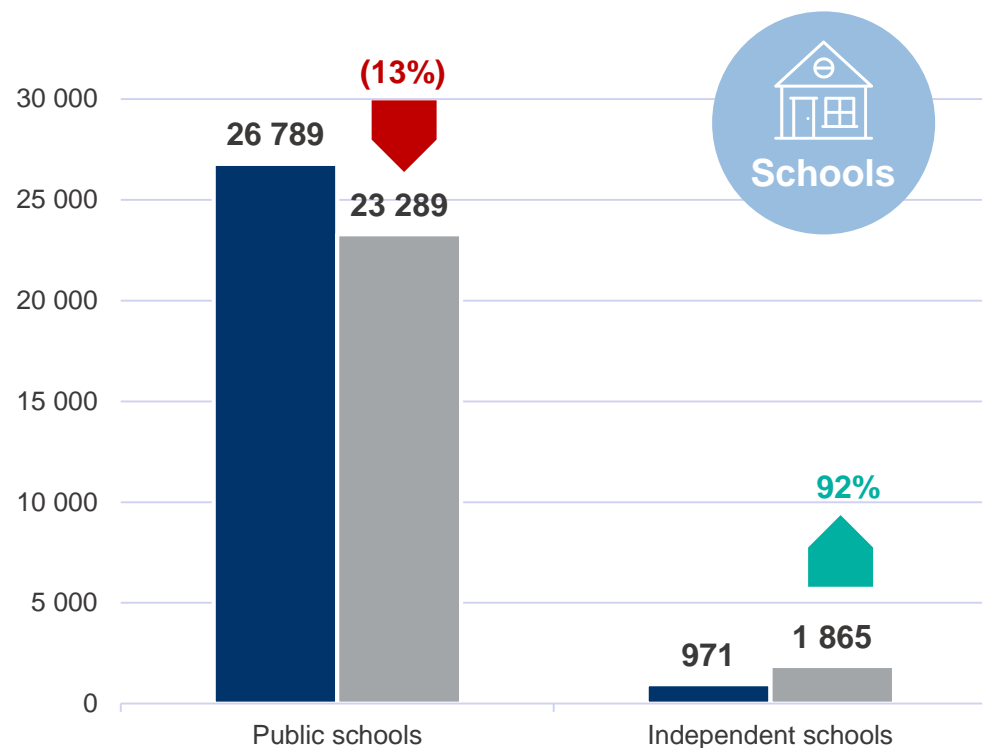
2019/2020

- More spending on higher education (due to #feesmustfall)
- Budget focus on ECD and special needs programmes
- Per pupil spending on average R16 500
- Budget allocation – 79% compensation of employees, 9% goods and services, 4% buildings and other fixed infrastructure
- Capital spend on TVET colleges, therefore decline in number of public schools
- Private schools protected by the constitution

MARKET ANALYSIS

Education (schools) sector

■ 2000 ■ 2018



Source: Centre for Risk Analysis, Socio-Economic survey of South Africa 2020 – Chapter 8: Education

CURRO PARENT ANALYSIS

Analysis of parents/guardians' employment sectors

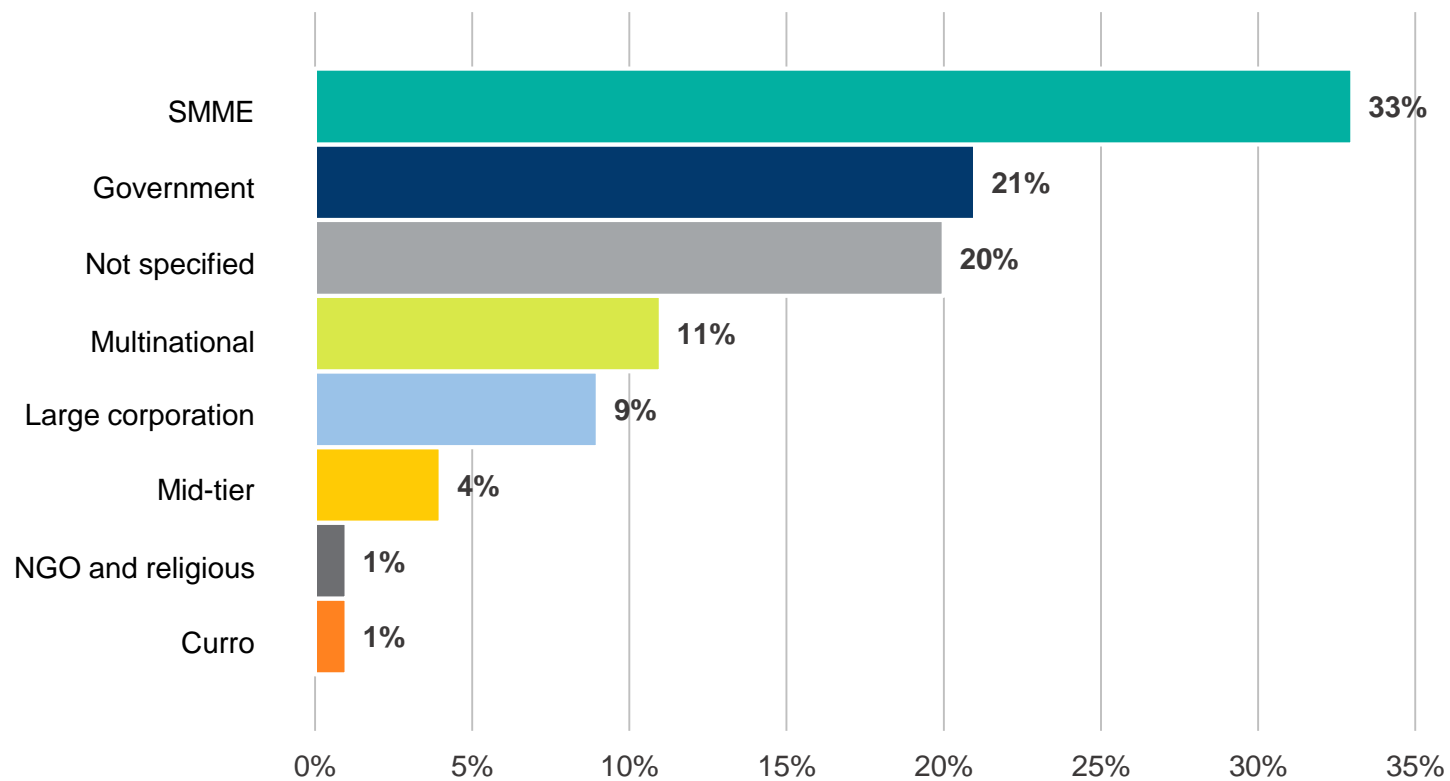


ILLUSTRATION: FILLING OF A SCHOOL (YIELD/ROA)

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Eventual capacity		1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300
90% of built capacity		1 170	1 170	1 170	1 170	1 170	1 170	1 170	1 170	1 170	1 170	1 170
Built capacity		630	630	630	900	900	1 300	1 300	1 300	1 300	1 300	1 300
Learner numbers		150	300	450	608	759	873	961	1 046	1 128	1 170	1 170
% of eventual capacity		11.5%	23.1%	34.6%	46.7%	58.4%	67.2%	73.9%	80.5%	86.8%	90.0%	90.0%
% of built capacity		23.8%	47.6%	71.4%	67.5%	84.4%	67.2%	73.9%	80.5%	86.8%	90.0%	90.0%
Capital invested	96	96	96	130	130	168	168	168	168	168	168	168
EBITDA margin %		0%	15%	24%	29%	32%	33%	35%	37%	39%	40%	42%
Yield % (Revalued)		(2%)	1%	5%	7%	9%	11%	13%	15%	17%	19%	20%
ROA % (Historical cost)		(2%)	1%	4%	8%	10%	13%	16%	19%	24%	27%	30%

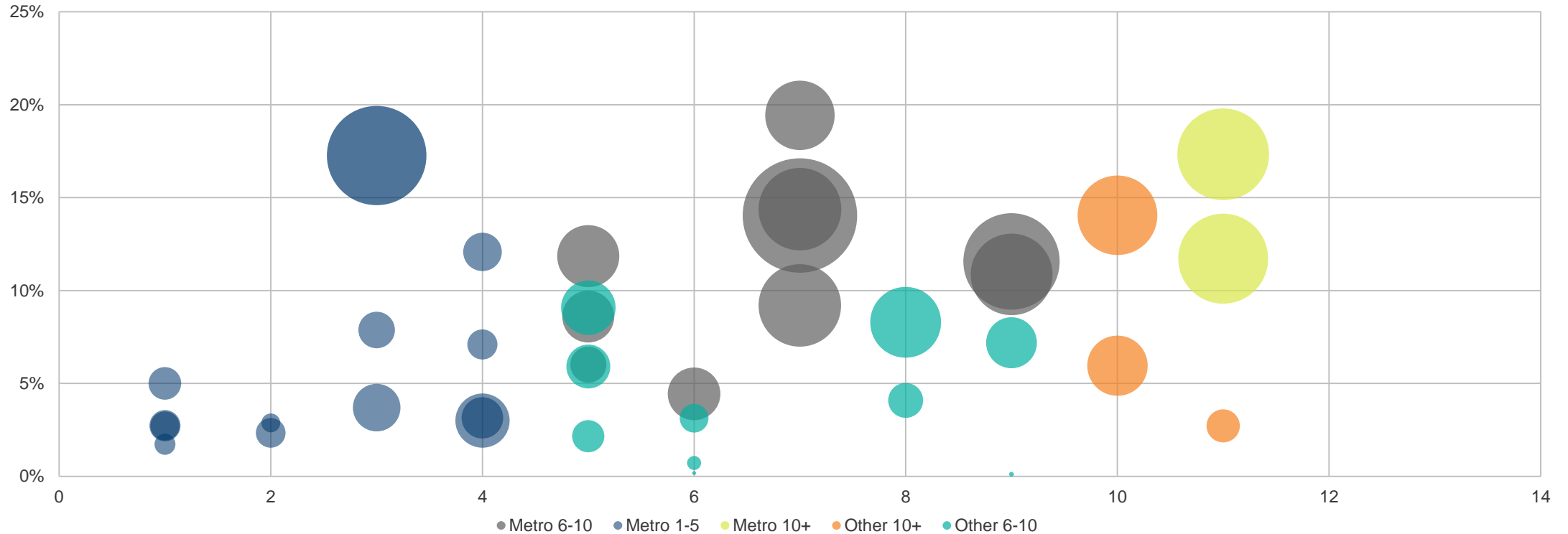
Explanations:

- Yield - EBIT/Revalued assets at the beginning of the current year
- Maximum learner 90% of eventual capacity

Explanation of school:

- Full capacity - 4 stream school (4 classes per grade)
- School only from Grade R to Grade 12
- Year 1 open school Grade 1 to Grade 8 - phasing in grades 9 to 12 as from year 2

DEVELOPED SCHOOLS - YIELDS



* Metro is defined as schools in major metropolitan areas (Gauteng, Cape Town, Durban)

** Excludes schools with negative yields

*** Yields are on rolling 12 month ending 30 June 2020

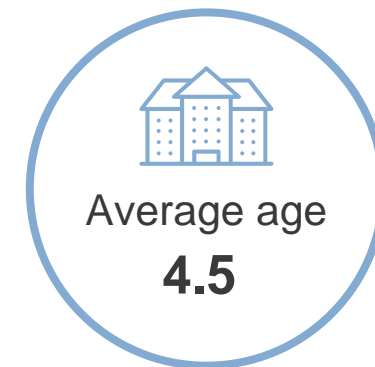
**** Yield – EBIT/revalued assets at the beginning of the current year.

The graph excludes the following loss-making campuses:

- Schools Metro and Rural 5-10 years: Curro Monaghan, Meridian Newcastle, Curro Hermanus and Curro Mossel Bay which have been impaired.
- Curro Academy Mamelodi and Curro Academy Riverside which are in their third year of operation but have once-off municipal costs that are being disputed.
- 10 Loss-making campuses that are less than 2 years in operation.

YEARS – SCHOOL OPERATIONAL

	Number of campuses	% of total
Campuses older than 10 years	5	7%
Campuses between 5 and 10 years	39	51%
Campuses younger than 5 years	32	42%
	76	100%



CURRO



Financial results

30 June 2020

#Learners2Leaders

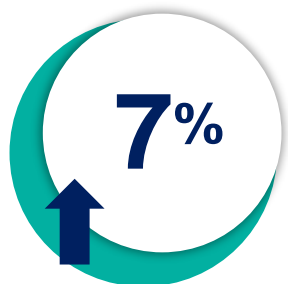
HIGHLIGHTS – 30 JUNE 2020

LEARNER NUMBERS



From 57 173
to 59 967

REVENUE



From R1 480m
to R1 590m

EBITDA



From R415m
to R466m

RECURRING HEPS



From 37.1 cents
to 40.5 cents

HEPS



From 50.0 cents
to 38.7 cents

CASH Generated from operations



From R411m
to R474m

OPERATIONAL COMMENTARY (1)

HEPS once-off adjustments

30 June 2019



Positive adjustments

- Gain from bargain purchase (R28m)
- Reversal of deferred tax liability (R53m)

Note: Two schools impaired at year-end (31/12/2019)

30 June 2020



Negative adjustments

- Impairment of property, plant and equipment (R73m)
- Impairment of goodwill (R10m)
- Acquisition cost (R10m)

OPERATIONAL COMMENTARY (2)



- **First 3 months** of the financial year – learner numbers 9% up and collections 24% up vs prior year
- COVID-19 **temporary closure of schools** – 18 March 2020 to 1 June 2020
- **Remote learning** during lockdown; **hybrid learning** since re-opening
- **All grades open and schools remain open** during July 2020
- **Confirmed COVID-19 cases:** 0.25% of total learners positive, 1.56% of staff positive.
- **No contamination at school level;** in line with national average
- **COVID-19 discounts** given to parents – R60m
- **Ancillary services** (i.e. transport/boarding) reduced – not invoiced during COVID-19 period, no enrolment fees
- **Higher bad debt provided** – uncertain what effect will be for the rest of the year

OPERATIONAL COMMENTARY (3)



- **Pre-school learners** materially impacted
- **Salary savings** – retrenchments pre-school staff, cost adjustment
- **Curro Online** – launch June 2020
- **Capital savings** – no new greenfields, delay construction projects (i.e. limited sports facilities constructed)
- **Debt** – R1 billion of 3-year bullet funding – to repay R838m of debt at 30 basis points lower
- **GCR ratings** assigned us BBB+ and A2 for the long and the short term respectively, with stable outlook
- Announced partially underwritten non-renounceable **rights offer**

KEY INDICATORS

		Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018	Dec 2019	5Yr CAGR	June 2019	June 2020	% Difference
Campuses	#	31	41	48	51	58	70	18%	68	76	12%
Schools	#	79	100	114	127	138	166	16%	164	177	8%
Learners	#	27 916	35 148	42 343	45 870	51 305	57 597	16%	57 173	59 967	5%
% of built capacity	%			69%	70%	69%	70%		70%	67%	
Revenue	Rm	966	1 345	1 714	2 099	2 496	2 944	25%	1 480	1 590	7%
Schools EBITDA	Rm	256	375	487	594	772	873	28%	491	546	11%
EBITDA	Rm	191	292	377	473	627	693	29%	415	466	12%
EBITDA Margin	%	19%	21%	22%	23%	25%	24%		28%	29%	
Net interest expense	Rm	55	91	70	78	138	243	35%	109	135	24%
HEPS (Recurring)	Cents	16	26.2	41.8	49	60.1	51	26%	37.1	40.5	9%
Learner/teacher ratio	#	15	15	17	17	17	18	4%	18	17	(6%)
Capital invested	Rm	1 305	1 010	1 486	1 136	1 493	1 285	0%	559	292	(48%)
Cumulative capital invested	Rm	3 834	4 864	6 350	7 486	8 979	10 265	22%	9 538	10 557	11%
Total building size	m ²	392 314	449 067	558 683	598 194	656 081	700 946	12%	656 777	707 492	8%

CURRO

COVID-19



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COVID-19 and 2020



COVID-19 IMPACT – Learner numbers

Per brand – movement April to June 2020

	PRE-COVID	MOVEMENT
	21 March 2020	30 June 2020
Curro, Select and other	40 667	38 927
Meridian	9 595	9 529
Academy	10 738	10 510
Castles	1 482	1 001
Total	62 482	59 967

COVID-19 IMPACT – Learner numbers

Movement of learners

	Negative movement	% of movement
Preschool (Groups 1 to 5)	1 825	72.6%
Primary to high school (Grades R to 12)	690	27.4%
	2 515	

	Negative movement	Learners March	% of March learners
Preschool (Groups 1 to 5)	1 825	7 419	24.6%
Primary to high school (Grades R to 12)	690	55 063	1.25%
	2 515	62 482	

COVID-19 IMPACT – Learner numbers

Enrolments during COVID-19 period compared to prior years

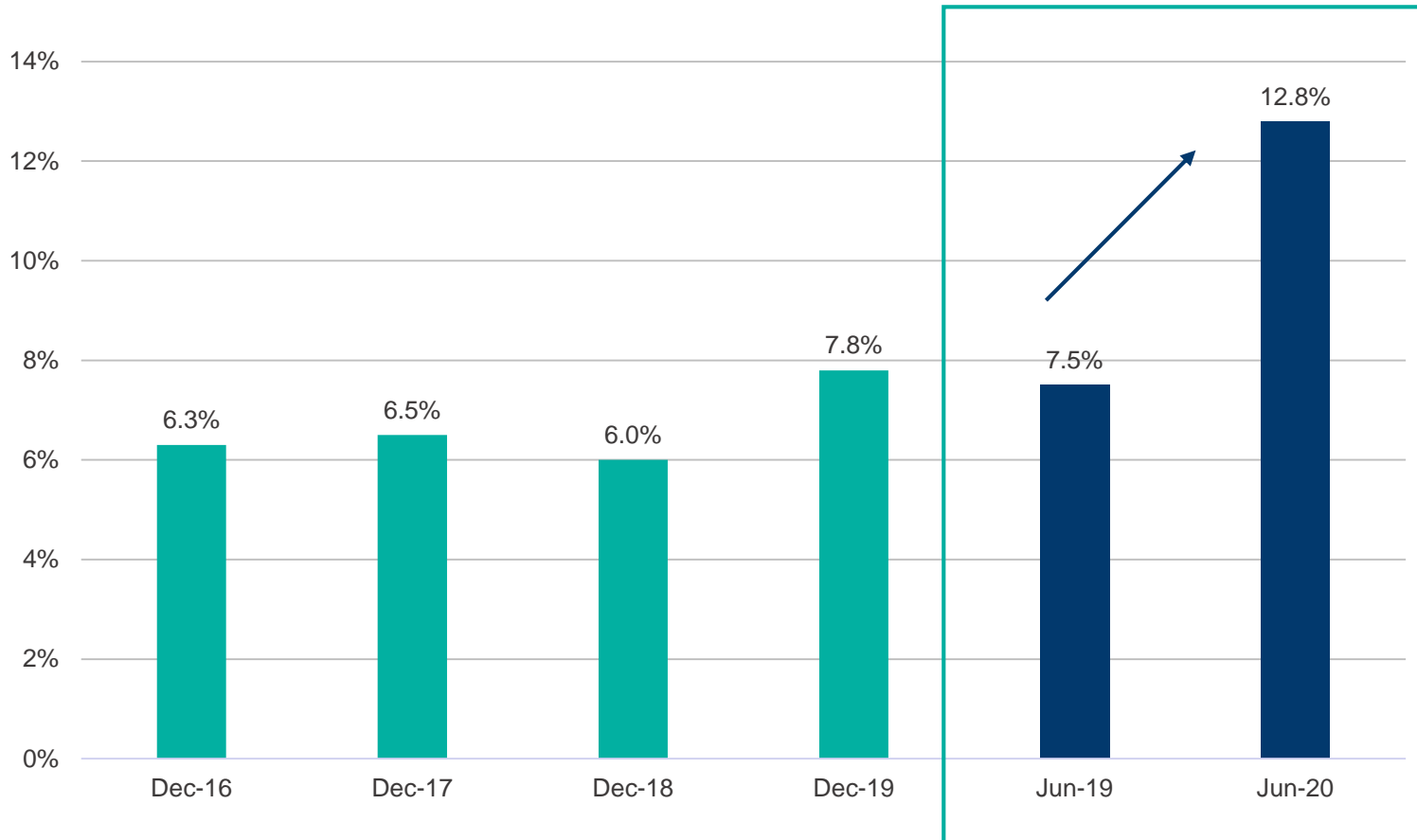
	2018	2019	2020
April	567	807	295
May	322	374	186
June	172	143	522
July	539	911	881
August	356	383	466

Enrolments as from June increased due to re-opening of schools and the launch of Curro Online.

COVID-19 and 2020



DISCOUNTS AS % OF REVENUE



Focus on learner retention



COVID-19 related discount of R60m (3.8%)

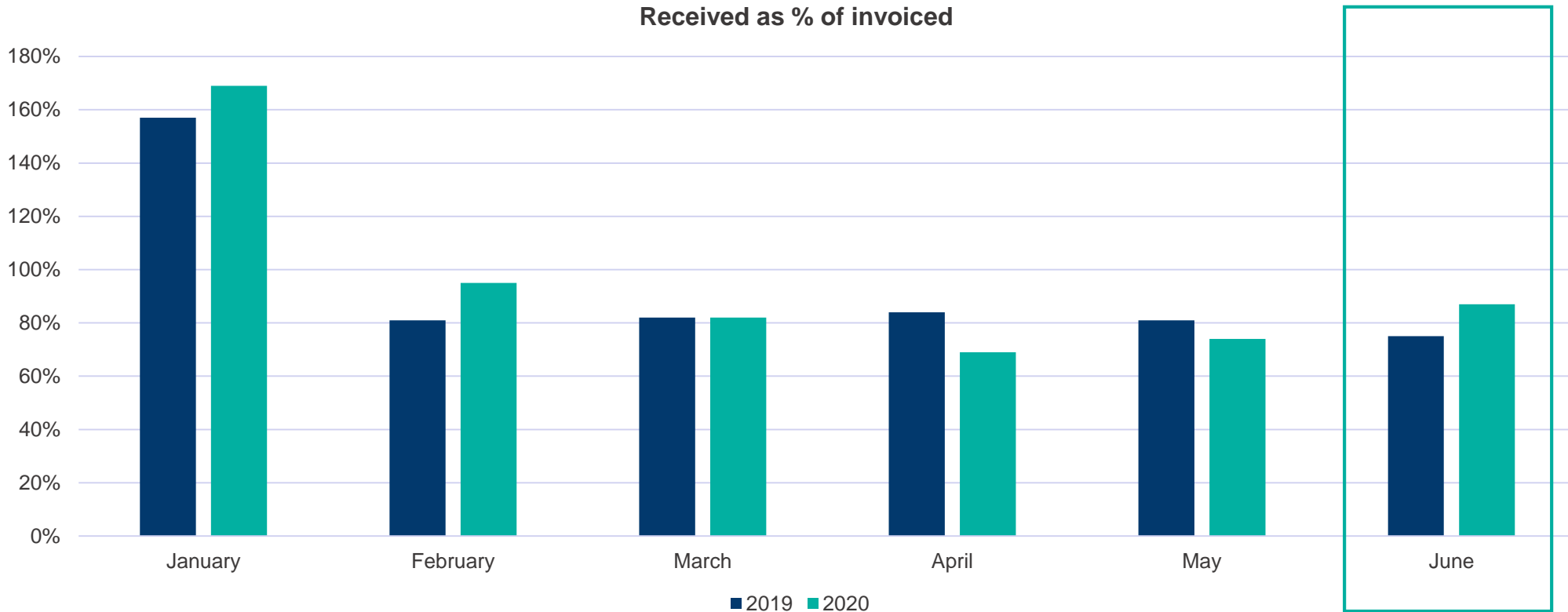
Rand value discounts granted (R million)

	30 June 2019	31 Dec 2019	30 June 2020
Personnel	(36)	(74)	(42)
Bursaries	(32)	(63)	(35)
COVID-19	-	-	(60)
Other	(43)	(93)	(67)
Total	(111)	(230)	(204)

COVID-19 and 2020



COVID-19 IMPACT – CASH INFLOW

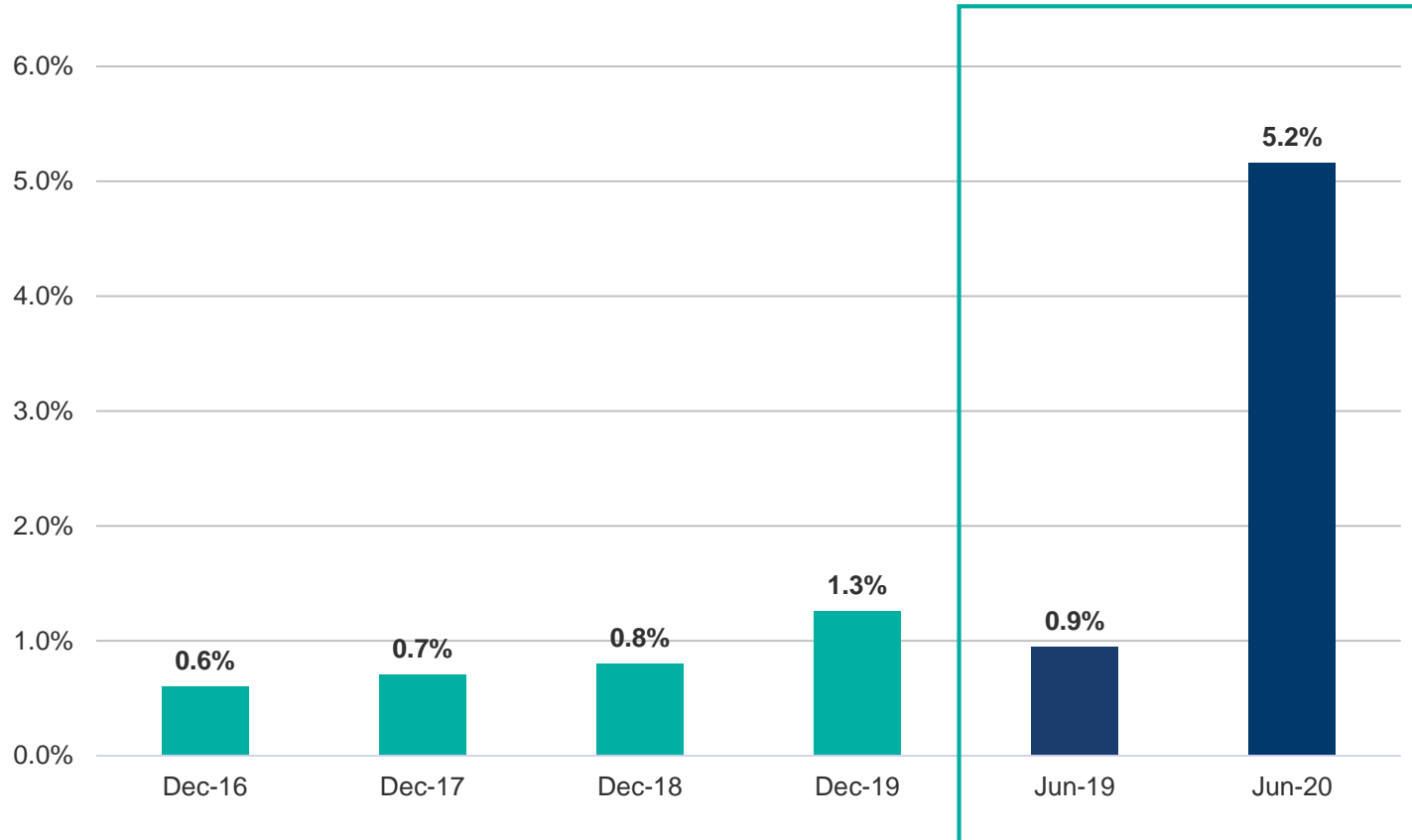


Cash inflow improved in June, however significant uncertainty remains regarding 2nd half cash flows

COVID-19 and 2020



BAD DEBT AS % OF REVENUE



Slower collection of bad debts during COVID-19



Higher number of leavers with outstanding balances



Includes provision for expected leavers

	30 June 2019	31 Dec 2019	30 June 2020
Bad debt (R million)	14	37	82
Provision for bad debt (R million)	46	69	153

COVID-19 and 2020



COVID-19: CASTLES

Decrease our exposure to this market

Learner numbers (Groups 1 to 5)

	Jun 2019	Jan 2020	Jun 2020
Castles/Nursery schools	7 757	7 634	5 787



Survey: 50% of parents indicated they will return when we open
20% of parents indicated they will return in 2021

Castle/Nursery school numbers (Groups 1 to 5) = 6 stand-alone Castles as well as those linked to specific schools within the group.

PRE-SCHOOLS – STAND-ALONE CASTLES

Strategy change, gradual exit of segment with a focus on Group 3 and up.

As of January 2021 proceed with the following:



CONVERSION

	Curro Castle Douglasdale	Johannesburg	Converting to a primary school
	Curro Castle Oakdene	Johannesburg	Converting to a primary school
	Curro Castle George	Western Cape	Converting to a primary school
	Curro Castle Burgundy	Cape Town	Converting to an assisted learning school

In addition, we have closed three Castles at Curro schools and converted them to staff / residential accommodation.

We remain focused on the education development of the child at this critical phase of their development.

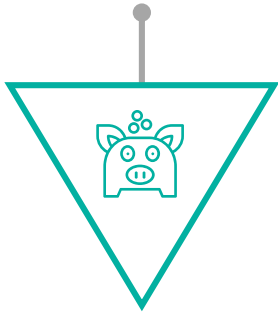
COVID-19 and 2020



SECOND-HALF INCOME AND EXPENSES

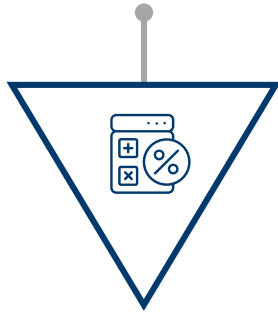
REVENUE

Revenue to decline in line with lower learner numbers



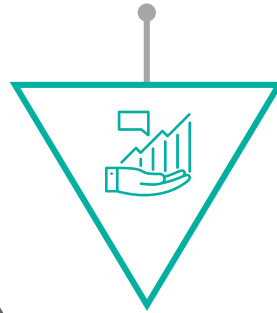
DISCOUNT

COVID-19 discount of R60m in H1 reduce to R12m in H2



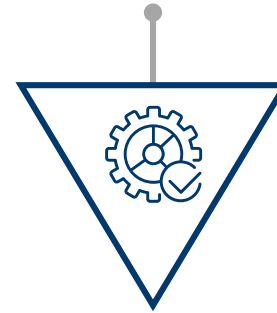
COLLECTIONS

Bad debts uncertain but increased collection rates will decrease %



OTHER INCOME

Lower due to ancillary services not rendered



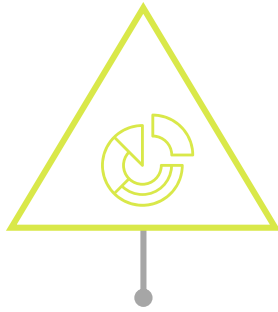
ACQUISITIONS

Due diligences currently under review



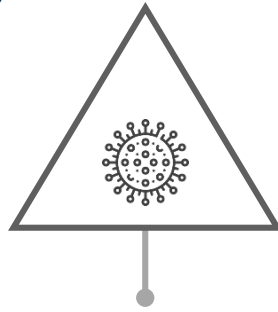
OTHER EXPENSES

Other school expenses will normalise now that schools are open



COVID-19 EXPENSES

COVID-19 specific expenses of R14m in H1 will be lower in H2



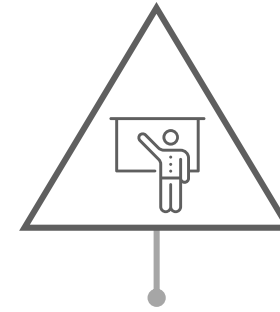
INTEREST EXPENSE

Interest expense lower as a result of rights offer money received beginning of September



SALARIES

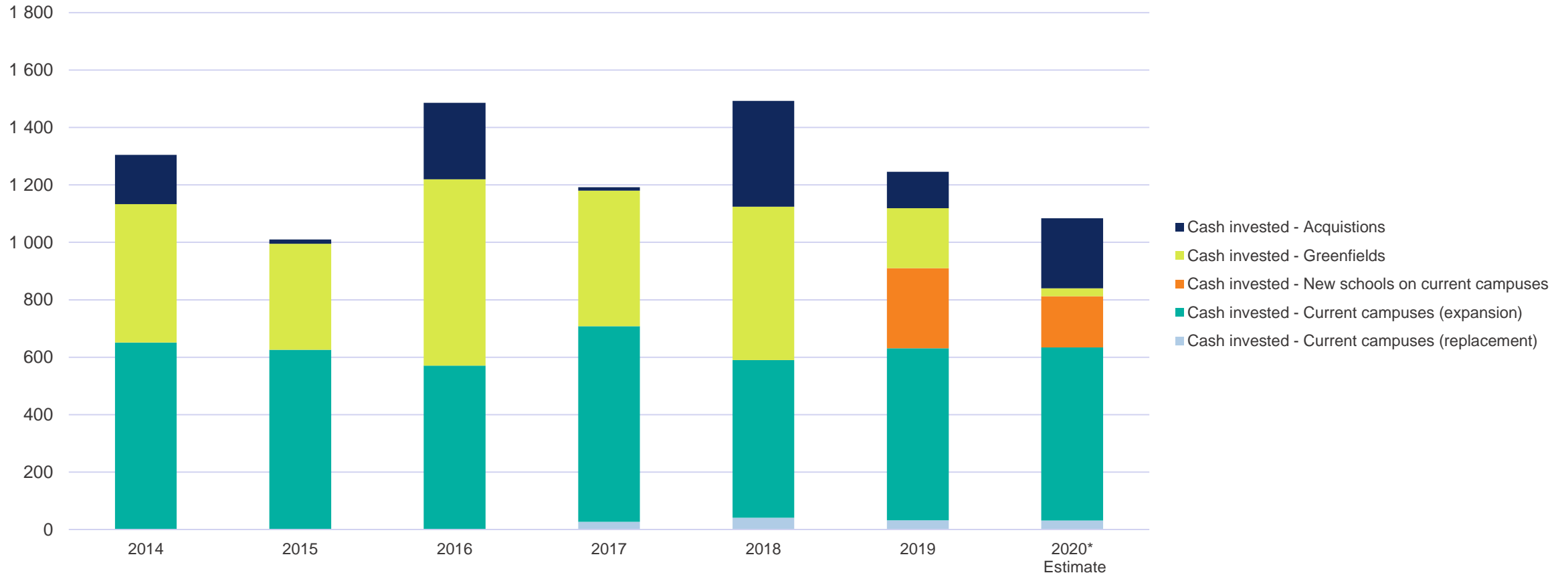
Temporary salary decrease of R 113m in H1 normalise in H2



COVID-19 and 2020

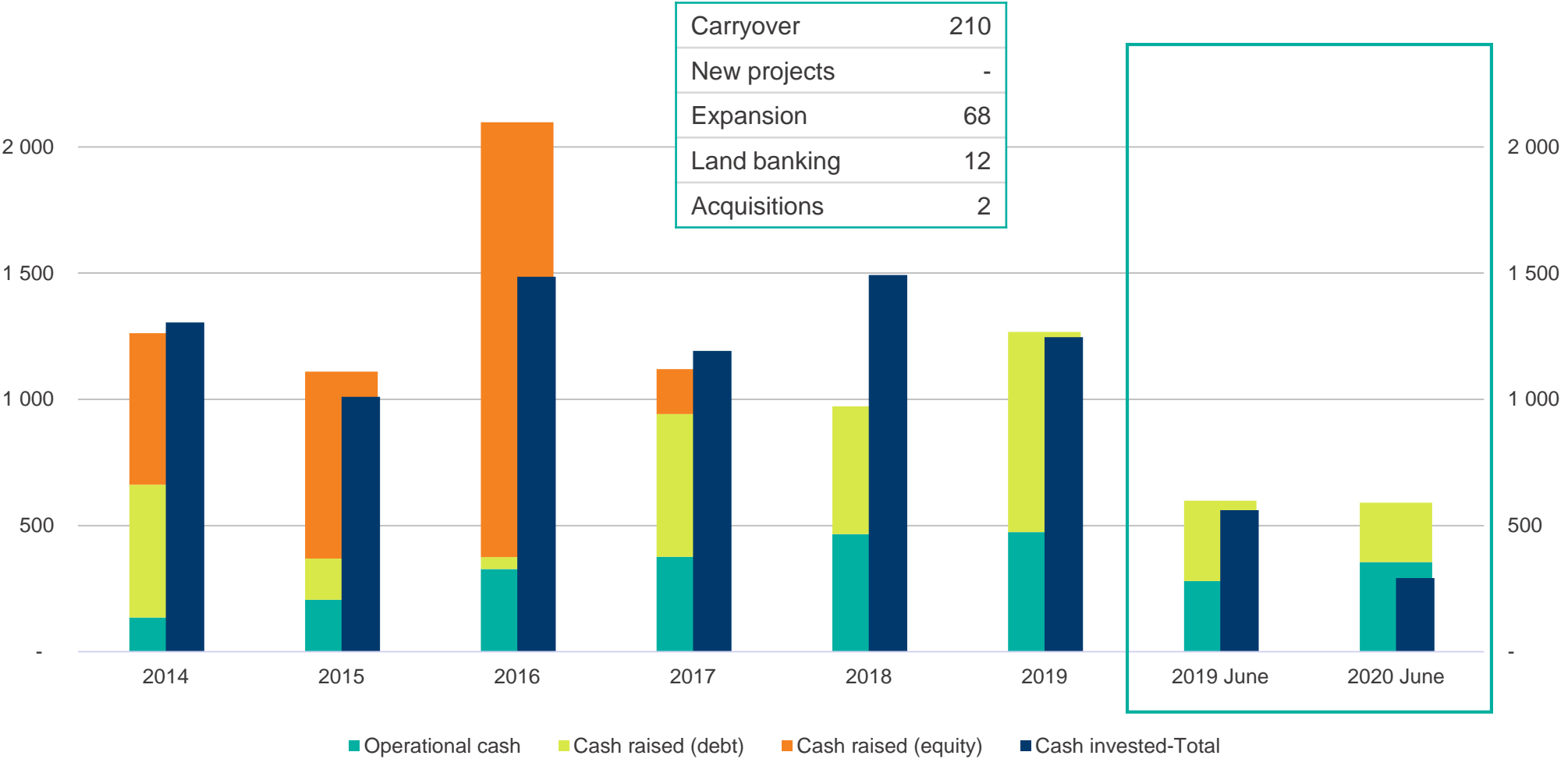


CAPITAL INVESTMENT – FULL YEAR 2020



- Replacement capital
- Capital previously reported +/- R850m.
- Increase due to possible acquisitions.

CAPITAL INVESTMENT – ACTUAL JUNE 2020



CURRO



Business overview

#Learners2Leaders

BUSINESS OVERVIEW



**Cost of
growth**



**High-fee
schools**



J-curve



**Performance
per brand**



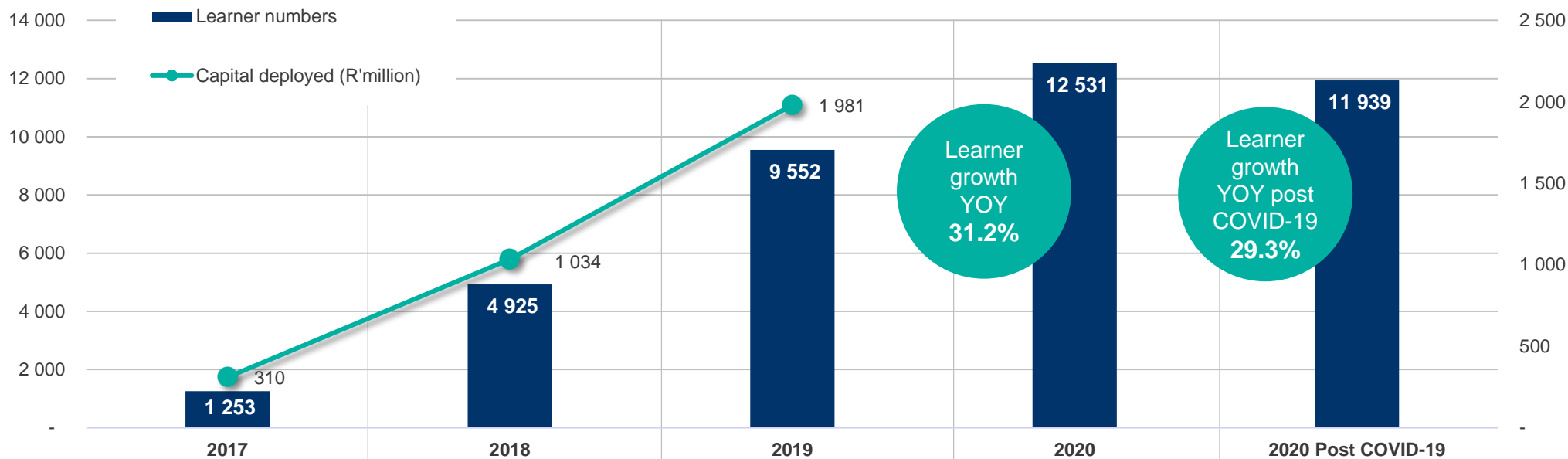
**Balance
sheet/debt**



**Rights
offer**

COST OF GROWTH (2017 – 2019 SCHOOLS)

(Excludes 2020 greenfields and acquisitions)



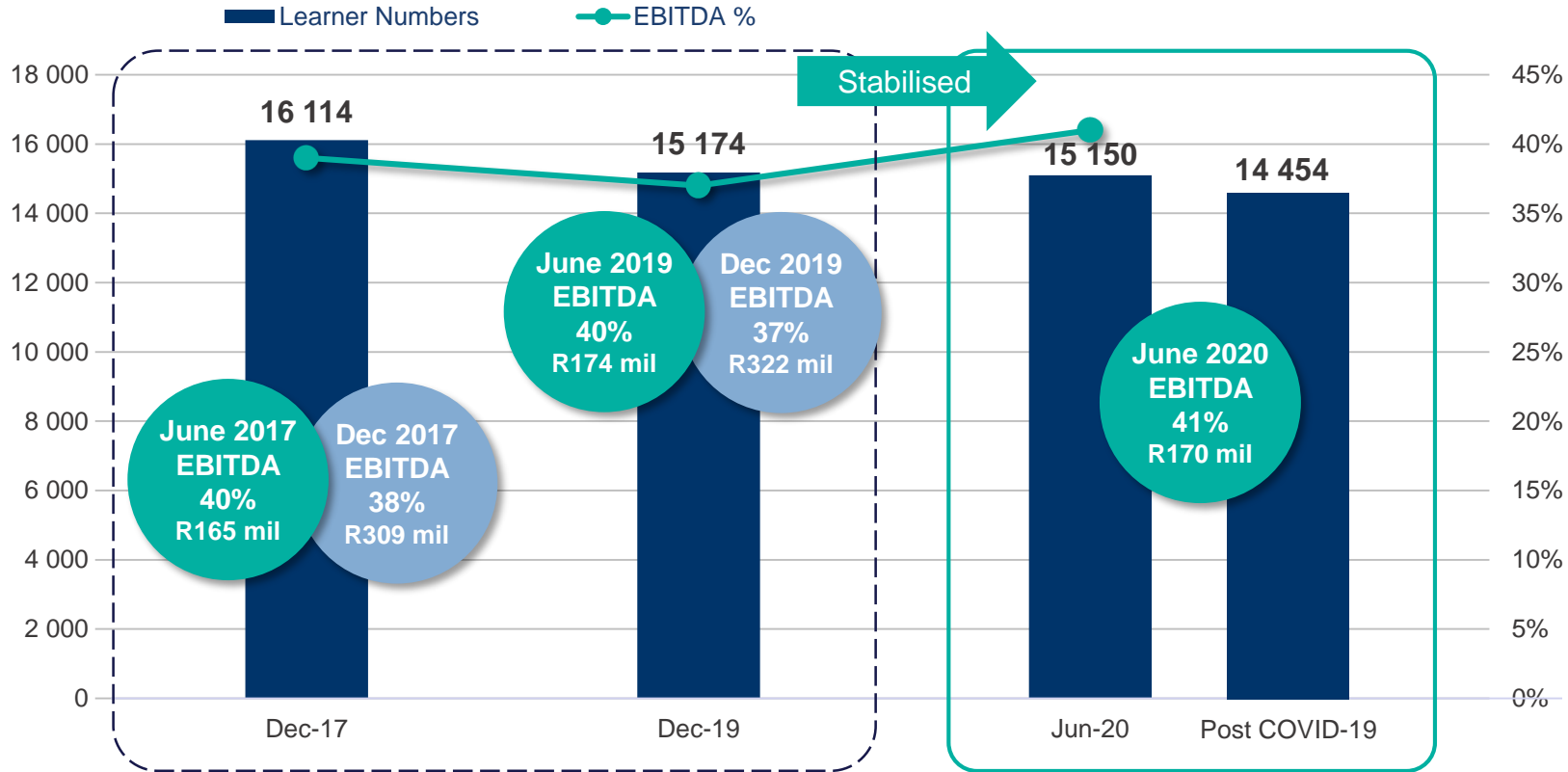
	June 2017	Dec 2017	June 2018	Dec 2018	June 2019	Dec 2019	June 2020
Turnover (R'million)	23	48	79	196	204	439	292
EBITDA (R'million)	3	9	21	53	57	99	94
EBITDA %	13	19	27	27	28	23	32

June 2020 vs June 2019 growth
 Turnover 34.1%
 EBITDA 67%

Number of campuses **+22** (2016: 48)
 Number of schools **+52** (2016: 114)

Note: Financed with debt – thus the growth in long-term debt for the last three years
 No material spend in 2020

PRESSURES ON CERTAIN HIGHER-FEE CAMPUSES



Number of campuses = 9

Stabilised due to:

- Restructuring of fees
- Enhanced academic, sport and culture offering
- Realignment of roles and responsibilities
- Improved efficiencies throughout

Schools are set for growth

Lower than expected growth due to:

- Economic pressure
- Emigration
- Competition entered into school feeder areas

J-CURVE – June 2020

	Campuses	Schools	Learner numbers			Growth		School's EBITDA (R million)			Growth		EBITDA margin			Built capacity utilised			Eventual capacity utilised			Yield		
	2020	2020	2018	2019	2020	18/19	19/20	2018	2019	2020	18/19	19/20	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
Developed	52	121	31 872	35 747	37 710	12%	5%	248	296	343	19%	16%	33%	34%	35%	63%	65%	63%	47%	46%	45%	7%	7%	8%
2009 and before	4	9	3 872	4 130	4 010	7%	(3%)	37	42	50	15%	19%	34%	35%	40%	82%	85%	82%	71%	73%	71%	14%	12%	14%
2010	2	6	2 205	2 215	2 193	–	(1%)	20	25	27	23%	8%	35%	41%	41%	75%	75%	74%	55%	55%	55%	9%	10%	11%
2011	5	15	4 177	4 429	4 147	6%	(6%)	34	37	46	9%	24%	32%	32%	38%	59%	63%	59%	50%	53%	50%	7%	7%	9%
2012	2	6	1 978	1 891	1 918	(4%)	1%	17	15	17	(11%)	13%	33%	29%	31%	75%	72%	73%	59%	56%	57%	10%	7%	8%
2013	4	12	6 445	6 357	6 186	(1%)	(3%)	70	70	82	(1%)	17%	45%	42%	48%	74%	73%	71%	64%	64%	65%	14%	13%	16%
2014	4	9	2 169	2 343	2 246	8%	(4%)	9	11	13	30%	18%	20%	23%	25%	56%	56%	52%	44%	47%	46%	3%	3%	4%
2015	8	19	6 216	6 494	6 568	4%	1%	26	39	38	50%	(3%)	24%	31%	29%	63%	65%	66%	47%	49%	50%	4%	5%	6%
2016	4	8	1 681	1 905	1 510	13%	(21%)	20	26	19	30%	(27%)	39%	41%	30%	45%	49%	39%	32%	36%	29%	4%	7%	4%
2017	3	8	2 499	3 143	3 594	26%	14%	21	29	38	40%	31%	41%	41%	44%	72%	91%	78%	40%	51%	58%	9%	10%	12%
2018	4	8	630	1 107	1 303	76%	18%	(5)	4	–	n/a	(100%)	(40%)	17%	2%	19%	33%	39%	10%	17%	20%	(4%)	1%	(2%)
2019	7	13	–	1 733	3 345	–	93%	(1)	(1)	19	–	n/a	–	(4%)	31%	–	43%	74%	–	17%	32%	–	(5%)	4%
2020	5	8	–	–	690	–	–	–	–	(6)	–	–	–	–	(84%)	–	–	16%	–	–	7%	–	–	(8%)
Acquired schools	24	56	18 819	21 426	22 257	14%	4%	167	196	216	17%	10%	34%	33%	35%	83%	80%	76%	69%	66%	67%	10%	10%	9%
2012 and before	7	17	7 007	7 261	7 411	4%	2%	80	82	78	1%	(5%)	38%	38%	37%	76%	79%	76%	61%	64%	65%	12%	10%	8%
2013	2	2	3 855	3 684	3 729	(4%)	1%	17	17	20	(1%)	18%	25%	26%	32%	78%	74%	75%	78%	74%	75%	7%	7%	9%
2014	2	6	2 742	2 763	2 555	1%	(8%)	40	41	35	1%	(15%)	41%	39%	38%	96%	85%	79%	80%	80%	74%	13%	13%	11%
2015 and 2016	5	14	4 147	4 468	5 113	8%	14%	25	32	46	27%	44%	24%	27%	36%	100%	99%	80%	74%	71%	67%	7%	7%	9%
2018	3	6	1 068	1 881	1 918	76%	2%	5	20	27	304%	35%	29%	38%	43%	70%	82%	81%	52%	56%	64%	9%	10%	9%
2019	4	8	–	1 369	1 156	–	(16%)	–	4	9	–	125%	–	11%	19%	–	52%	67%	–	44%	59%	–	7%	11%
2020	1	3	–	–	375	–	–	–	–	1	–	–	–	–	12%	–	–	55%	–	–	39%	–	–	–
Non-recurring costs								–	–	(10)														
Property rental, royalties and other								(6)	(1)	(3)														
Total	76	177	50 691	57 173	59 967	13%	5%	409	491	546	20%	11%	33%	33%	34%	69%	70%	67%	54%	52%	51%	8%	8%	8%

EBITDAR decreased from 2019: bad debt provision, rates and taxes, fee decreases (two schools), pre-school decreases.

PER BRAND

	2020		2018		2019			2020			'19-'20 Learner growth	'19-'20 EBITDA growth
	Campuses	Learner numbers	EBITDAR	EBITDAR Margin	Learner numbers	EBITDAR	EBITDAR Margin	Learner numbers	EBITDAR	EBITDAR Margin		
Curro and Select Developed	45	34 361	355	36%	38 225	404	35%	37 973	452	38%	(0%)	12%
Acquired	27	21 838	211	36%	23 248	237	36%	22 591	273	39%	(3%)	15%
Curro Academy	18	12 523	143	37%	14 977	167	35%	15 382	179	36%	3%	7%
Curro Castle	13	5 834	25	26%	8 255	45	30%	10 510	63	32%	27%	41%
Meridian	7	1 161	4	15%	1 454	7	21%	1 001	9	26%	(27%)	21%
Other school models	7	9 335	32	23%	9 189	38	26%	9 529	40	26%	3%	4%
	5	-	(0)		69	(2)		954	(6)			
	77	50 691	415	34%	57 192	492	33%	59 967	558	35%	5%	13%
Other			(6)		-	(1)		-	(13)			
			<u>409</u>			<u>491</u>			<u>546</u>			

DEBT AND INTEREST COVER



- Interest cover = EBITDA/Interest
- Covenant is 1.75x (ave debt could have been R1.5bn higher before reaching covenant levels)
- EBITDA = cashflow as no cash tax expense (5% wear and tear allowance)

- Capital investment will slow down
- Rights issue will reduce debt by +- R1bn

*2020 rolling 12 months



RIGHTS OFFER (1)



Partially underwritten non-renounceable rights offer

- PSG (current shareholding 55.4%) irrevocable and underwriting 75% (R1.15 billion)
- Price R8.07 (30 day VWAP on day of approval by the board – 9 June 2020)



Reasons

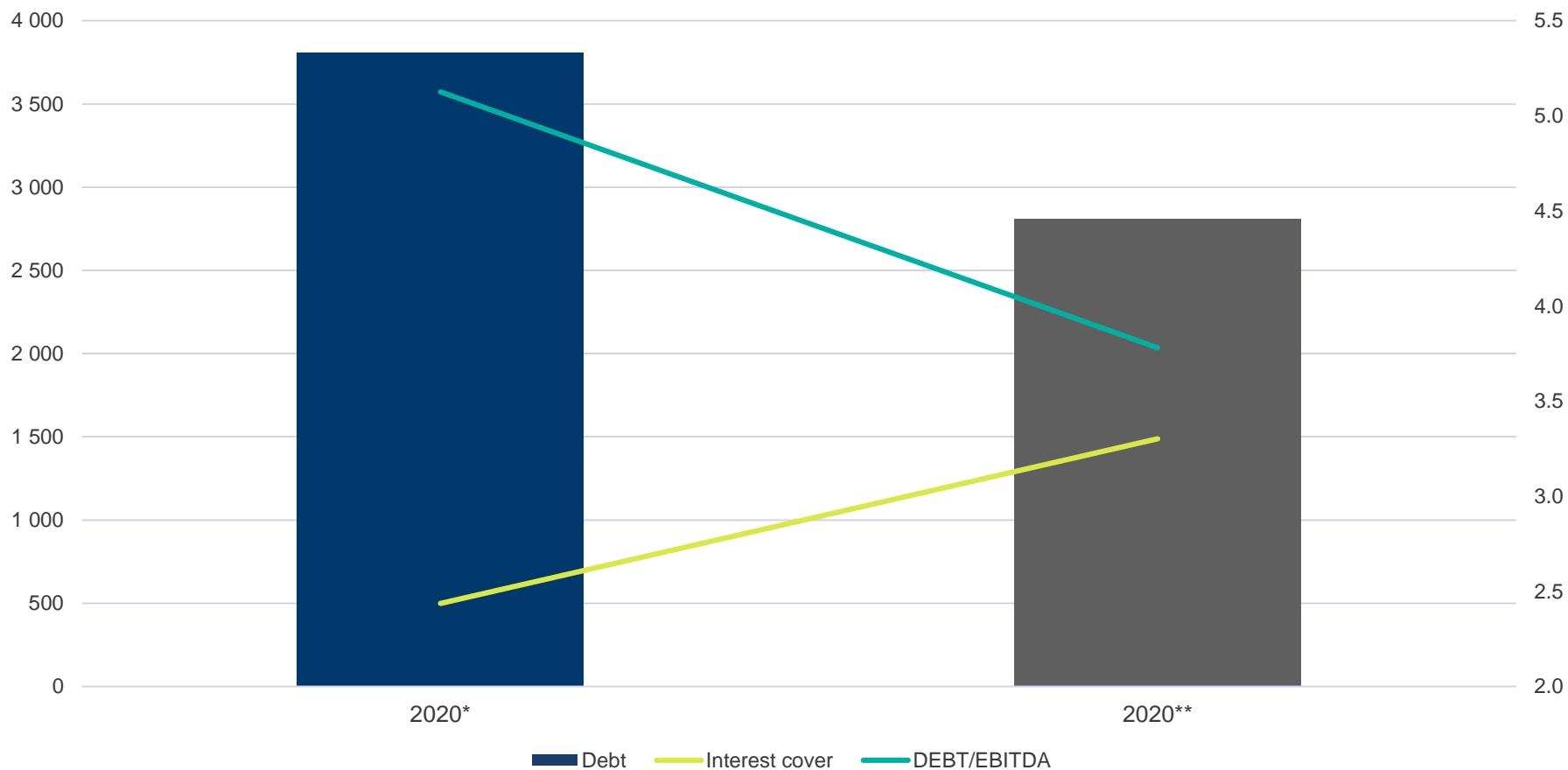
- Potential opportunities
- COVID-19 uncertainty (effect on 2021 learner intake numbers as well as bad debts risk for 2020) – reduce gearing levels



Key dates

- Last day to trade in order to participate – 25 August 2020
- Closing date for rights offer - 4 September 2020

RIGHTS OFFER (2)



*2020 rolling 12 months

**Adjusted by R1bn for assumed debt decrease as a result of rights issue

FURTHER DEVELOPMENT

Fill capacity



Consider attractive
opportunities



Expansion of digital models



Financial prudence and
reorganisation where required



- Quality assets at attractive prices
- Infrastructure at substantial discounts to replacement value with growth and cost-saving potential

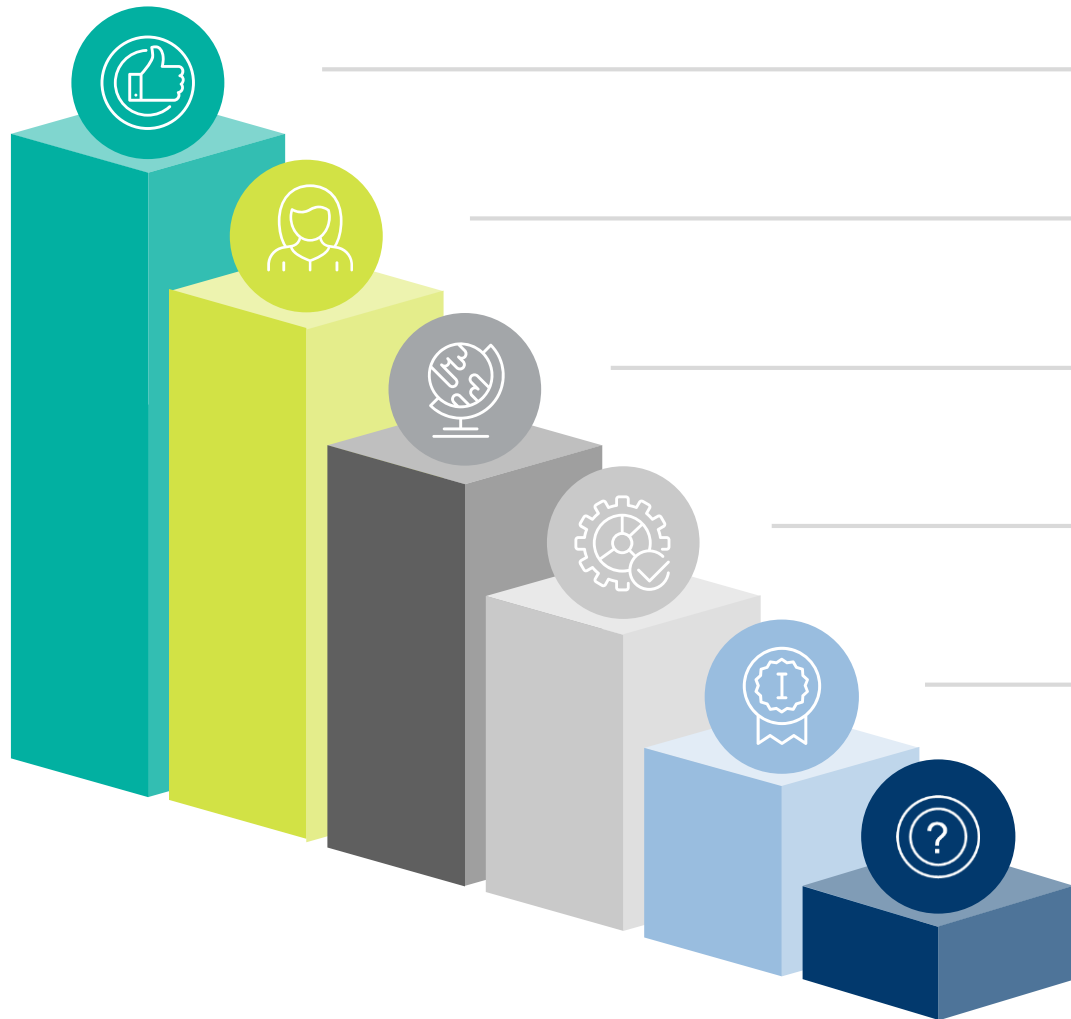
CURRO



In conclusion

#Learners2Leaders

IN CONCLUSION



FUNDAMENTALS

Fundamentals in place to manage this crisis

MANAGEMENT

Strong senior management team, dedicated Board in place

OPPORTUNITIES

Current climate presents opportunities to further strengthen our educational footprint

DELIVERY

Geared to deliver quality product for changing market needs (traditional schooling versus growing need for digital content delivery, hybrid models)

QUALITY

Remain committed to continue delivering quality education for the future leaders of southern Africa

UNCERTAINTY

Financial impact on the consumer. Impact on 2021 intake



CURRO

THANK YOU



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