

STADIO HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2016/371398/06)

Share code: SDO

ISIN: ZAE000248662

LEI: 3789007C8FB26515D966

("the Company" or "the STADIO Group")



TRADING STATEMENT

The STADIO Group utilises core headline earnings to measure and benchmark the underlying performance of the business. Core headline earnings represents headline earnings adjusted for certain non-recurring or non-cash items that, in the Board's view, may distort the financial results from year to year.

At 30 June 2021, the STADIO Group grew semester one ("**S1**") student numbers by 11% to 34 494 (June 2020: 31 053). The 11% was bolstered by strong performance in the STADIO Group's distance learning offerings, with online professional programme offerings showing solid growth for the period.

Accordingly, we are pleased to report that a reasonable degree of certainty exists that core headline earnings per share ("**CHEPS**") for the six-month period ended 30 June 2021, will be between 9.1 cents and 10.3 cents, being between 32% and 49% higher than the 6.9 cents per share reported for the six-month period ended 30 June 2020.

Shareholders are further advised that, due to the later start to the 2021 academic year coupled with further COVID-19 lock downs in the first half of the year, the Group managed to achieve certain operational cost savings. It is anticipated that not all of these cost savings will carry through to the second half of the year.

Furthermore, in terms of the JSE Limited Listings Requirements, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the next period to be reported on will differ by 20% or more from the financial results for the previous corresponding period.

Accordingly, shareholders are advised that as a result of two abnormal items (excluded from CHEPS, further explained below and reported in the prior year), a reasonable degree of certainty exists that, earnings per share ("**EPS**") for the six months ended 30 June 2021 will be between 8.8 cents and 10.4 cents and headline earnings per share ("**HEPS**") for the six months ended 30 June 2021 will be between 9.3 cents and 9.5 cents, both being an increase of more than 100%, compared to the loss per share ("**LPS**") of 8.7 cents and headline loss per share ("**HLPS**") of 1.5 cents reported for the six months ended 30 June 2020.

In the prior year, for the six months ended 30 June 2020, the EPS and HEPS were impacted by:

- a fair value adjustment of R74 million relating to the CA Connect acquisition (impacting prior period LPS and HLPS); and
- a R60 million once-off, non-cash accounting impairment of trademarks following the business transfer of various brands to STADIO Higher Education (impacting prior period LPS).

The financial information on which this trading update is based, has not been reviewed or reported on by the Company's external auditors.

The results for the interim period ended 30 June 2021 are expected to be published on or about Tuesday, 31 August 2021. Shareholders are invited to join the virtual interim results presentation at 10am, on Tuesday, 31 August 2021. To register to attend the presentation, please click on the following link:

<https://attendee.gotowebinar.com/register/8781601873282635532>

Durbanville
13 August 2021

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