

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

The STADIO Group grew first semester students by 11% to 38 348 as at 30 June 2022 (June 2021: 34 494) and second semester student numbers by 8% to 41 296 as at 31 December 2022 (December 2021: 38 262). The STADIO Group showed positive growth in student numbers for the year, bolstered by strong performance in the STADIO Group's distance learning offerings and good growth in new student numbers across both its contact learning and distance learning offerings.

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 view of the Company's board of directors ("**Board**"), may distort the financial results from year to year.

We are pleased to report that a reasonable degree of certainty exists that core headline earnings per share ("**CHEPS**") for the year ended 31 December 2022, will be between 19.6 cents and 21.7 cents, being between 11% and 23% higher than the 17.6 cents reported for the year ended 31 December 2021.

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 reported 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 a reasonable degree of certainty exists that, for the year ended 31 December 2022, earnings per share ("**EPS**") will be between 25% and 37% higher than the previous comparative period, or between 18.6 cents and 20.4 cents compared to the EPS of 14.9 cents reported for the year ended 31 December 2021.

Headline earnings per share ("**HEPS**") will be between 12% and 24% higher than the previous comparative period, or between 19.0 cents and 21.0 cents compared to the HEPS of 17.0 cents reported for the year ended 31 December 2021.

The growth in EPS, HEPS and CHEPS is due to an increase in student numbers, coupled with good cost controls and efficiencies as a result of implementing the STADIO Group's strategy. The 2022 EPS growth was impacted by a R6.5 million impairment of assets, which included a further impairment of the right of use asset of R2.8 million in respect of the leased Milpark Education campus in Gauteng (Milpark Education Campus). This impairment followed the decision of the Board to transition the Milpark Education business to cater only for the distance learning mode of delivery. Furthermore, post evaluating the various programmes on offer, the STADIO Group impaired R3.7 million of curriculum material intangibles for programmes that the Group elected to discontinue.

In the prior year ended 31 December 2021, the EPS was impacted by:

- the initial impairment of the right of use asset of R17 million in respect of the leased Milpark Education Campus; and
- an impairment of R10 million relating to the STADIO Montana property, which the STADIO Group disposed of during 2022.

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

The audited results for the year ended 31 December 2022 are expected to be published on or about Wednesday, 15 March 2023.

Shareholders are invited to join the virtual results presentation at 10 am, on Wednesday, 15 March 2023. To register to attend the presentation, please click on the following link:
<https://attendee.gotowebinar.com/register/3740547783136523614>

Participants will be able to download the results as well as the slides from the portal during the presentation. Participants can send through questions using the portal, during and after the presentation, or by emailing any questions to investorrelations@stadio.co.za.

Durbanville
6 March 2023

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