



Notice of annual
general meeting
for the year
ended

31 December 2022

CURRO



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HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2022

▲
35%

RECURRING HEPS
From 40.9 cents to 55.4 cents

▲
50%

HEPS
From 40.9 cents to 61.4 cents

▲
35%

DIVIDEND
From 8.20 cents to 11.08 cents

▲
6%

**AVERAGE LEARNER
NUMBERS**
From 66 447 to 70 724

▲
17%

REVENUE
From R3 543m to R4 156m

▲
17%

EBITDA
From R789m to R926m

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 DECEMBER 2022

28 April 2023

Dear Shareholder

Notice of annual general meeting ('Notice of AGM') and form of proxy

Curro herewith encloses the notice of Curro Holdings Limited's ('Curro') annual general meeting to be conducted entirely by electronic communication, as permitted by the Companies Act and the company's memorandum of incorporation, at 14:00 on Wednesday, 14 June 2023.

The enclosed Notice of AGM is accompanied by the following annexures:

- summary consolidated financial statements with explanatory notes and commentary;
- shareholder information;
- remuneration report, and
- a form of proxy.

The summary consolidated financial statements constitute a summary of the group's audited financial statements for the period ended 31 December 2022 that is available on the Curro website, www.curro.co.za.

The board of directors is responsible for this Notice of AGM and they have apprised themselves of the materiality, accuracy and balance of disclosures in this Notice of AGM.

In an effort to support environmental initiatives and align with the increasing trend towards online reporting, Curro's annual integrated report will be made available on the Curro website, www.curro.co.za from today, 28 April 2023.

Yours sincerely



Elizabeth Mpeke
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING

CURRO HOLDINGS LIMITED

Incorporated in the Republic of South Africa

Registration number: 1998/025801/06

Share code: COH

ISIN: ZAE000156253

LEI: 378900E237CB40F0BF96

(‘Curro’ or ‘the company’)

Notice of annual general meeting of Curro shareholders (‘Notice of AGM’)

Notice is hereby given of the annual general meeting of shareholders of Curro to be conducted entirely by electronic communication, as permitted by the Companies Act, No. 71 of 2008, as amended (‘the Companies Act’) and the company’s memorandum of incorporation (‘MOI’), at 14:00 on Wednesday, 14 June 2023 (‘the AGM’).

Purpose

The purpose of the AGM is to transact the business set out in the agenda below and to discuss other matters raised by shareholders, provided that such matters directly concern the business of the company and may lawfully be dealt with at the AGM.

The AGM will be conducted entirely by electronic communication. The company has retained the services of Computershare to host the AGM on an interactive electronic platform remotely, to facilitate remote participation by shareholders. Computershare have also been appointed as the scrutineers for the AGM.

Please see page 13 of this Notice of AGM for further details regarding the electronic participation instructions and guidelines. Should you have any questions then please send an email to the company secretary, Elizabeth Mpeke, at elizabeth.m3@curro.co.za.

Agenda

1. Presentation of the audited annual financial statements of Curro and its subsidiaries, including the remuneration report, reports of the directors and the audit and risk committee, and the report on the activities of the social, ethics and transformation committee for the year ended 31 December 2022.

This Notice of AGM is accompanied by the summarised consolidated financial statements (Annexure A) of the company for its 2022 financial year, 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.curro.co.za. Should you wish to receive an electronic copy of either document, please email the company secretary at elizabeth.m3@curro.co.za.

2. To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

Note: For ordinary resolutions numbers 1 to 9 and 11 and 12 (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 10 to be adopted, at least 75% of the voting rights exercised on each such resolution must be exercised in favour thereof.

2.1 Confirmation of appointment, retirement and re-election of directors

2.1.1 Ordinary resolution number 1

Resolved that the appointment of Mrs Marí Lategan (‘Marí’) as an executive director and the deputy chief executive officer, in terms of the MOI of the Company be and is hereby confirmed.

Summary curriculum vitae of Mrs Marí Lategan

Marí has an MBA from Stellenbosch University’s Business School and an Honours in Journalism. She has been an executive at Curro for more than six years and a non-executive director for Meridian Schools for more than four years. She established Curro Create, Curro’s national creative initiative. Prior to Curro, she founded a strategic business and communications consultancy and was a publisher at Media24.

Qualifications: BA; BA Hons (Journalism); MBA

2.1.2 Ordinary resolution number 2

Resolved that the appointment of Mr Burthryne Craig September (‘Burtie’) as an executive director and the chief financial officer (‘CFO’), in terms of the MOI of the Company be and is hereby confirmed.

Summary curriculum vitae of Mr Burtie September

Burtie is a chartered accountant who completed his SAICA articles at Deloitte, Cape Town before joining Deloitte’s office in Indianapolis in the USA on a secondment. He worked at South African Breweries as a management accountant at one of its largest distribution centres in South Africa before he was employed as a senior accountant at Woolworths Financial Services. He joined Curro as group financial manager in 2016.

Qualifications: CA (SA)

2.1.3 Ordinary resolution number 3

Resolved that Mr Thembalihle Phillip Baloyi (‘Themba’), who is an independent non-executive director, retires by rotation in terms of the MOI and, being eligible, offers himself for re-election, be and is hereby re-elected as director.

Summary curriculum vitae of Mr Themba Baloyi

Themba was appointed as an independent non-executive director to the Board from 1 November 2020. He studied and completed Cost and Management Accounting, Corporate Governance through ICOSA and has an Executive MBA from Henley Business School (UK). He completed business leadership studies through Gordon Institute of Business Science, University of Cape Town Graduate School of Business and Duke University (US). Themba is an innovative and entrepreneurial business leader who founded Discovery Insure Ltd (‘Discovery Insure’), a short-term insurance company launched in 2011. The Discovery Insure work propelled him to win the 2018 CNBC Africa All Africa Business Leaders ‘Entrepreneur of the Year Award’. He was honoured as a 2015 World Economic Forum Young Global Leader. He is a Fellow of the Aspen Institute Global Leadership Network and is a board member of CalgroM3 Holdings, and the Allan Gray Orbis Foundation, amongst others.

Qualifications: Henley Executive MBA, ACIS, ND CMA

2.1.4 Ordinary resolution number 4

Resolved that Ms Zandile Nangamso Mankai (‘Nan’), who is a non-executive director, retires by rotation in terms of the MOI and, being eligible, offers herself for re-election, be and is hereby re-elected as director.

Summary curriculum vitae of Ms Nan Mankai

Nan was appointed as an independent non-executive director to the Curro board from 10 August 2018. She currently chairs the Curro audit and risk committee. Nan is at present a Senior Investment Manager at the Mineworkers Investment Company. Nan’s experience has been in private equity and investment management, having worked for private equity funds and built on balance sheet portfolios for corporates. Her recent experience also includes involvement in project finance and infrastructure investment opportunities and overseeing the internal audit function. Nan has extensive experience in serving on boards and on audit and social and ethics committees.

Qualifications: CA(SA); MBA

2.1.5 Ordinary resolution number 5

Resolved that Mr Douglas Maitakhole Ramaphosa (‘Douglas’), who is a non-executive director, retires by rotation in terms of the MOI and, being eligible, offers himself for re-election, be and is hereby re-elected as director.

Summary curriculum vitae of Mr Douglas Ramaphosa

Douglas has more than 35 years of business experience at an executive management and board level. He is currently chairman of IRCA (Pty) Ltd, serves on the Board of Curro, and is chairman and founder member of investment companies such as Mnotho Group and Chakula Wote Africa. Douglas served as a non-executive director for EnviroServ, Wildlife and Environment Society of South Africa (‘WESSA’), STADIO and also served at a senior executive level for corporations including Altron, Transnet, ABSA and Anglo American. He was CEO of Bytes Healthcare Solutions, managing director of Bytes Specialised Solutions, and served on the boards of Anglo American (SA), Eskom Enterprises and was chairperson of Rotek Industries.

Qualifications: MA (Social Sciences); Programme for Executive Development (Institute of Management Development)

The reason for ordinary resolution numbers 1 and 2 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.

Marí's appointment as executive director, and deputy CEO of Curro Holdings was effective from 1 January 2023.

Burtie's appointment as executive director, and CFO of Curro Holdings was effective from 1 January 2023.

The reason for ordinary resolutions numbers 3 to 5 is that the MOI, the JSE Listings Requirements and, to the extent applicable, the Companies Act require that a component of non-executive directors retire by rotation at every annual general meeting of such company and, being eligible, may offer themselves for re-election as directors.

2.2 Re-appointment of the members of the audit and risk committee of the company

Note: To avoid 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.

2.2.1 Ordinary resolution number 6

Resolved that Ms Nan Mankai, being eligible, subject to the approval of ordinary resolution number 4 above, be and is hereby re-appointed as a member and chairperson of the audit and risk committee of the company, as recommended by the Curro board of directors ('Board'), until the next annual general meeting of the company.

Summary curriculum vitae of Ms Nan Mankai

Nan was appointed as an independent non-executive director to the Curro board from 10 August 2018. She currently chairs the Curro audit and risk committee. Nan is at present a Senior Investment Manager at the Mineworkers Investment Company. Nan's experience has been in private equity and investment management, having worked for private equity funds and built on balance sheet portfolios for corporates. Her recent experience also includes involvement in project finance and infrastructure investment opportunities and overseeing the internal audit function. Nan has extensive experience in serving on boards and on audit and social and ethics committees.

Qualifications: CA(SA); MBA

2.2.2 Ordinary resolution number 7

Resolved that Mr Themba Baloyi, being eligible, subject to the approval of ordinary resolution number 3 above, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the Board, until the next annual general meeting of the company.

Summary curriculum vitae of Mr Themba Baloyi

Themba was appointed as an independent non-executive director to the Board from 1 November 2020. He studied and completed Cost and Management Accounting, Corporate Governance through ICASA and has an Executive MBA from Henley Business School (UK). He completed business leadership studies through Gordon Institute of Business Science, University of Cape Town- Graduate School of Business and Duke University (US). Themba is an innovative and entrepreneurial business leader who founded Discovery Insure Ltd ('Discovery Insure'), a short-term insurance company launched in 2011. The Discovery Insure work propelled him to win the 2018 CNBC Africa All Africa Business Leaders 'Entrepreneur of the Year Award'. He was honoured as a 2015 World Economic Forum Young Global Leader. He is a Fellow of the Aspen Institute Global Leadership Network and is a board member of CalgroM3 Holdings, and the Allan Gray Orbis Foundation, amongst others.

Qualifications: Henley Executive MBA, ACIS, ND CMA

2.2.3 Ordinary resolution number 8

Resolved that Mr Douglas Ramaphosa, being eligible, subject to the approval of ordinary resolution number 5 above, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the Board, until the next annual general meeting of the company.

Summary curriculum vitae of Mr Douglas Ramaphosa

Douglas has more than 35 years of business experience at an executive management and board level. He is currently chairman of IRCA (Pty) Ltd, serves on the Board of Curro, and is chairman and founder member of investment companies such as Mnotho Group and Chakula Wote Africa. Douglas served as a non-executive director for EnviroServ, Wildlife and Environment Society of South Africa ('WESSA'), STADIO and also served at a senior executive level for corporations including Altron, Transnet, ABSA and Anglo American. He was CEO of Bytes Healthcare Solutions, managing director of Bytes Specialised Solutions, and served on the boards of Anglo American (SA), Eskom Enterprises and was chairperson of Rotek Industries.

Qualifications: MA (Social Sciences); Programme for Executive Development (Institute of Management Development)

The reason for ordinary resolutions numbers 6 to 8 (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 every annual general meeting of such company.

2.3 Ordinary resolution number 9: re-appointment of auditor

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 Ms O Halenyane, as 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 9 is that the company, being a public listed company, must have its annual financial statements audited, and as such an auditor must be appointed or re-appointed each year, as the case may be, at every annual general meeting of such company, as required by the Companies Act, the JSE Listings Requirements and the MOI. PricewaterhouseCoopers Inc. has been the company's auditor since 2017.

2.4 Ordinary resolution number 10: general authority to issue ordinary shares for cash

Resolved that the directors of the company be and are hereby authorised, by way of a general authority, to allot and issue any of the company's unissued shares for cash as they at their discretion may deem fit, without restriction, subject to the provisions of the company's MOI, the Companies Act and the JSE Listings Requirements, 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 (fifteen) 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 Curro Holdings Limited Executive Long-term Incentive Trust (the '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 29 422 230 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 measured 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 be made only 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 comprise 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*
- *if the issued securities represent, on a cumulative basis, 5% of the number of securities in issue, prior to that issue, an announcement containing full details of such issue shall be published on the Stock Exchange News Service of the JSE.*

Should listed entities wish to issue shares for cash (other than issues by way of rights offers, 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. The reason for ordinary resolution number 10 is accordingly to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the MOI.

At least 75% of the shareholders present or represented by proxy and entitled to vote at the AGM must cast their vote in favour of this resolution in order for the resolution to be adopted.

2.5 Ordinary resolution number 11: non-binding advisory vote on Curro's remuneration policy

Resolved that the company's remuneration policy, as set out in the remuneration report in Annexure C to this Notice of AGM, be and is hereby endorsed by way of a non-binding advisory vote.

The reason for ordinary resolution number 11 is that the King IV Report on Corporate Governance™ for South Africa, 2016 ('King IV') recommends, and the JSE Listings Requirements require, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at every annual general meeting of such company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 11, if passed, will be to endorse the

company's remuneration policy. Ordinary resolution number 11 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.

2.6 Ordinary resolution number 12: non-binding advisory vote on Curro's implementation report on the remuneration policy

Resolved that the company's implementation report in respect of its remuneration policy in Annexure C to this Notice of AGM be and is hereby endorsed by way of a non-binding advisory vote.

The reason for ordinary resolution number 12 is that King IV recommends, and the JSE Listings Requirements require, that the implementation report on a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at every 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 12, if passed, will be to endorse the company's implementation report in relation to its remuneration policy. Ordinary resolution number 12 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 implementation of the company's remuneration policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 11 and/or ordinary resolution number 12 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.

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

Note: For the special resolutions to be adopted, at least 75% of the voting rights exercised on each such special resolution must be exercised in favour thereof.

3.1 Remuneration of non-executive directors

Special resolution number 1

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 and to make payment of the amounts set out below (plus any value-added tax ('VAT'), to the extent applicable), provided that this authority will be valid until the next annual general meeting of the company.

Non-executive directors' fees (excluding VAT)

Chairperson of the Board	R697 300
Members of the Board	R317 000
Chairperson of the audit and risk committee	R190 200
Members of the audit and risk committee	R101 500
Chairperson of the remuneration and nominations committee	R115 800
Members of the remuneration and nominations committee	R92 600
Chairperson of the social, ethics and transformation committee	R115 800
Members of the social, ethics and transformation committee	R57 900

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 quarterly in arrears and VAT is payable thereon if the non-executive director is VAT registered.

The reason for special resolution number 1 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 resolution number 1, 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 until the next annual general meeting of the company.

3.2 Inter-company and related financial assistance

3.2.1 Special resolution number 2: inter-company financial assistance

Resolved that, of the provisions 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 2 is to grant the Board the authority, until the next annual general meeting, 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. The resolution specifically excludes financial assistance to its directors and prescribed officers as is permitted by the Companies Act.

3.2.2 Special resolution number 3: financial assistance for the subscription to 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 to 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 3 is to grant the Board 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 to 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. The company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

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 2 and 3 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 2 and 3 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 MOI have been met.

4. Special resolution number 4: shares repurchases by the company and its subsidiaries

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 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 (fifteen) 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 at the time of the granting of this authority, containing full details thereof, as well as for every 3% in aggregate of the initial number of shares in issue 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, 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 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 a five-business-day period;
- the company and/or its subsidiaries may at any point in time appoint only one agent to effect any repurchase(s) on the company's behalf, and
- the company and/or its subsidiaries 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.

The reason for and effect, if passed, of special resolution number 4 is to grant the Board a general authority in terms of the 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 4. This authority will provide the Board with the necessary flexibility to repurchase shares in the market, should a favourable opportunity arise and it be in the best 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 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 nondilutive 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.

Information relating to special resolution number 4

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 4, 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 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 assets of the company and the group (fairly valued) will, at the time of the Notice of AGM and at the time of making such determination, and for a period of 12 months thereafter, be in excess of the liabilities of the company and the 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 the date of Notice of AGM and after the date of the share repurchase, and
 - the working capital available to the company and 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 the Notice of the AGM and for a period of 12 months after the date of the share repurchase.

General information in respect of major shareholders, material changes and share capital of Curro is contained in Annexure B to this Notice of AGM.

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.

Special resolutions number 2, 3 and 4 are renewals of resolutions passed at the previous annual general meeting held on 21 June 2022.

5. 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.

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, 21 April 2023.
2. The date on which shareholders must be recorded in the share register for purposes of being entitled to attend and vote at this AGM is Friday, 9 June 2023, with the last day to trade being Tuesday, 6 June 2023.
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. If in 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 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 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 (Pty) Ltd (Rosebank Towers, 15 Biermann Avenue, Rosebank 2196 or Private Bag X9000, Saxonwold, 2132, South Africa), or emailed to proxy@computershare.co.za so as to be received by the transfer secretaries by no later than 14:00 on Monday, 12 June 2023, 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 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. Such shareholder should contact their CSDP or broker with regard to the cut-off time for their voting instructions.
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.

Electronic participation

8. The AGM will be conducted entirely by electronic communication (including voting) as contemplated by section 63(2)(a) of the Companies Act. The procedure for participation by electronic communication is set out hereunder.

Certificated shareholders and dematerialised shareholders with 'own name' registration

9. Certificated shareholders and dematerialised shareholders with 'own name' registration who wish to participate and vote at the AGM, should register at www.smartagm.co.za or contact the company's transfer secretaries, Computershare Investor Services Proprietary Limited ('Computershare') at proxy@computershare.co.za, preferably by no later than 14:00 on Monday, 12 June 2023, to obtain login credentials and details of how to participate and vote their shares. 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.
10. Proof of identification will be required before such shareholders are provided with usernames and passwords.

Dematerialised shareholders other than those with 'own name' registration

11. Dematerialised shareholders other than those with 'own name' registration who wish to participate and vote at the AGM, should request the necessary letter of representation from their broker/CSDP. Such shareholders should thereafter register at www.smartagm.co.za or submit a copy of the letter of representation to Computershare at proxy@computershare.co.za, preferably by no later than 14:00 on Monday, 12 June 2023, to obtain the necessary login credentials and details of how to participate and vote their shares. 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.
12. Proof of identification will be required before such shareholders are provided with usernames and passwords.

NOTICE OF ANNUAL GENERAL MEETING

Additional information

13. As part of the registration process you will be requested to upload proof of identification (i.e. valid identity document, driver's licence or passport) and authority to do so (where acting in a representative capacity) as well as to provide details, such as your name, surname, email address, contact number and number of Curro shares held.
14. Following successful registration, the transfer secretaries will provide you with a username and a password in order to connect electronically to the AGM.
15. Participation in the AGM is through the Lumi website by following the steps set out at www.smartagm.co.za.
16. Once www.web.lumiagm.com has been entered into the web browser, the user will be prompted to enter the meeting ID followed by a requirement to enter the user's:
 - a. username, and
 - b. password.The meeting ID is: **179-425-050**
17. To log in, users must have a username and password which can be requested from proxy@computershare.co.za as part of the registration process, or by registering on www.smartagm.co.za.
18. The electronic communication employed will enable all persons participating in the AGM to communicate concurrently with one another without an intermediary and to effectively participate in the AGM. Voting will be possible via electronic communication. Once the AGM has commenced, participants will be able to vote via the voting platform.
19. Although voting will be permitted via the electronic platform during the AGM, shareholders are encouraged to submit votes by proxy before the AGM. Shareholders who submit a form of proxy before the AGM but wish to observe proceedings may contact Computershare at proxy@computershare.co.za, in order to obtain access details.
20. Shareholders are further encouraged to submit any questions to the company secretary by email to elizabeth.m3@curro.co.za, by no later than 14:00 on Monday, 12 June 2023. There will also be a question facility available on the virtual platform during the AGM.
21. Shareholders will be liable for the costs they incur in attending the AGM. Shareholders will also be solely responsible for ensuring that they have uninterrupted access to the AGM. Neither Curro, nor its directors, employees, company secretary, transfer secretaries, advisors and service providers will be held accountable in the event of loss of network connectivity; network failure due to insufficient airtime/internet; connectivity/power outages or anything similar which would prevent shareholders from attending, participating and/or voting at the AGM.
22. Curro cannot guarantee there will not be a break in electronic communication that is beyond the control of the company.

By order of the Board



Elizabeth Mpeke
Company Secretary

28 April 2023

Registered office
38 Oxford Street
Durbanville 7550
(PO Box 2436,
Durbanville 7551,
South Africa)

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank
2196
(Private Bag X9000, Saxonwold, 2132,
South Africa)

JSE Equity and Debt sponsor and corporate advisor
PSG Capital (Pty) Ltd
1st Floor, Ou Kollege Building, 35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch 7599, South Africa) and
Suite 1105, 11th Floor Sandton Eye Building,
126 West Street, Sandton, 2196
(PO Box 650957, Benmore, 2010, South Africa)



Curro
Heritage
House

ANNEXURE A - CURRO HOLDINGS LIMITED

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

COMMENTARY (31 DECEMBER 2022)

Overview

Curro's vision is to make independent school education accessible to more learners throughout Southern Africa.

The group delivered promising growth in learners, revenue and profitability, with recurring headline earnings increasing by 34.7% to R330 million (2021: R245 million).

We are pleased with these results given the prevailing economic conditions. Our 2022 matric class achieved excellent results and our school communities are flourishing with enthusiastic participation in our full range of extra-curricular activities.

Results for the year

Curro's weighted average number of learners for the year under review increased by 6.4% to 70 724 learners (2021: 66 447) and revenue increased by 17.3% to R4 156 million (2021: R3 543 million).

Tuition fees increased by 14.1% due to the growth in learners, coupled with the annual fee increase. The level of extracurricular activities normalised gradually during the year under review. Revenue growth was supported by an increase in ancillary revenue, which was R96 million and 36.1% higher than the previous year.

Curro is focused on improving its operating margin and are managing costs stringently. As a result, discounts granted have decreased to 7.8% of tuition fees from 9.1% in the previous year.

Other expenses increased due to the growth in the number of learners and the normalisation of campus activity to pre-pandemic levels. The ratio of other expenses to revenue in the current year was 24.7% compared to the pre-pandemic 2019 ratio of 21.9%. The higher other expense ratio is due to increases in facility cost, debt collection cost and the cost of ancillary services.

Expected credit losses of R147 million were provided for during the year (2021: R131 million). Curro sold the non-performing portion of its debtors' book, which relates to learners who have left Curro ("inactive accounts"). The remaining debtors' book, net of the expected credit loss provision, consists of R137 million of actively enrolled accounts and R112 million of inactive accounts. The ageing of outstanding accounts for enrolled learners continued to improve due to more frequent terminations of non-paying accounts and improved collections.

Schools' EBITDA (earnings before interest, taxation, depreciation, amortisation and head office expenditure)

increased by 18.0% to R1 195 million for the year, while EBITDA (after head office expenditure) increased by 17.4% to R926 million (2021: R789 million).

Headline earnings and headline earnings per share ('HEPS') increased by 49.0% from R245 million to R365 million and by 50.1% from 40.9 cents to 61.4 cents, respectively.

Recurring headline earnings and recurring headline earnings per share ('RHEPS') increased by 34.7% to R330 million (2021: R245 million) and by 35.4% to 55.4 cents (2021: 40.9 cents), respectively.

Earnings per share ('EPS') of 40.1 cents for the year was 7.4% lower than the 43.3 cents in the previous year.

In evaluating these results, shareholders should take into account that certain items are included in the calculation of EPS but are added back for purposes of the calculation of HEPS and RHEPS.

To determine the group's headline earnings, impairment charges in the current year and a gain on bargain purchase in the previous year was added back:

- Curro recognised impairments of R127 million (net of tax) relating to lower-yielding school assets. This was based on the annual impairment assessment reviews of the business plans for each school as required by International Financial Reporting Standards (IFRS) in terms of IAS 36 Impairment of Assets.
- The Company recognised a gain on a bargain purchase of R14 million (net of tax) in the previous year which was excluded from the calculation of HEPS and RHEPS in 2021.

Further to the adjustments to determine headline earnings, the following matters were treated as non-recurring and was removed for the calculation of recurring headline earnings:

- Curro's Meridian subsidiary received a once-off subsidy from provincial government of R25 million this year; and
- The South African corporate tax rate for years of assessment ending on or after 31 March 2023 will change to 27% from the current 28%. Curro had a deferred tax liability balance of R664 million at the end of the previous financial year. The impact of the rate change on deferred tax is a reduction of the deferred tax expense for the year of R23.4 million, which is included in EPS and HEPS but is non-recurring and removed for purposes of the calculation of RHEPS.

It is our opinion that recurring headline earnings provide shareholders with the most consistent perspective on Curro's profitability and performance over time.

Investment and expansion

Curro invested R1.1 billion in the business during the year under review. This includes the acquisitions of HeronBridge College and of buildings in Cape Town and in Randburg for the high growth DigiEd schools.

Other investing activities of R34 million in the statement of cash flows represent the net decrease in money market investments (2021: R240 million).

The Meridian Newcastle school closed at the end of 2022 and the property will be sold.

Curro's primary objective in the short to medium term remains to increase capacity utilisation of its existing facilities.

Balance sheet and funding

Curro generated R800 million of cash from its operating activities during the year, 4% higher than the previous year. The group has utilised its full assessed loss built up since its inception and paid corporate tax in the current year and will be liable to do so in the future.

During June 2022, GCR Ratings reaffirmed Curro's long-term and short-term national scale issuer credit ratings of BBB+(ZA) and A2(ZA), respectively, with a stable outlook.

Curro successfully completed the refinancing of its existing debt facilities for an aggregate amount of R3.3 billion.

The impact of load shedding

The unprecedented load shedding and failure of state energy infrastructure in 2022 disrupted South Africa meaningfully.

Curro is in a unique position: the business is not a high electricity consumer overall, but its electricity consumption is particularly concentrated during a portion of the day. We took the following additional actions in 2022 to mitigate power outages:

- Installed electricity metres at all facilities to track consumption and manage behaviour;
- acquired several large diesel-generators to provide back-up power where most required; and
- evaluated battery and solar solutions which could enable our schools to generate and store enough electricity to be self-sufficient.

We will continue to invest in back-up power solutions in 2023 to mitigate our operational risk and to reduce energy dependency and cost over the long term.

Dividend

The board has resolved to pay a final dividend of 11.08 cents per share (2021: 8.20 cents) from income reserves for the year ended 31 December 2022. The dividend amount, net of South African dividend tax of 20%, is 8.864 cents per share.

It is the board's policy to pay 20% of recurring headline earnings as an annual dividend on the premise that growth in cash generation shall continue in the future.

The number of ordinary shares in issue at the declaration date is 597 961 595, and the income tax number of the company is 915/907/00/29.

The salient dates for this dividend distribution are:

- Declaration date Thursday, 2 March 2023
- Last day to trade cum dividend Tuesday, 11 April 2023
- Trading ex-dividend commences Wednesday, 12 April 2023
- Record date Friday, 14 April 2023
- Payment date Monday, 17 April 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 April 2023 and Friday, 14 April 2023.

Prospects

Higher interest rates and the impact of inflation on the cost of food, fuel and electricity have been suppressing consumers' disposable income for some time and this will continue in 2023.

Despite this, Curro experienced strong enrolment interest in 2023 and had 73 047 registered learners on 20 February 2023, compared to 70 408 learners on 18 February 2022. The termination of long overdue accounts restrained the overall learner growth from the previous year, but we are confident that this prudent approach will sustain and improve the group's operating margin going forward.

Curro is in a healthy financial position, and it is on track to increase shareholder returns as the business matures. We plan to invest up to R800 million in capital projects to maintain, replace and expand facilities in the 2023-year.

Our business remains resilient and we are committed to continue to provide excellent education for all our learners.

On behalf of the board



SL Botha
Chairperson

1 March 2023



JP Loubser
Chief Executive Officer

KEY RATIOS (Unaudited)

	31 Dec 2020	31 Dec 2021	31 Dec 2022	20 Feb 2023
Number of campuses	76	76	77	78
Number of schools	177	178	181	182
Weighted average number of learners	60 777	66 447	70 724	73 047
Average number of learners per campus	800	874	918	937
Number of employees ¹	5 963	6 150	6 557	
Number of teachers ¹	3 425	3 579	3 835	
Learner/teacher ratio ¹	17.7	18.6	18.4	
Building size (m ²)	713 084	772 251	789 296	
Land size (ha)	536	549	581	
Capital invested (R million)	650	929	1 115	

¹ On a like-for-like basis, excluding the addition of HeronBridge College during the year, total staff increased by 3.6% and teachers increased by 4.6%, in line with learner growth. The like-for-like learner/teacher ratio is 18.7 for the year.



Curro
Bankenveld



Independent auditor's report on the summary consolidated financial statements

To the shareholders of Curro Holdings Limited

Opinion

The summary consolidated financial statements of Curro Holdings Limited, set out on pages 16 to 27 of the Notice of Annual General Meeting for the year ended 31 December 2022, which comprise the summary consolidated statement of financial position as at 31 December 2022, 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 Curro Holdings Limited for the year ended 31 December 2022.

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 JSE Limited's (JSE) 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 International Financial Reporting 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 1 March 2023. 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 JSE's 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: Onalenna Halenyane
Registered Auditor

Stellenbosch, South Africa
28 April 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	% Change	Audited 31 Dec 2022 R million	Audited 31 Dec 2021 R million
Revenue from contracts with customers (note 4)	17%	4 156	3 543
Employee costs	12%	(2 054)	(1 830)
Expected credit losses on financial assets	12%	(147)	(131)
Other expenses	30%	(1 029)	(793)
Earnings before interest, taxation, depreciation and amortisation (Adjusted EBITDA) ¹	17%	926	789
– Schools' EBITDA	18%	1 195	1 013
– Head office's EBITDA	20%	(269)	(224)
Amortisation	16%	(66)	(57)
Depreciation	(4%)	(215)	(224)
Earnings before interest and taxation (Adjusted EBIT) ¹	27%	645	508
Investment income	(31%)	50	72
Gain on bargain purchase	n/a	–	14
Once-off income	n/a	25	–
Profit on sale of property, plant and equipment	n/a	1	–
Impairment of property, plant and equipment	n/a	(163)	–
Impairment of intangible assets	n/a	(8)	–
Impairment of goodwill	n/a	(3)	–
Finance costs	7%	(258)	(242)
Profit before taxation	(18%)	289	352
Taxation	(47%)	(54)	(101)
Profit for the year	(6%)	235	251
Other comprehensive income / (loss):			
Net fair value gain on cash flow hedges	(29%)	37	52
Exchange differences on translating foreign operation	n/a	(1)	–
Total comprehensive income for the year	(11%)	271	303
Profit / (loss) attributable to:			
Owners of the parent	(8%)	239	259
Non-controlling interest	(50%)	(4)	(8)
	(6%)	235	251
Total comprehensive income / (loss) attributable to:			
Owners of the parent	(12%)	275	311
Non-controlling interest	(50%)	(4)	(8)
	(11%)	271	303

¹Adjusted EBITDA takes a headline approach and represent EBITDA excluding impairment, bargain purchase gains, once-off income and profit or loss on sale of assets. Adjusted EBIT takes the same approach as for adjusted EBITDA.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	% Change	Audited 31 Dec 2022 R million	Audited 31 Dec 2021 R million
Reconciliation of headline and recurring headline earnings:			
Earnings attributable to owners of the parent		239	259
Adjusted for:			
Gain on bargain purchase		–	(14)
Loss on impairment, net of deferred tax		127	–
Profit on sale of property, plant and equipment		(1)	–
Headline earnings	49%	365	245
Change in tax rate		(23)	–
Once-off income		(25)	–
Taxation pertaining to once off income		7	–
Non-controlling interest		6	–
Recurring headline earnings	35%	330	245
Earnings per share (cents)			
– Basic	(7%)	40.1	43.3
– Diluted	(8%)	39.9	43.3
Headline earnings per share (cents)			
– Basic	50%	61.4	40.9
– Diluted	49%	61.0	40.9
Recurring headline earnings per share (cents)	35%	55.4	40.9
Number of shares in issue (millions)			
– Basic		588.0	598.0
– Total issued		598.0	598.0
– Treasury shares		(10)	–
– Diluted		588.0	598.0
Weighted average number of shares in issue (millions)			
– Basic		594.0	598.0
– Diluted		598.0	598.0
Margins:			
– EBITDA margin ¹		22.3%	22.3%
– Schools' EBITDA margin ¹		28.8%	28.6%
– Operating margin		15.5%	14.3%

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 31 Dec 2022 R million	Audited 31 Dec 2021 R million
ASSETS		
Non-current assets	11 689	10 963
Property, plant and equipment	10 487	9 800
Right-of-use assets	289	305
Goodwill	602	561
Other tangible assets	300	288
Other financial assets at amortised cost	3	4
Other financial assets at fair value (note 6)	8	5
Current assets	535	578
Inventories	14	17
Current tax receivable	3	1
Other financial assets at amortised cost	30	29
Other financial assets at fair value (note 6)	1	–
Trade receivables (note 5)	249	235
Other receivables	118	116
Investment in money market funds	57	90
Cash and cash equivalents	63	90
Non-current assets held for sale	40	11
Total assets	12 264	11 552
EQUITY		
Equity attributable to owners of the parent	7 270	7 110
Share capital	6 108	6 205
Other reserves	47	(4)
Retained earnings	1 115	909
Non-controlling interest	(14)	(10)
Total equity	7 256	7 100
LIABILITIES		
Non-current liabilities	4 330	3 505
Other financial liabilities at amortised cost	3 211	2 446
Other financial liabilities at fair value (note 6)	–	41
Deferred tax liabilities	749	664
Lease liabilities	342	330
Contract liabilities	28	24
Current liabilities	678	947
Other financial liabilities at amortised cost	36	346
Other financial liabilities at fair value (note 6)	–	7
Current tax payable	3	2
Lease liabilities	38	35
Trade and other payables	261	253
Contract liabilities (mainly prepaid school fees)	327	263
Development and acquisitions payables	13	41
Total liabilities	5 008	4 452
Total equity and liabilities	12 264	11 552
Net asset value per share (cents)	1 224	1 189

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited 31 Dec 2022 R million	Audited 31 Dec 2021 R million
Balance at the beginning of the year	7 100	6 766
Total comprehensive income	275	311
Dividends paid	(49)	–
Non-controlling interest movements	(4)	(8)
Other movements	(66)	31
Balance at the end of the year	7 256	7 100

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	%	Audited 31 Dec 2022 R million	Audited 31 Dec 2021 R million
	Change		
Cash flows from operating activities			
Cash generated from operations	20%	984	821
Tax paid	n/a	(34)	(2)
Net finance cost paid	20%	(152)	(127)
Decrease in net working capital	(97%)	2	75
Net cash generated from operating activities	4%	800	767
Cash flows from investing activities			
Purchase of property, plant and equipment	5%	(901)	(859)
Business combinations (note 7)	n/a	(127)	(1)
Development and acquisition investment	n/a	(28)	1
Purchase of intangible assets	(15%)	(63)	(74)
Sale of property, plant and equipment	–	4	4
Other investing activities	(86%)	34	240
Net cash utilised in investing activities	57%	(1 081)	(689)
Cash flows from financing activities			
Purchase of treasury shares	n/a	(97)	–
Proceeds from other financial liabilities	n/a	3 220	150
Repayment of other financial liabilities	n/a	(2 810)	(229)
Dividends paid to company shareholders	n/a	(49)	–
Principal elements of lease payments	25%	(10)	(8)
Net cash generated from financing activities	n/a	254	(87)
Cash and cash equivalents movement for the year	200%	(27)	(9)
Cash and cash equivalents at the beginning of the year	(9%)	90	99
Cash and cash equivalents at the end of the year ^	(30%)	63	90

^ Curro has additional liquid resources amounting to R57m (December 2021: R90m) available in the form of its money market investments.

	% Change	Audited 31 Dec 2022 R million	Audited 31 Dec 2021 R million
Average number of learners for the year	6%	70 724	66 447
- Curro	7%	60 943	56 700
- Meridian	-	9 781	9 747
Revenue	17%	4 156	3 543
- Curro	18%	3 791	3 202
- Meridian	7%	365	341
Schools' EBITDA	18%	1 195	1 013
- Curro	19%	1 120	945
- Meridian	10%	75	68
Net head office expenditure	20%	(269)	(224)
- Curro	19%	(258)	(216)
- Meridian	38%	(11)	(8)
EBITDA margin		22.3%	22.3%
- Curro		22.7%	22.8%
- Meridian		17.5%	17.7%
Recurring headline earnings	35%	330	245
- Curro	34%	349	260
- Meridian*	27%	(19)	(15)
Recurring headline earnings per share (cents)	35%	55.4	40.9
- Curro	35%	58.6	43.4
- Meridian*	28%	(3.2)	(2.5)
Earnings per share (cents)	(7%)	40.1	43.3
- Curro	(10%)	41.3	45.8
- Meridian	(52%)	(1.2)	(2.5)
Total assets	6%	12 264	11 552
- Curro	6%	11 504	10 820
- Meridian	4%	760	732
Total liabilities	12%	5 008	4 452
- Curro	14%	4 198	3 681
- Meridian	5%	810	771
Net asset value per share (cents)	3%	1 224	1 189

* Included in the Meridian results is an interest charge of R63m (December 2021: R55m) to shareholders in proportion to their shareholding. If Curro's share of this interest charge is added back to Meridian, the Meridian recurring headline earnings would have increased from a loss of R19m (2021: R15m) to a profit of R22m (2021: R21m) and Curro's earnings would reduce commensurately on a segmental basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



1. STATEMENT OF COMPLIANCE

These summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements requires provisional 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 these 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 consolidated annual financial statements. The summary consolidated results have been prepared internally under the supervision of the Chief Financial Officer, BC September, CA(SA).

2. AUDIT OPINION

These summary consolidated financial statements for the year ended 31 December 2022 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.

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 at www.curro.co.za.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)



3. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are materially consistent with those of the annual financial statements for the year ended 31 December 2022. For a full list of standards and interpretations that have been applied, we refer you to our 31 December 2022 annual financial statements.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

	31 Dec 2022 R million	31 Dec 2021 R million
Included in revenue from contracts with customers:		
Registration and tuition fees	4 113	3 605
Other income	106	58
Boarding school fees	70	66
Aftercare fees	63	45
Bus income	48	36
Recovery income	57	49
Rental income	12	8
Subsidy income	6	4
Discounts granted	(319)	(328)
Personnel	(96)	(89)
Bursaries	(85)	(79)
Enrolments	–	(3)
Covid-19	–	(1)
Other*	(138)	(156)
	4 156	3 543

* Other discounts mainly comprise of discretionary discounts, financial assistance and Ruta Sechaba bursaries

5. TRADE RECEIVABLES

	31 Dec 2022 R million	31 Dec 2021 R million
Gross trade receivables	491	481
Expected credit loss provision	(242)	(246)
Net trade receivables	249	235

6. OTHER FINANCIAL ASSETS / (LIABILITIES) AT FAIR VALUE

	31 Dec 2022 R million	31 Dec 2021 R million
Fixed-for-variable interest rate swap liabilities	4	(48)
Investment in SA SME Fund	5	5
	9	(43)

The interest rate swap agreements are measured using mark-to-market rates by the issuer of the instruments, representing a Level 2 fair value measurement for financial reporting purposes.

7. BUSINESS COMBINATIONS

Effective 1 April 2022, Curro acquired the entire business operations and properties of HeronBridge College in Fourways, Johannesburg for a total purchase consideration of R127 million combined.

	R million
The following assets and liabilities were recognised:	
Property, plant and equipment	168
Intangible assets	22
Inventories	3
Cash and cash equivalents	25
Other financial assets	3
Deferred tax liability	(48)
Contract liability	(44)
Trade and other payables	(21)
Total identifiable net assets	108
Goodwill	44
Cash consideration paid	152
Net cash outflow on acquisition	
Cash consideration paid	(152)
Cash acquired	25
	(127)

STATUTORY AND ADMINISTRATION (UNAUDITED)

Directors:

SL Botha** (Chairperson)
TP Baloyi**
M Lategan (Deputy CEO)
JP Loubser (CEO)
ZN Mankai**
PJ Mouton*
SWF Muthwa**
DM Ramaphosa**
BC September (CFO)
CR van der Merwe*

* Non-executive

** Independent non-executive

Note: AJF Greyling resigned effective 1 January 2023. M Lategan and BC September were appointed effective 1 January 2023.

Registered office: 38 Oxford Street, Durbanville, Cape Town, 7550

Transfer secretaries: Computershare Investor Services Proprietary Limited Rosebank Towers,
15 Biermann Avenue, Rosebank, Johannesburg, 2196

Corporate adviser and JSE Equity and Debt sponsor: PSG Capital

Group Company Secretary: M Lategan

Curro Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 1998/025801/06

JSE Equity Alpha Code: COH

JSE Debt Alpha Code: COHI

LEI: 378900E237CB40F0BF96

ISIN: ZAE000156253

('Curro' or 'the company' or 'the group')

Announcement date: 2 March 2023

Curro
Heuvelkruin

ANNEXURE B – SHAREHOLDER INFORMATION

1. Shareholders' profile

Range of shareholding	Number of shares held in range 2022		Number of shares held in range 2021	
		%		%
1 to 500	1 817 943	0.3%	1 016 948	0.2%
501 to 1 000	2 044 181	0.3%	1 158 032	0.2%
1 001 to 5 000	10 826 900	1.8%	6 952 153	1.2%
5 001 to 10 000	8 454 703	1.4%	5 241 851	0.9%
10 001 and over	574 817 868	96.1%	583 592 611	97.5%
	597 961 595	100.0%	597 961 595	100.0%

Public and non-public shareholding	Number of shares held 2022		Number of shares held 2021	
		%		%
JF Mouton	77 577 426	13.0%		
Curro Holdings Limited Incentive Trust	9 517 000	1.6%		
PSG Financial Services Ltd			358 776 958	60.0%
Directors	96 494 679	16.1%	8 705 179	1.5%
Total non-public shareholding	183 589 105	30.7%	367 482 137	61.5%
Total public shareholding	414 372 490	69.3%	230 479 458	38.5%
	597 961 595	100.0%	597 961 595	100.0%

Number of public and non-public shareholders	Number of shareholders 2022		Number of shareholders 2021	
		%		%
Non-public	7	0.0%	6	0.0%
Public	30 563	100.0%	18 415	100.0%
	30 570	100.0%	18 421	100.0%

Individual shareholders holding more than 5%	Number of shares held 2022		Number of shares held 2021	
		%		%
Camissa	66 988 220	11.2%		
Public Investment Corporation	57 384 479	9.6%		
Allan Gray	36 245 952	6.1%	32 203 820	5.4%
Sanlam	35 349 347	5.9%		
Visio Capital	32 682 504	5.5%		
PSG Financial Services Ltd			358 776 958	60.0%
	228 650 502	38.3%	390 980 778	65.4%

2. Shareholding of directors

The shareholding of directors, excluding the participation in the share incentive plans, in the issued share capital of the company as at 31 December was as follows:

Directors	2022				2021			
	Direct	Indirect	Number	%	Direct	Indirect	Number	%
SL Botha	414 189	–	414 189	0.07	396 030	–	396 030	0.07
AJF Greyling ¹	–	–	–	0.00	–	961 057	961 057	0.16
PJ Mouton ²	594 529	90 472 057	91 066 586	15.23	–	2 336 415	2 336 415	0.39
CR van der Merwe	–	3 011 677	3 011 677	0.50	–	3 011 677	3 011 677	0.50
JP Loubser	–	2 000 000	2 000 000	0.33	–	2 000 000	2 000 000	0.33
TP Baloyi	2 227	–	2 227	0.00				
	1 010 945	95 483 734	96 494 679	16.14	396 030	8 309 149	8 705 179	1.46

1. AJF Greyling retired as CEO and resigned as director effective 1 January 2023.

2. PJ Mouton is a trustee and beneficiary of the JF Mouton Familie Trust. The Trust owns 75 485 297 Curro shares via their shareholding in Jan Mouton Beleggings (Pty) Ltd, JFM Investments (Pty) Ltd, My Favourite Beleggings (Pty) Ltd and Piet Mouton Beleggings (Pty) Ltd.

The register of interests of directors and others in shares of the company is available to the shareholders on request.

Between 16 March 2023 and 20 March 2023, PJ Mouton acquired 2 535 489 Curro Holdings Ltd shares through Klipbank Beleggings Proprietary Limited. There have been no other changes in the shareholding of directors between the reporting date and the date of approval of this report.

3. Stated capital as at 31 December 2022

	2022 R million	2021 R million
Issued		
Ordinary shares with no par value	6 108	6 205
Authorised		
Ordinary number of shares with no par value ('million)	800	800
Reconciliation of number of shares issued:		
Reported as at 1 January ('million)	598	598
Shares held by share incentive trust ('million)	(10)	–
Total number of shares in issue ('million)	588	598

There were no changes to authorised ordinary share capital in the period under review.

Executives, as participants of the Curro Holdings Limited Executive Long Term Incentive program ('LTI'), were provided with an incentive by awarding them the opportunity to acquire and obtain ordinary shares in the issued share capital of the Company. Participants in the LTI have received awards of options in terms of the LTI in 2021 and 2022 which, if it vests in the future, shall oblige the Curro Holdings Limited Executive Long Term Incentive Trust ('Trust') to deliver as many as 9 517 000 shares to participants from 31 March 2023 to 31 March 2027.

The Board and the Trustees considered it to be advantageous for the Trust to purchase sufficient shares through the market to meet its future commitments in terms of the LTI. Accordingly, the Trust acquired 9 517 000 shares in the market and holds such shares for the express purpose of satisfying its potential vesting commitments in terms of the LTI in the future.

Unissued ordinary shares of 29 898 079 are under the control of the directors in terms of a shareholders resolution passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

4. Note on material changes

There has been no material change in the financial or trading position of the company and its subsidiaries subsequent to the publication of the company's audited financial statements for the year ended 31 December 2022.

ANNEXURE C – REMUNERATION REPORTS

Chairperson's letter

This is the remuneration report of Curro Holdings Limited, which includes the remuneration policy and the implementation report. The provisions of King IV (read with the JSE Limited Listings Requirements) require that these two documents be submitted for non-binding advisory votes at the annual general meeting ('AGM') of shareholders.

The remuneration and nominations committee of Curro Holdings Limited ('remcom') fulfils the role of governing remuneration-related matters, as delegated to it by the board of directors. The members of the remcom are Santie Botha (independent non-executive chairperson of the board), Piet Mouton (non-executive director) and Themba Baloyi (independent non-executive director).

The group's chief executive officer ('CEO') and the chief financial officer ('CFO') attend meetings of the remcom by invitation, as and when required. The executive directors recuse themselves from meetings when a conflict of interest arises or when they are requested to do so. Curro's company secretary is also the secretary of the committee.

The remcom is governed by its charter, which is reviewed annually by the committee and the board of directors. The committee met more than twice for the financial year ending 31 December 2022, and has fulfilled its responsibilities as set out in its charter and as further described in the remuneration policy.

At the Curro AGM held on 21 June 2022, the remuneration policy received a 94.94% vote in favour thereof (with 5.06% against), and the implementation report received a 95.50% vote in favour thereof (with 4.50% against). As the non-binding advisory votes were passed by the requisite majorities, no further engagement with shareholders was required.

Curro believes that ensuring the alignment of Curro's remuneration philosophy with the interests of stakeholders will ensure sustainable growth to the benefit of all parties. Curro aims to reward its employees fairly through competitive remuneration in order to ensure that it retains and attracts high-calibre people. Some of the factors influencing the remuneration policy include:

- 1) The business strategy, including the short- and long-term goals and objectives of the company.
- 2) An aspiration to adequately reward value that has been created, contributions made and performance.
- 3) Appropriate remuneration benchmarks are applied by considering remuneration trends in both the public and private education sectors, as well as in other comparable industries with similar attributes.
- 4) The financial position and outlook for the company in the context of the broader economy.
- 5) Remaining cognisant of the level of school-fee increases in relation to salary increases.
- 6) The pay gap between executives and the rest of the employees of the company.

Shareholders have entrusted significant capital to management and it is crucial that the remcom ensures that the alignment between management and shareholders is optimally structured and served by effective long-term incentive schemes ('LTIs') that reward management for performance and retain scarce skills and experience.

The remcom is satisfied that the current LTI will sustain a strong culture of accountable co-ownership, which in turn drives long-term thinking with consistent high value creation performance. Furthermore, this is a valuable retention mechanism for quality management.

Executive leadership transition

Andries Greyling retired as CEO and resigned as an executive director with effect from 1 January 2023. He continued to be employed in the group until 28 February 2023 to assist during the handover process and remains available to the group on a consultancy basis until June 2023.

The board thanks Andries for his valuable contribution to the company over 15 years (first as CFO, COO and then as CEO), and wishes him well in his future endeavours.

With effect from 1 January 2023, the following new appointments as executive directors were made:

- Cobus Loubser (previously the CFO) was appointed as CEO,
- Marí Lategan (previously the company secretary and executive for corporate services) was appointed as Deputy CEO, and
- Burtie September (the former group financial manager) was appointed as CFO.

The total remuneration for the three executive directors (which includes annual guaranteed pay, short-term incentive and long-term incentive multiples) was adjusted from that date.

ANNEXURE C | REMUNERATION REPORTS

Key decisions during the year

In accordance with its charter, the remcom made the following key decisions during 2022:

- a) Considered and made recommendations to the board to appoint new executive directors and leaders of the company;
- b) Considered market benchmarking for executive pay. Reviewed and approved salary increases for the executive directors, exco members and the company secretary;
- c) Determined the key performance indicators of the short-term incentives ('STIs') for the 2023 financial year;
- d) Reviewed performance against the 2022 key performance areas and approved STIs for executive directors and exco members;
- e) Determined the key performance indicators of the long-term incentives ('LTIs') and approved LTI awards for executive directors and exco members during the year;
- f) Engaged with certain shareholders to consider their recommendations for the LTIs;
- g) Reviewed non-executive directors' fees for submission to the shareholders at the AGM;
- h) Reviewed the composition of the board and board committees and made recommendations for changes thereto to the board for approval;
- i) Reviewed the succession plan for executive management; and
- j) Reviewed the committee's charter.

Refer to the corporate governance report on pages 88 and 89 of the full annual integrated report, available online at www.curro.co.za, for more details on the committee's functioning.

Conclusion

The remcom has confidence that:

- It was objective and independent when it reviewed the remuneration policy;
- The policy approved in 2022 achieved its stated objectives;
- The committee remained objective and independent when it approved the remuneration of executives and the rest of the company as a whole; and
- The company's independent advisers were independent and objective in the services they rendered during the year under review.

The focus areas for 2023 include:

- Continuing to implement best-practice protocols in accordance with principles set out in this policy.
- Monitoring the performance conditions determined to be appropriate for the LTI and STI schemes and Curro's business model.
- Focused attention will be paid to strategic performance results to ensure that executives are meeting business objectives as set out at the annual board business strategy session.

The committee ensures and believes that the Curro remuneration policy and implementation report supports the long-term business strategy of the company.



Themba Baloyi

Chairperson: Remuneration and Nominations Committee



Remuneration policy

1. Introduction

The purpose of this policy is to outline the principles according to which Curro remunerates its employees.

Curro is focused and determined to increase access to independent school education across Southern Africa. Staff are an instrumental component in achieving that goal, and accordingly, fair and equitable remuneration remains a key focus area for Curro. On 31 December 2022 there were 6 557 employees, of whom 279 were head office staff. Total remuneration represented 50% (2021: 52%) of revenue generated and 64% (2021: 66%) of operating expenses respectively.

In line with the integrated reporting framework, Curro acknowledges that its human capital is an important part of Curro's six categories of the forms of capital. As part of Curro's employee value proposition, Curro remunerates employees with appropriate total-cost-to-company ('TCTC') packages, as well as with STIs and LTIs (see explanation below). Curro also offers other benefits, such as a positive working environment as well as training and skills development programmes that also make a positive contribution towards the B-BBEE-compliance requirements. Curro believes the aforementioned factors help to develop, motivate and retain its skilled employees, which is essential in the education environment.

This policy has a positive impact on the sustainability of the Curro group and develops the company towards positioning itself as an employer of choice. In so doing, Curro's remuneration policy is aligned to the Curro group's long-term strategy and shareholder value creation.

Curro's remuneration policy consists of three components:

- A total cost-to-company package ('TCTC'), including benefits such as 13th cheques (guaranteed bonus portion – see below), maternity leave, provident fund contribution, death, disability and dreaded disease benefits, medical aid.
- A short-term cash incentive scheme, linked to the annual performance of the company.
- An LTI scheme (limited in participation) that assists with the retention of key skills in the management of the Curro group and in promoting long-term performance.

An internal policy exists to ensure that appropriate governance processes are in place for the approval of individual employees' remuneration and changes thereto. The remuneration of the executive directors, exco members and company secretary (collectively 'executives') is reviewed annually by the remcom, which seeks to ensure that balance is maintained between fixed (cost-to-company packages) and variable (STIs and LTIs) elements of remuneration, as well as between short-term, medium-term and long-term strategic performance objectives. The remcom aims to ensure that the remuneration of executives is fair to them and responsible to the company, its shareholders and other stakeholders.

Non-executive directors receive a fixed fee approved annually by shareholders. Further details are set out in section 8 of this policy.

Refer to the corporate governance report on pages 88 and 89 of the full annual integrated report, available online at www.curro.co.za, for details on the remcom's composition, purpose, role, mandate, meetings held and attendance thereat.



2. Remuneration mix

The remcom ensures that the mix between remuneration components for executives is weighted towards variable pay in order to encourage the achievement of the short- and long-term financial and strategic goals of the organisation. For employees at other levels in the organisation the total remuneration mix is weighted towards guaranteed pay, as they do not manage the company's overall financial performance.

The table below provides an overview of the categories of Curro employees and their respective remuneration components:

Group	Focus	Strategic view	Remuneration
Executives	Formulate, drive and oversee implementation of strategy	Longest term	Cost-to-company package, *short-term incentive and share options
Head office: professionals and management levels	Operational	Short to long term	Cost-to-company package, **maximum 15th cheque as short-term incentive, selective share options
Schools: management levels	Operational	Short to long term	Cost-to-company package, **discretionary bonus and share options
Other staff (head office and schools, including teachers)	Support (administration)	Short term	Cost-to-company package and 13th cheque

* The remcom approves the STI scheme from time to time. The remcom approves the LTI scheme model (in accordance with the rules approved by shareholders) from time to time.

** The executive directors and executive committee have the discretion to formulate ad hoc incentive schemes that drive performance.

3. Fair and responsible remuneration

Executive remuneration should be fair and responsible in the context of overall employee remuneration. Curro is sensitive to socio-economic challenges and the need to address some of these challenges where possible.

The steps taken in this regard include:

- Enhancements in cost of and access to the provident fund and medical aid.
- Assistance with school fees provided for employees whose children attend Curro schools.
- Ensuring that the lowest-paid employees receive remuneration above the minimum wage level.
- Curro has embarked on a skills development and training drive to train and upskill staff across the Curro group.

4. Total-cost-to-company package ('TCTC')

The TCTC packages of employees are determined and reviewed annually, and normally changes thereto have been effective on 1 March of each year. These packages take into account individual performance, company performance, qualifications, the macroeconomic environment, industry standards, level of responsibility that the individual assumes, business complexity and external salary benchmarks where relevant. Competitive TCTC remuneration packages allow Curro to attract and retain skills that the group requires to implement its business strategy.

Curro makes use of the following external remuneration benchmarks:

School employees (about 97% of total employees)

- Teachers, specialist employees and management: competitors' salaries and/or state schools' salary statistics
- Other employees at schools: general market comparisons

Head office employees (about 3% of total employees)

- Administrative employees and non-management employees: general market comparisons
- Specialised functions/professionals: industry-specific comparisons
- Executives: publicly available information, together with external surveys on executive pay for listed companies per industry as and when available, and total remuneration components

Curro believes that these benchmarks provide reliable information to assist with remuneration decisions on a comprehensive and informed basis.

The remcom reviews the salary packages of executives. The average salary increases of these individuals are usually similar to the general employees' average salary increases, unless there are specific reasons to determine otherwise, for example when an individual is promoted or where industry benchmarking indicates that an executive's remuneration is below market.

The remcom reviews whether the total consolidated increases to the salary packages of employees of the company, together with the total STIs considered annually, are commensurate with the size and complexity of the business.

The remcom approves the levels of authority with respect to who may approve increases to the packages of employees in the different areas and on the different levels in the company. The benefits available to employees include a guaranteed 13th cheque, maternity leave, provident fund contribution, death, disability and dreaded disease benefits, medical aid (including a medical aid scheme for lower-earning employees).

5. Short-term incentives ('STIs')

Curro believes in rewarding good performance that is dependent on the performance of the company. This reward is delivered in the form of a cash bonus. STIs are not guaranteed and are judiciously evaluated by and paid at the discretion of the remcom. The purpose of STIs is to encourage and promote the continued and consistent focus on the implementation of Curro's group strategy and to appreciate and recognise achievements. They also assist in retaining the group's top performers. STIs are usually paid to employees who fall in the management levels of the group.

The STIs are considered annually when the audited/reviewed results of Curro are available and are usually payable in February or March every year. The STIs for employees other than the executives are approved by the committees/individuals as set out in the remcom-approved levels of authority.

The STIs for the executive directors and exco members focus on the key drivers of the business. The following targets and weighting will be applicable to STIs in 2023:

STI targets (equal weighting of 25% for each target)*

- a) Achieve growth in recurring HEPS of at least 30% from the previous year
- b) Increase EBITDA margin (as a percentage of gross tuition fees) by 1.7% from the previous year
- c) Achieve at least 4.0% growth in organic average net learner numbers from 2023 to 2024
- d) Personal KPIs

* Above subject to an increase in HEPS

In addition to the performance measures above, the remcom set a stretch target for learner growth above 4.0%, with as much as an additional 25% being added to the executive incentives for achievement up to 7.5% of growth in learners from 2023. The stretch target demands meaningful growth in the context of the prevailing challenging economic conditions and the absolute number of learners already enrolled in Curro.

Bonus weighting per executive

- CEO 100%
- Deputy CEO, CFO, business managers, academic head 80%
- Other exco members 60%

The remcom reserves the right to review the performance measures and targets if required relative to an uncertain environment and material extraneous factors. In addition, the remcom set a linear scale to determine incentives relative to targets, with a total business growth and performance of at least 70% of targets to qualify for any portion of incentives relating thereto, scaled to full incentives at full achievement of targets.

Learner growth and retention have a significant operational gearing effect on the bottom line of the company. Management has to focus on service delivery for this.

For management to achieve the recurring HEPS target, in addition to reducing the lever ratio for learners, it will have to focus on closely managing costs, the collection of school fees in order to reduce bad debts, and viable capital investments which yield sufficient returns to offset higher depreciation and interest expenses relative to earnings.

The remcom annually reviews and approves the key performance measures and bonus pools of the executives and compares the achievement with these measures when the total remuneration packages of the members are revised.

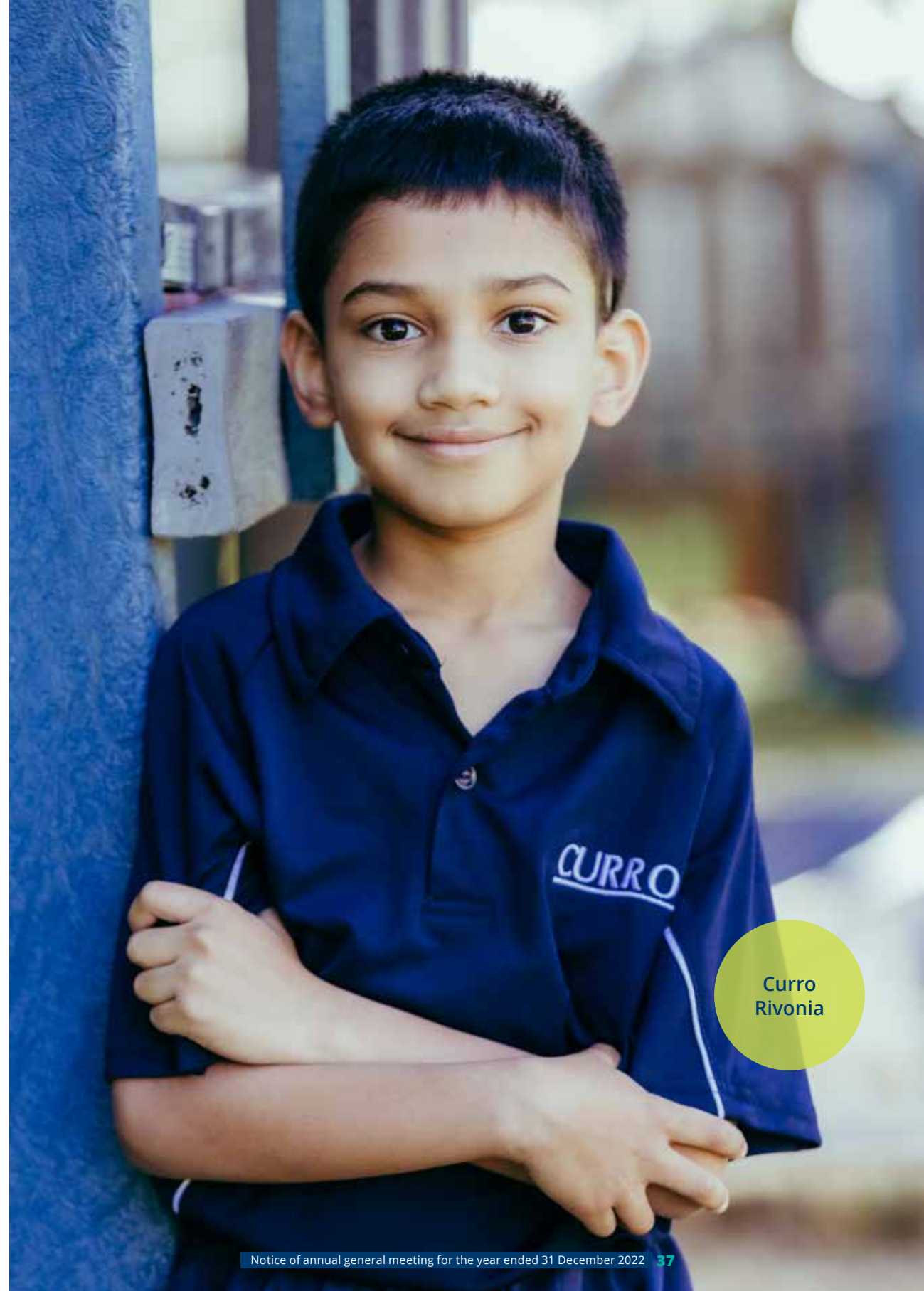
6. Long-term incentives ('LTI')

Introduction

Curro knows that the retention of key skills in the group is important for the sustainability of the group and that LTIs are designed to do so. Furthermore, LTIs align the interests of participants with the medium- to long-term strategic objectives of the company. At the same time, they illustrate Curro's commitment and appreciation of contribution made by the participants.

Curro changed and improved the LTI scheme during 2021 and the company currently has two share option schemes in place. For ease of reference, we refer to the previous scheme as the Old LTI scheme and the incentive scheme implemented for executives in 2021 is referred to as the New LTI scheme.

Participants will benefit from Curro's share option schemes through long-term share price appreciation, which should ultimately depend on sustained growth in headline earnings per share as a result of Curro's business and management activities.



All management who qualify to partake in the New LTI scheme waived their unvested remaining rights in terms of the Old LTI scheme. However, there are employees who will not be eligible to receive options under the New LTI scheme and they will continue to hold options in terms of the Old LTI scheme and same would remain in place until the Old LTI scheme comes to an end in September 2024, whereafter the Old LTI scheme will be terminated.

6.1 The Old LTI scheme

6.1.1 Background

The Curro shareholders approved the share option scheme rules that govern a range of principles such as share option awards, eligibility criteria to be a participant, vesting rules, and, for example, how to deal with circumstances when an employee retires, is retrenched or in the case of death. The shareholders approved certain changes to the rules of the share option scheme at the 2018 AGM that:

- Allow the board to determine and set performance measures that will apply to the vesting of options awarded in terms of the share incentive scheme.
- Allow the company to settle exercised options on a net equity basis, by way of cash payments, or through the issue and allotment of ordinary shares in the company.
- Grant the board the discretion to determine when options that have been awarded by the company will lapse, where the participant is guilty of misconduct or poor performance.
- Increase the required loan cover ratio applicable to loans made by the company to participants in the share incentive scheme from 130% to 200%. Going forward no new loan funding will be made available, and all options will be net equity settled, i.e. they will be settled after deducting the strike price and the employee income tax (PAYE).

Furthermore, shareholders approved the proposed resolution to reduce the number of shares available to be used in the Old LTI scheme to 19 million shares.

6.1.2 Awards

Share options were awarded annually at the consideration of the remcom. The number of share options awarded was calculated on the basis of the respective employees' base salary and a multiple of between one time and seven times applied thereto, depending on the employee's seniority and level of responsibility assumed in the organisation, and subject to their individual performance. In determining the top-up calculations for the annual share option award, the value of unvested past share option awards was taken into account.

The total consolidated number of options awarded annually was decided and approved by the remcom. The remcom is responsible for approving the annual awards for specific participants (executive directors, exco, company secretary, executive heads, heads of departments and heads of primary and high schools). The approval of share option awards for other senior managers/middle managers/junior managers who qualify for participation in the share option scheme is delegated to the CEO, CFO and company secretary by the remcom. This approval occurs subject to these awards being within the factor ranges that the remcom has set and the remcom being notified once awards have been made.

No new awards were made under the Old LTI scheme in 2020, 2021 and 2022.



6.1.3 Vesting

Options vest in 25% tranches on the second, third, fourth and fifth anniversaries of the award date.

Awards made before 2019:

There are no vesting conditions for options issued before 2019.

Awards made in 2019:

Awards made in 2019 were subject to achieving a minimum EBIT margin as a vesting condition, as set out below:

Vesting date	Sep 2022	Sep 2023	Sep 2024	Sep 2025
Financial year	2019	2021	2022	2023
EBIT margin*	17.2%	20.5%	21.0%	21.5%
				2024
				22.0%

* Significant acquisitions might be excluded from this measure.

In addition, shares awarded to employees up to 2019 were at the market options, so without share price appreciation, which will only coincide with long-term value creation, management will derive no benefit from the LTI scheme.

6.1.4 Loan funding

Until 2017, Curro provided loans to assist management to pay the strike price and the applicable income tax on vesting dates, as permitted by the share incentive trust deed. Subsequently, no new loan funding was made available, and all options are to be net equity settled. At 31 December 2022 the remaining loan balance was R329 429.00 (2021: R403 484.00).

6.1.5 Forfeiture of unvested shares

The executive directors and other executives forfeited all of their remaining unvested share options awarded in terms of the Old LTI scheme during 2021 after the New LTI scheme was approved by shareholders and implemented, with new awards made in respect thereof.

6.2 The New LTI scheme

6.2.1 Introduction

The New LTI scheme was implemented in 2021 after it was approved by shareholders at the AGM. The new LTI scheme use nil-paid options, which means that there is no strike price, and the current market price has no impact on the number of nil-paid options allocated to key executive management.

6.2.2 Awards

Every year a fixed number of options will be made available to key executive management of Curro and selected other individuals who are regarded as potential successors to key executive management. The allocation of options will be a process agreed between the key executive management and the remcom.

The number of nil-paid options which were allocated in the first award on 30 June 2021 is 0.833% of the number of shares in issue, whilst the second award on 31 March 2022 consisted of 0.80% of shares in issue. The third award on or about 24 March 2023 consisted of 0.77% of the shares in issue. The number of shares made available in each of the following years will be reduced gradually so that, over the long term and subject to the shares in issue, the figure reaches 0.5%, when it will be fixed.

It is the intention of the remcom and the board to repurchase such number of shares in the future for vested awards to ensure there is limited or no dilution for shareholders given the vesting of options. Market conditions will be taken into account in this regard.

6.2.3 Vesting

Options will vest in 25% tranches as set out in the table below. The first award's first tranche vests on 31 March 2023 and the third, fourth and fifth tranches annually thereafter. The second and third awards vests on the same basis, from the second anniversary of the award and three anniversaries thereafter.

Award	31 March 2023	31 March 2024	31 March 2025	31 March 2026	31 March 2027	31 March 2028
First award: 30 June 2021	25%	25%	25%	25%	n/a	n/a
Second award: 31 March 2022	n/a	25%	25%	25%	25%	n/a
Third award: 24 March 2023	n/a	n/a	25%	25%	25%	25%

The options are subject to the following performance conditions:

- Ongoing growth in recurring HEPS above the aggregate of GDP growth % and CPI %;
- Ongoing improvement in Return on Capital Employed ('RoCE') over the vesting period; and
- Achievement of individual key performance criteria.

The performance conditions are dynamic because they are reviewed annually relative to the performance in the immediately preceding year. The basis for performance measurement in the future is therefore always against the most recent preceding year.

In order for participants to benefit, they have to meet their performance criteria and retain a meaningful portion of the vested shares over time.

The performance conditions are weighted and will be measured as set out below for the first two awards:

Performance conditions for 2021 and 2022 awards	1) Growth in recurring HEPS	2) Annual increase in RoCE <small>Note 1</small>	3) Individual key performance criteria
Weighting:	60%	20%	20%
Minimum hurdle <u>before</u> any vesting:	GDP growth % + CPI % for the preceding year	Prior year RoCE	To be determined by management and the remcom, depending on seniority
Performance required for full vesting:	Proportionate (linear) vesting up to full vesting at 4% above minimum hurdle	Proportionate (linear) vesting up to full vesting at absolute 0.3% above hurdle	
Vesting subject to other conditions:		<ul style="list-style-type: none"> Net Debt: EBITDA ratio to be maintained below 3.5x RoCE in vesting year must be above RoCE in the base year when options were awarded, regardless of increase on immediately preceding year 	Subject to achieving like-for-like learner growth and achievement of personal KPIs



The remcom considered suggestions from certain shareholders that long-term schemes should have a greater emphasis on the company's return on equity. However, given the long capital cycle of the business and the material investment already made in its school assets, management's primary focus over the medium term should be on driving up earnings to increase return on equity. The remcom therefore set similar performance conditions for the third award made in March 2023, but increased both the weighting of the RoCE condition and its performance hurdle to incorporate a greater emphasis on business returns, as set out below:

Performance conditions for the 2023 awards	1) Growth in recurring HEPS	2) Annual increase in RoCE <small>Note 1</small>	3) Individual key performance criteria
Weighting:	40%	40%	20%
Minimum hurdle <u>before</u> any vesting:	GDP growth % + CPI % for preceding year	Prior year RoCE	To be determined by management and the remcom, depending on seniority
Performance required for full vesting:	Proportionate (linear) vesting up to full vesting at 4% above minimum hurdle	Proportionate (linear) vesting up to full vesting at absolute 0.5% above hurdle	
Vesting subject to other conditions:		<ul style="list-style-type: none"> Net Debt: EBITDA ratio to be maintained below 3.5x RoCE in vesting year must be above RoCE in the base year when options were awarded, regardless of increase on immediately preceding year 	Subject to achieving like-for-like learner growth and achievement of personal KPIs

Note 1 – Calculation of RoCE:

The RoCE is calculated by dividing the normalised EBIT by the average capital employed for the year. The average capital employed for each year is calculated by taking the total assets for the year, less cash balances and less all non-interest-bearing liabilities; with the average being the aggregate of opening and closing balances determined as above divided by two.

Illustrative example

The table below demonstrates different potential outcomes as examples relative to the performance conditions for a tranche of 10 000 options that are due to vest for the first two awards under the New LTI scheme. The option shares are weighted per performance condition and potential vesting scenarios are displayed, i.e.:

- Growth in recurring HEPS of 9%, being 3% above the example hurdle rate of 6% for that year, means that 4 500 of the 6 000 options will vest; and
- A RoCE of 5.8% in year 2, being an improvement of 0.2% per year on the base year, means that 1 333 of the 2 000 potential options will vest for the first and second awards.

Growth in recurring HEPS			Improvement in Return on Capital Employed ('RoCE')			Personal KPIs		Total options
Maximum options that can vest in this tranche:	6 000		Maximum options that can vest in this tranche:	2 000		Maximum options that can vest in this tranche:	2 000	10 000
Example: GDP growth	2%		RoCE in 2020	5.4%				
CPI	4%							
Minimum hurdle for year	6%							
Growth scenarios	Above/ (below) hurdle	Total vesting	RoCE	Above/ (below) hurdle	Total vesting	Scenarios:		
5.0%	-1%	NIL	4.0%	-1.4%	NIL	Acceptable performance and learner growth	2 000	
6.0%	0%	NIL	5.4%	0.0%	NIL			
7.0%	1%	1 500	5.5%	0.1%	667			
8.0%	2%	3 000	5.6%	0.2%	1 333			
9.0%	3%	4 500	5.7%	0.3%	2 000	Weak performance and no learner growth	NIL	
10.0%	4%	6 000	5.8%	0.4%	2 000			
15.0%	9%	6 000	8.0%	2.6%	2 000			

6.2.4 Retention

As a further qualifying vesting condition, participants have to retain a minimum number of shares:

- For the second 25% of a specific tranche to vest, an employee needs to have retained 80% of the shares received from the first vesting;
- For the third 25% of a specific tranche to vest, an employee needs to have retained 70% of the shares received from the first and second vestings; and
- For the fourth 25% of a specific tranche to vest, an employee needs to have retained 60% of the shares received from the first, second and third vestings.

In all instances a minimum of 60% of shares received from the scheme needs to be retained for any option vesting to qualify over and above the specific tranche requirements. Such shares may not be encumbered at a bank and may not form part of a collar or similar type of transaction.

Options will vest on the net equity basis and are exercisable within six months of the award dates, which is envisaged to be in March annually.

6.3 Limits

The limits of the number of shares that may be utilised for purposes of the share option scheme are fixed and determined by Curro shareholders from time to time, as required by the JSE Limited Listings Requirements.

Below is a summary of the shares already utilised and key limits:

	Number of shares	As % of shares in issue
For all participants		
Maximum approved limit of the Old LTI*	19 000 000	3.17%
Total maximum utilisation that might be required to New LTI until 2030	30 210 000	5.05%
Total potential utilisation for Old and New LTI	49 210 000	8.22%
Current unvested		
Old LTI	2 597 625	0.43%
New LTI	8 301 801	1.39%
Per individual participant		
Cumulative utilised Old LTI	2 228 299	0.37%
Total maximum that might be required to New LTI until 2030**	12 084 000	2.02%
Total potential utilisation for Old and New LTI	14 312 299	2.39%

* The 2021 AGM approved changes to the Old LTI: the maximum approved limit was reduced to 19 million shares and the limit per participant was reduced to 3 million shares. The remaining headroom is therefore cancelled.

** Assumed to be 40% of total maximum that might be required under New LTI

6.4 Termination of service

In the case of resignation, dismissal or early retirement (before attaining the age of 65 years) of a participant (i.e. bad leaver), unvested share options are generally forfeited.

In the case of permanent disability, compulsory retirement (attaining the age of 65 years), death or retrenchment of a participant (i.e. good leaver), any share options capable of being exercised within a period of 12 months thereafter will generally continue to be exercisable, provided they are exercised during such 12 months. However, in the case of the termination of employment for any reason other than dismissal, the remcom may at its absolute discretion permit the exercising of any unvested share options upon such additional terms and conditions as it may determine (e.g. as part of non-compete provisions in the case of the early retirement of an executive).

This is consistent between the Old and New LTI schemes.

7. Executive contracts

Executives have a notice period of two months, with between one and three months for all other employees, depending on the role requirements, to ensure continuity of the operations and alignment with market practice. Executive directors have an unpaid restraint of trade for 24 months. Curro employees (including executives) are not entitled to any payments upon termination of their service, except for those provided for by law (e.g. accrued annual leave and retrenchment payments).

No retention-based payments are made to Curro employees, although the remcom has the discretion to make such payments when the need arises. LTI awards vest in line with the shareholder-approved rules.

Executive directors are permitted to serve as non-executive directors in one other company with the prior approval of the chairperson of the board. Any remuneration payable for these duties will accrue to Curro where meetings are attended during business hours. In certain instances, incoming appointees may be awarded LTIs as a sign-on award.

8. Non-executive directors' fees

Non-executive directors' fees are reviewed annually by the remcom, taking into account external public research information that is available on non-executive directors' fees, affordability, and the increases awarded to the average employee's salary. The remcom's recommendation is submitted to the board, which then considers it for recommendation to the shareholders for approval at the company's AGM.

The company's memorandum of incorporation as approved by the shareholders of the company allows for a disinterested quorum of the board to determine such additional amounts of fees/remuneration to be paid in the event a director provides services that fall outside the scope of the ordinary duties of a non-executive director. Non-executive directors do not receive share options.

Refer to page 10 for details on the proposed fees for 2023, as set out below. Refer to the implementation report for the details on the non-executive directors' remuneration paid in the 2022 financial year.

The remcom conducted a market benchmarking exercise in the previous year and adjusted fees in that context. Accordingly, the fees for non-executive directors are proposed to increase by approximately 6% in line with inflation, as follows:

Non-executive directors' fees (excluding value-added tax)	Annual fee 2023/2024
Board	
Chairperson of the board	R697 300
Board members	R317 000
Chairpersons of the board committees	
Audit and risk committee	R190 200
Remuneration and nominations committee	R115 800
Social, ethics and transformation committee	R115 800
Members of board committees	
Audit and risk committee	R101 500
Remuneration and nominations committee	R92 600
Social, ethics and transformation committee	R57 900

Notes:

1. Fees are paid for services rendered as non-executive directors and are not based on meetings attended.
2. Value-added tax (VAT) is payable thereon if the non-executive director is VAT registered.

9. Shareholder non-binding advisory votes

This remuneration policy is updated from time to time, and together with the implementation report, is presented to the shareholders of Curro annually at its AGM for two separate non-binding advisory votes.

In accordance with the JSE Limited Listings Requirements, in the event that 25% or more votes are exercised against the remuneration policy and/or the implementation report, Curro will:

- a) Include in a statement on its AGM voting results published via the Stock Exchange News Service ('SENS') an invitation to the dissenting shareholders to engage with Curro, together with the manner and timing of this engagement.
- b) Address legitimate concerns raised by taking these into account with the annual review of the remuneration policy and/or by clarifying or adjusting remuneration governance processes.

The methods of engagement may include face-to-face meetings, teleconferences, emails and other written correspondence.

In the circumstances described above, the results of the shareholder engagement will be disclosed in the introduction of the successive remuneration report.

IMPLEMENTATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Human capital is a critical component of Curro's business success, as its people are key to the quality of education that Curro provides through its schools. Curro had 6 557 employees in 2022, and approximately 64% of operating expenses consist of remuneration for employees.

The remcom has achieved its objectives set out in the remuneration policy for 2021 and 2022. There were no material deviations from the remuneration policy.

1. Summary

	2020	2021	2022
Total remuneration			
Total number of employees	5 963	6 150	6 557
Guaranteed pay and company contributions [#]	1 510	1 773	1 986
Short-term incentive	29	25	37
IFRS2 share-based payments expense	28	32	32
Total remuneration* (R million)	1 567	1 830	2 054
As percentage of revenue	51%	52%	50%
Remuneration of executive committee			
Number of employees	9	9	9
Guaranteed pay (R million)	17	21	22
Short-term incentive (R million)	6	9	10
IFRS2 share-based payments expense (R million)	7	9	22
Total executive cost (R million)	30	38	54
Short-term incentive as percentage of guaranteed pay	35%	43%	44%
Total executive cost as percentage of revenue	1.0%	1.1%	1.3%
Total executive cost as percentage of EBITDA	4.3%	4.8%	5.8%

Notes
[#] The total guaranteed remuneration for the 2020-year was a low base for comparison due to the deduction of Temporary Employment Relief Scheme ('TERS') receipts from the salary cost for 2020.

* Total remuneration includes total STIs accrued in the year and the IFRS2 share-based payments expenses relating to the Share Incentive Trust.

2. Single total figure remuneration for executives

Executive	Basic salary	Expense allowance	Pension contributions paid	Bonuses ¹	Gains on exercising of options	Total
2022	R'000	R'000	R'000	R'000	R'000	R'000
AJF Greyling ²	3 524	124	103	1 721	–	5 472
JP Loubser	3 298	105	97	2 640	–	6 140
	6 822	229	200	4 361	–	11 612

1. Based on performance for the 2021 financial year.

2. Retired as CEO and resigned as director effective 1 January 2023.

Executive	Basic salary	Expense allowance	Pension contributions paid	Bonuses ³	Gains on exercising of options	Total
2021	R'000	R'000	R'000	R'000	R'000	R'000
AJF Greyling	3 180	124	95	1 394	–	4 793
JP Loubser ⁴	3 100	72	93	–	–	3 265
	6 280	196	188	1 394	–	8 058

3. Based on performance for the 2020 financial year.

4. Appointed as director and CFO from 1 January 2021, employed from 1 November 2020.

Following his retirement as CEO and resignation as director, Andries Greyling continued to be employed by the group until 28 February 2023, to assist during the handover process. The remcom resolved that he would remain entitled to his basic salary until 28 February 2023. The remcom further resolved that, in the context of his good leaver status, he would be entitled to receive the STI cash bonus which accrued to him in the 2022-year and that he would be permitted to exercise a portion of his unvested LTI share options in the future, as detailed in paragraph 5 below. Subsequent to the 2022 year-end, a once-

off payment of R10 million was made to Andries, in finalisation of his employment, which included his 2022 STI cash bonus referred to above and also related to the forfeiture and cancellation of the remaining majority of his unvested shares options.

3. Total-cost-to-company packages

Staff salaries have historically been increased with effect from 1 March each year. For the 2022 year, the group gave an increase of approximately 5%. Except for where there were changes in responsibilities, the increases for executives were in line with those for the rest of the staff.

4. Short-term incentives

STIs are paid annually in February or March following the financial and academic results of the prior year and the learner enrolments for the following financial year. The March 2023 amount paid to the exco was R10.4 million (2022: R9.4 million), which was the bonus pool approved by the remcom in February 2023.

The remcom's approval process for STIs considered a review of the exco's achievement against the 2022 key performance indicators that were approved for that year in March 2022 and reviewed in February 2023 (once reviewed and/or audited information was available).

Executives met two out of the four key performance indicators that had been set for the 2022 financial year, being growth in recurring HEPS and the Personal KPI's. Details can be found below.

Certain other employees, who mainly comprise operations managers, executive heads and selected head office personnel, received a bonus in March 2023 based on specific outcomes achieved by the individual and their area of responsibility.

The exco's STI targets and results for the 2022 year are listed below:

- Achieve growth in recurring HEPS of at least 31% from 2021
- Increase EBITDA margin (as percentage of turnover) by 2.0% from the previous year
- Achieve at least 7.0% growth in organic average net learner numbers from 2021 to 2022
- Personal key performance objectives

The STIs for the individuals as set out in the 2022 remuneration policy for the 2022 financial year are set out below. This was paid in March 2023 and was accrued for in the 2022 financial statements:

Targets:	Allocation if target met	Minimum	Target	Actual achieved	Allocated bonus
1. Recurring HEPS growth	25%	21.7%	31.0%	35.4%	25.0%
Recurring HEPS (cents)		37.5	53.6	55.4	
2. Increase EBITDA margin	25%	1.4%	2.0%	0.0%	0.0%
- Margin for 2022				22.3%	
- Margin for 2021				22.3%	
3. Growth in learner numbers	25%	5.0%	7.0%	3.7%	0.0%
4. Personal KPIs	25%			Yes	25.0%
Portion of full bonus					50.0%

	CEO	CFO	Other Exco
Total personal KPIs	25.0%	25.0%	25.0%
Group targets achieved	25.0%	25.0%	25.0%
Other ¹	–	50.0%	–
Total bonus	50.0%	100.0%	50.0%
Bonus weighting per executive (% of yearly salary)	100.0%	80.0%	60.0% to 80.0%
Bonus percentage of yearly salary paid in 2022	50.0%	80.0%	30.0% to 40.0%

1. As a condition of his appointment, the CFO receives an additional top-up incentive for his first two years of employment, in 2021 and 2022, up to a maximum of 80% of his annual salary.

5. Long-term incentives

5.1 Awards and forfeitures of options

The executive directors and other executives agreed to forfeit all their share options awarded in terms of the Old LTI scheme before the relevant vesting dates in 2021. No new share awards were made to directors during 2021 and 2022 in terms of the Old LTI scheme.

New awards were made in terms of the New LTI scheme on 30 June 2021 (the first award), on 31 March 2022 (the second award) and on 24 March 2023 (the third award).

As a consequence of Andries Greyling's retirement as CEO, the majority of his unvested LTI share options were forfeited and cancelled. The remcom exercised its discretion to permit the continued exercising of a portion of his unvested share options, in the context of his good leaver status, insofar as a portion of his options vests on 31 March 2023 and 31 March 2024. The vesting of these options shall remain subject to the same terms and conditions on which they were awarded.

Details of share awards and forfeitures to executive directors in terms of the Old LTI and New LTI schemes are set out in the table below:

Director	Share award date	Final option vesting date	Exercise price per share option (Rand)*	Opening balance of share options at 1 January 2022	Number of share options vested during the year	Number of share options awarded / (forfeited) #	Closing balance of share options as at 31 December 2022	Gain on vesting of options**	Gains on unvested share options as at 31 December 2022***
								R'000	R'000
AJF Greyling	2021/07/01	2026/03/31	NIL [^]	996 627	–	(498 314)	498 313	–	4 485
	2022/03/31	2027/03/31	NIL [~]						
JP Loubser	2021/07/01	2026/03/31	NIL [^]	747 470	–	–	747 470	–	6 727
	2022/03/31	2027/03/31	NIL [~]						
				1 744 097	–	458 424	2 202 521	–	19 823

* Exercise price is the strike prices adjusted for corporate actions (rights issues and unbundling of shares).

** There were no gains on the exercise of options during the year.

*** The unrealised in-the-money amount was calculated by multiplying the unvested number of shares by the market price of the share at 31 December 2022 being R9.00. This does not take the status of performance conditions and the probability of non-vesting or forfeitures into account.

The options awarded in terms of the Old LTI was forfeited by the executive directors, after the approval of the New LTI by shareholders and the implementation thereof (also refer to 6.1.5 under the remuneration policy above).

[^] First award in terms of the New LTI.

[~] Second award in terms of the New LTI.

5.2 Gains on options that vested (R million)

	2019	2020	2021	2022
Realised gains on vesting (all participants)	1	0	0	0
Realised gains on vesting (exco)	0**	0	0	0
Outstanding loans to participants*	9	0**	0***	0#

* The average loan-to-value ratio on 31 December 2019 was 1.7 times and each individual borrower exceeded the minimum ratio of 1.3.

** Rounded to million, actual amount is R533 577

*** Rounded to million, actual amount is R403 484

Rounded to million, actual amount is R329 429

6. Non-executive directors' fees

	2020	2021	2022
Remuneration (R'000)	3 164	3 097	3 076
Growth	4.2%	(2.1%)	(0.7%)

The fees paid to non-executive directors in the 2022 financial year included the following:

Name	2021	2022
	R'000	R'000
SL Botha	643	700
ZN Mankai	408	447
TBL Molefe ¹	297	–
PJ Mouton	337	365
SWF Muthwa	357	386
TP Baloyi	439	476
DM Ramaphosa	361	422
CR van der Merwe	255	280
	3 097	3 076

1. TBL Molefe resigned as director effective 19 November 2021





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