ADTECH GROUP

# Results Presentation

For the year ended
31 December 2024

# Introducing our new CFO

## Hannes Boonzaaier C.A.
## Group Chief Financial Officer

AfroCentric Group:

- Group Chief Financial Officer: 2015 – 2025
  - Strong listed company and M&A experience
  - Winner of multiple financial industry awards

# High Level Financial Performance

**8%**
Revenue
R8 521 million
(2023: R7 860 million)

**16%**
Headline
Earnings Per Share 202.2 cents
(2023: 174.2 cents)

**14%**
Operating Profit
R1 791 million
(2023: R1 577 million)

**16%**
Normalised
Earnings Per Share 202.5
(2023: 174.2 cents)

**21.0%**
Operating Margin
(2023: 20.1%)

**16%**
Full Year Dividend
101.0 cents
(2023: 87.0 cents)

# Divisional Performance

## Year-on-year Comparison

### Schools South Africa

| | |
|---|---|
| Revenue R3 120 million | ▲ 11% |
| Operating profit R640 million | ▲ 12% |

### Tertiary

| | |
|---|---|
| Revenue R3 401 million | ▲ 14% |
| Operating profit R903 million | ▲ 15% |

### Schools rest of Africa

| | |
|---|---|
| Revenue R449 million | ▲ 18% |
| Operating profit R146 million | ▲ 28% |

### Resourcing

| | |
|---|---|
| Revenue R1 551 million | ▼ -8% |
| Operating profit R102 million | ▼ -4% |

# ADvTECH Brand Portfolio

ADvTECH GROUP

## Schools Division

Crawford International

Pinnacle Colleges

Trinityhouse Pre-Primary • Preparatory • High

Gaborone International School

Makini Schools

FIS Flipper International School

abbotts High School

evolve

The Bridge School

Junior Colleges Early Learning

## Tertiary Division

The Independent Institute of Education

IIE Vega School

IIE Varsity College

IIE HSM

IIE Rosebank College

IIE MSA

Capsicum Culinary Studio

Oxbridge Academy unlock your potential

Rosebank International University College

## Resourcing Division

africaHRsolutions

CA Global Africa Recruitment

Network Recruitment

Network Contracting Solutions

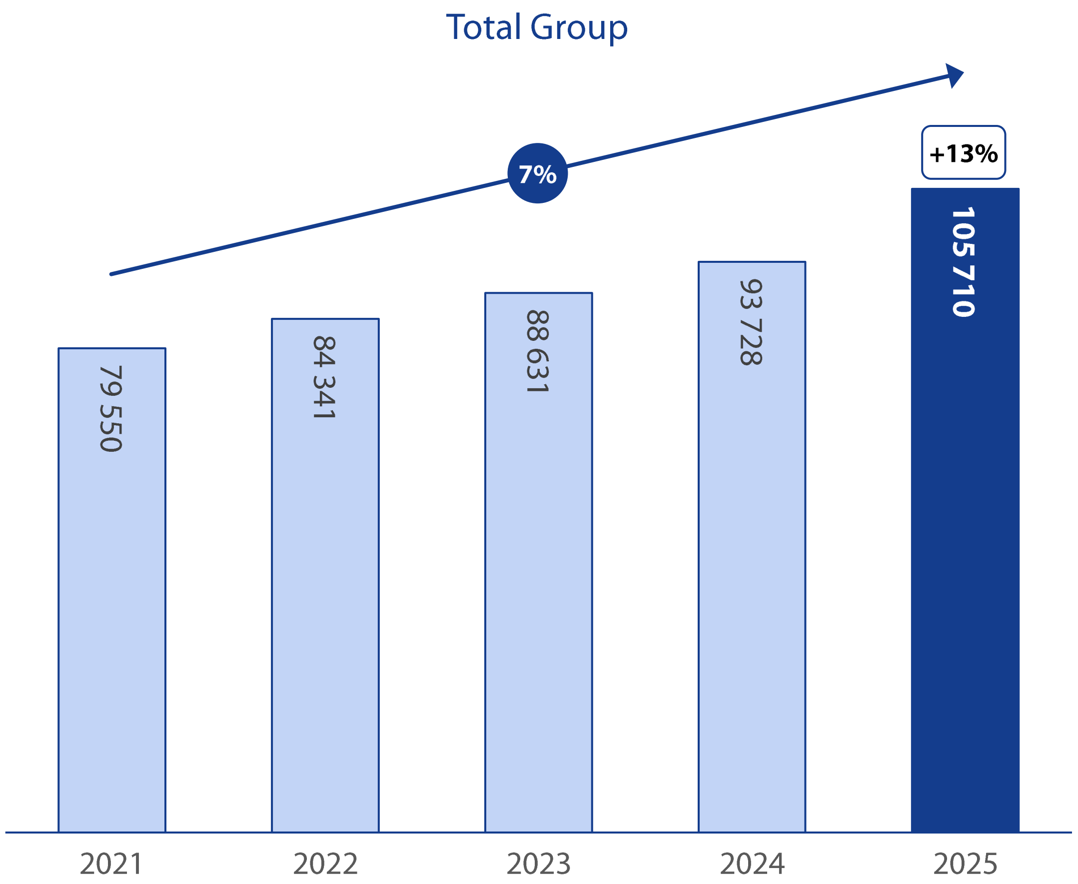
Communicate Recruitment Connecting Great People

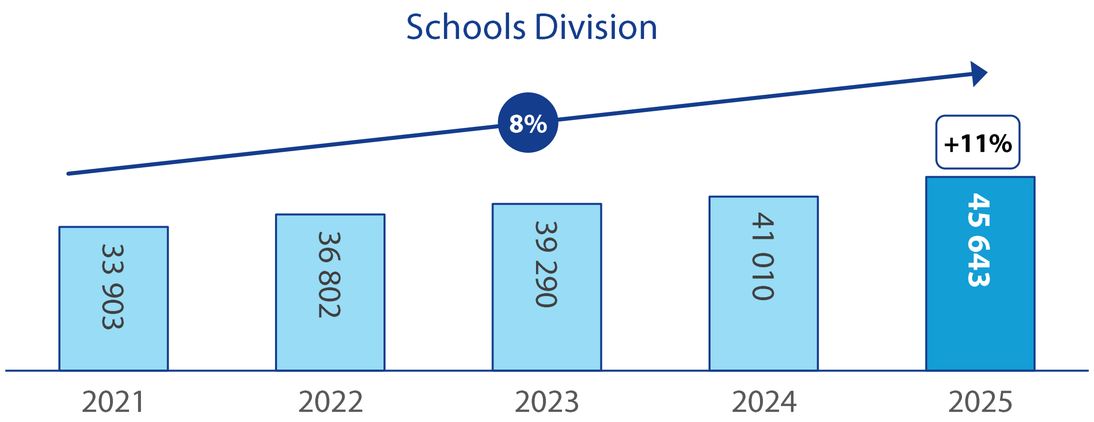
the working earth

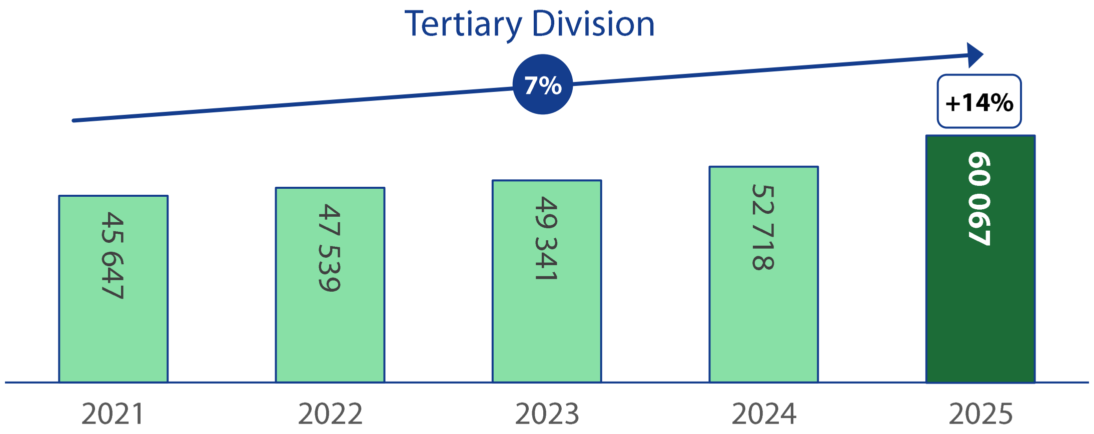
# 2025 Enrolments

Strong growth across all divisions

# Enrolment Growth - Breakdown

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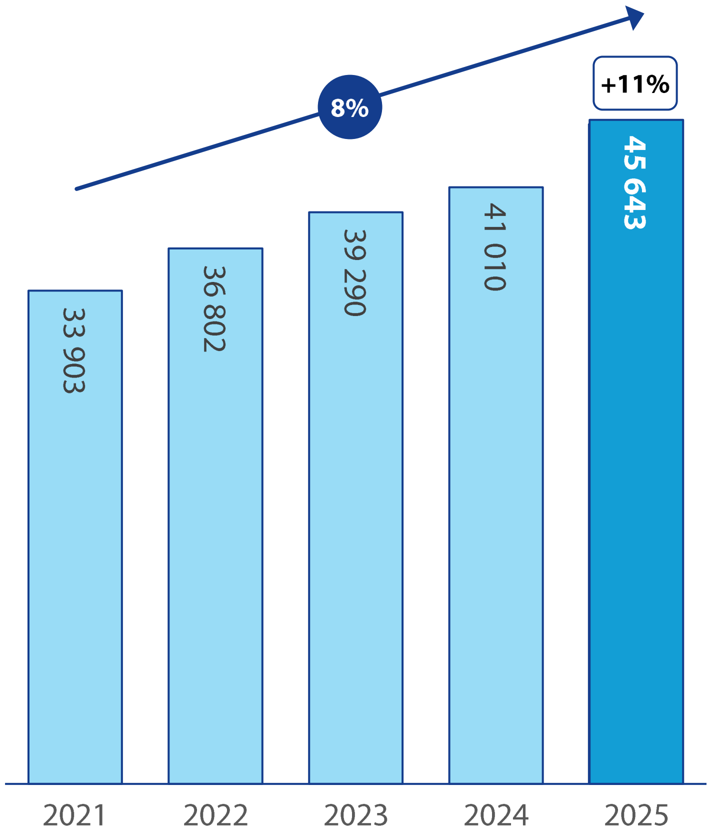
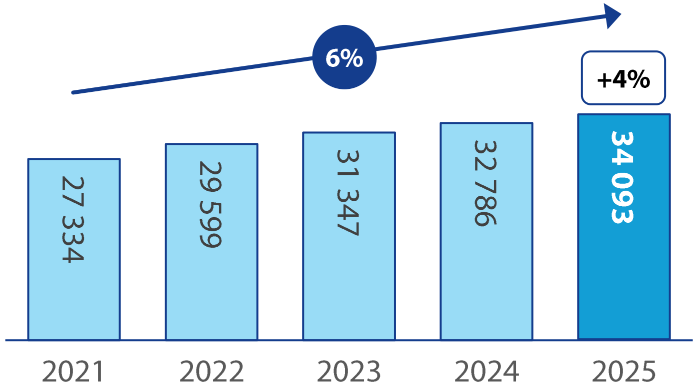
# Schools Enrolment Breakdown

ADvTECH GROUP

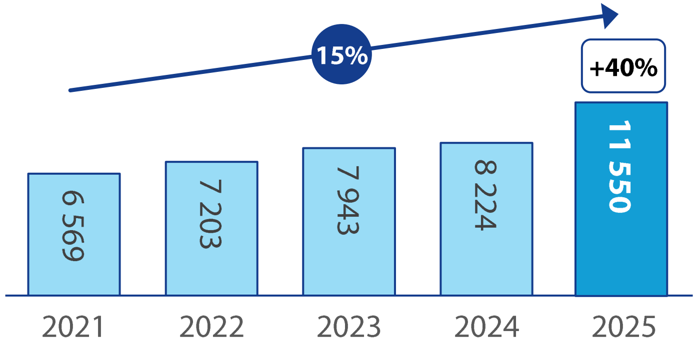
## Schools



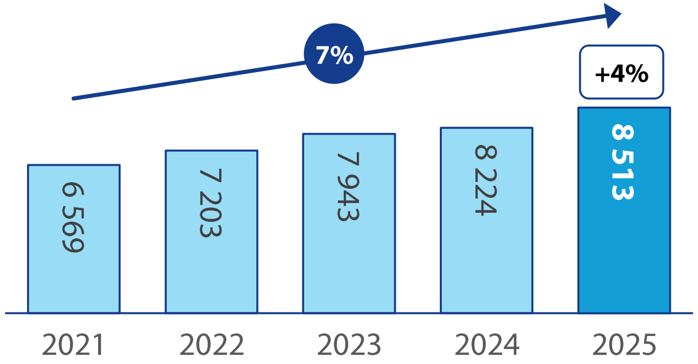

## Schools South Africa




## Schools Rest of Africa




## Schools Rest of Africa (excl. Flipper)

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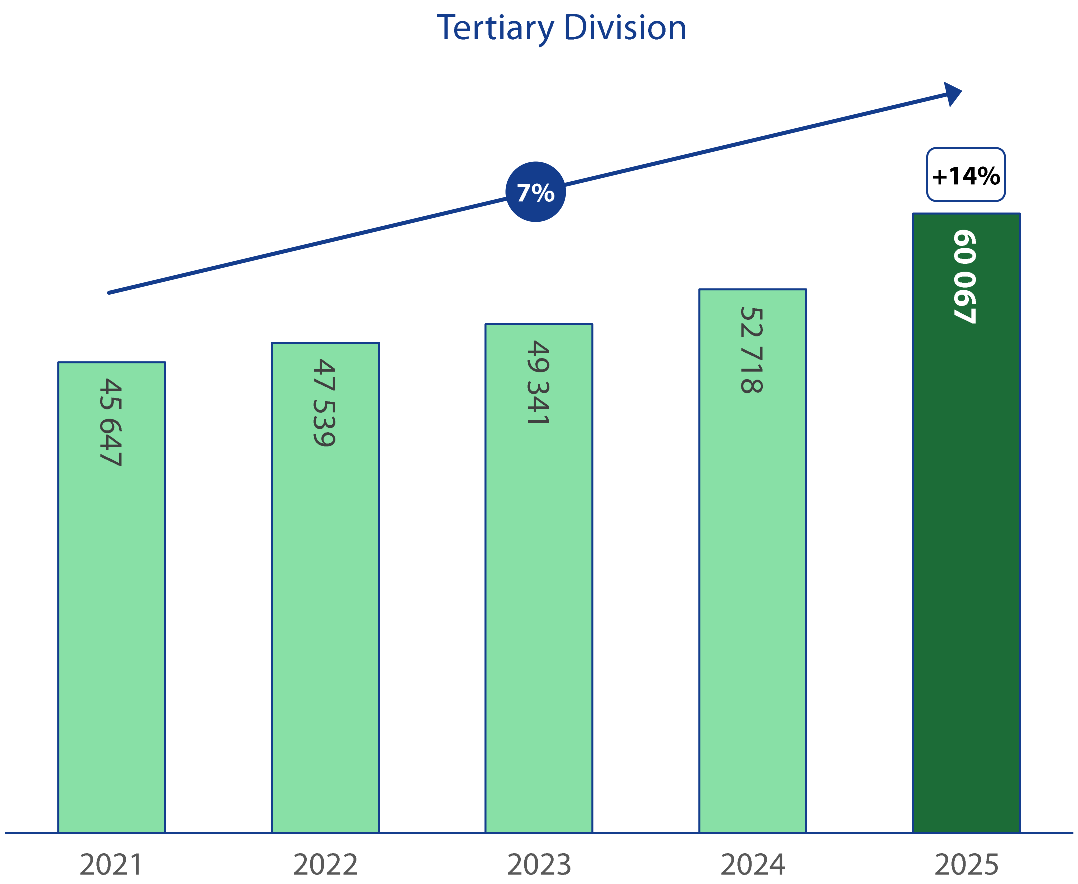
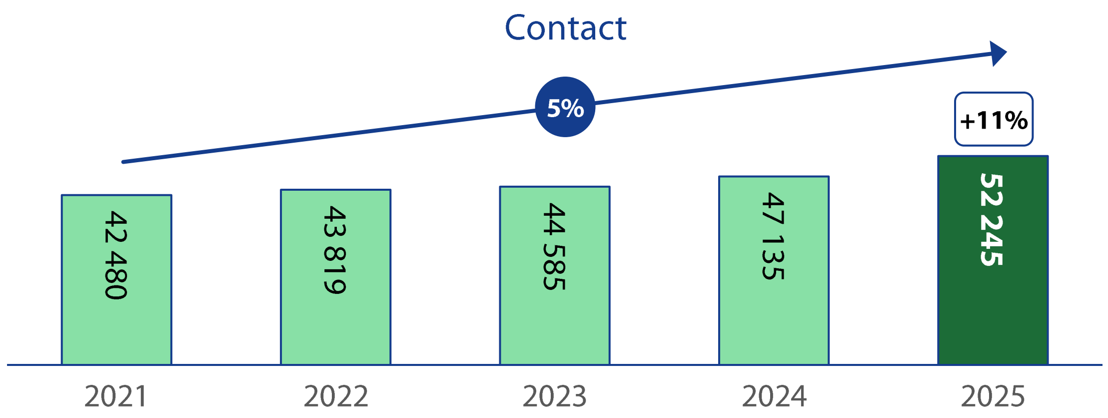
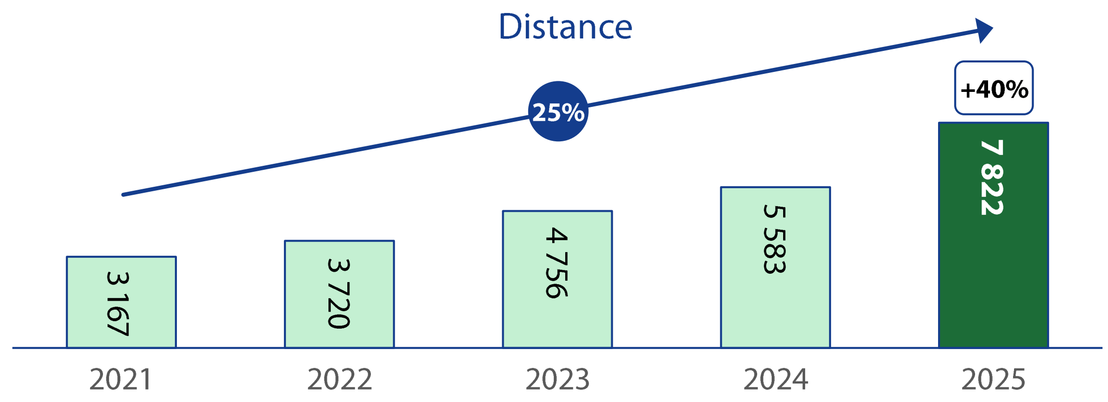
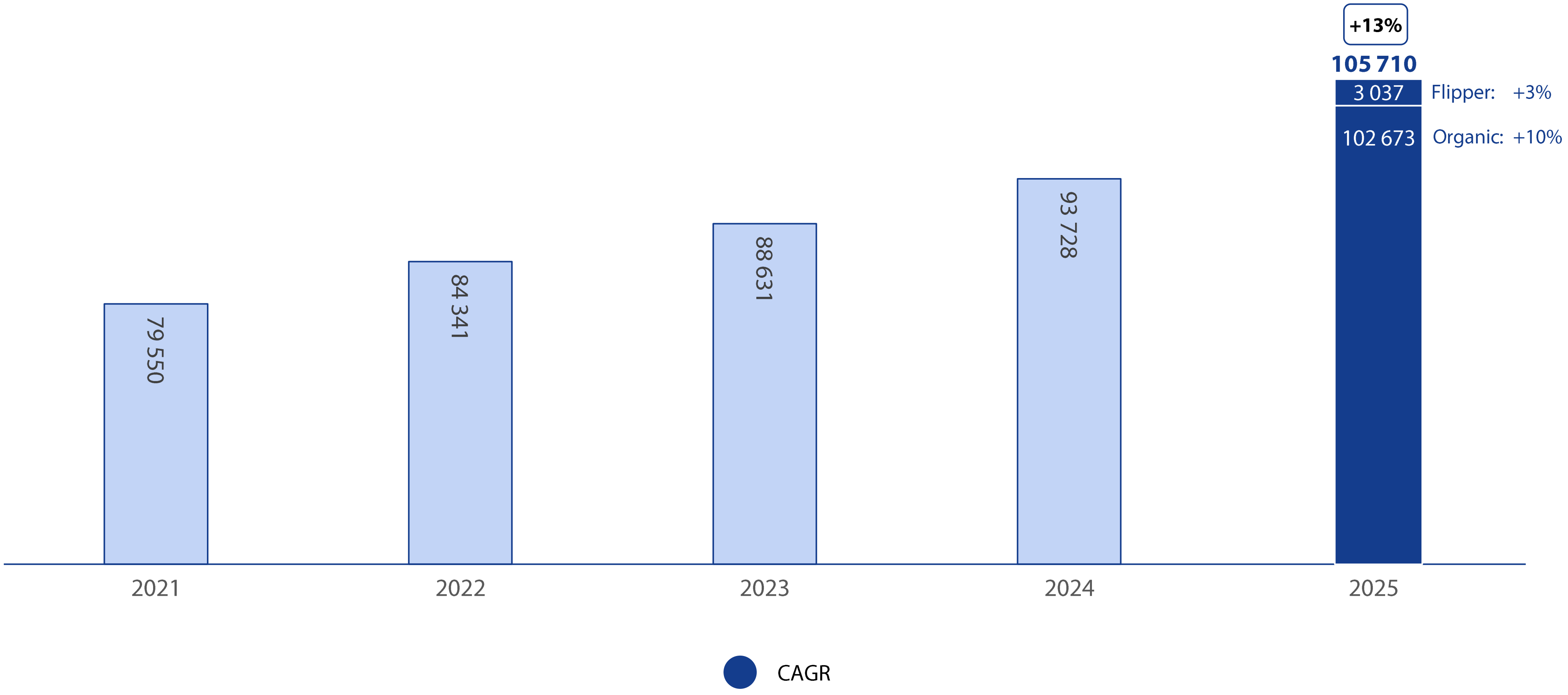
# Tertiary Enrolment Breakdown



# Impact of Flipper Acquisition on Total Group Enrolments

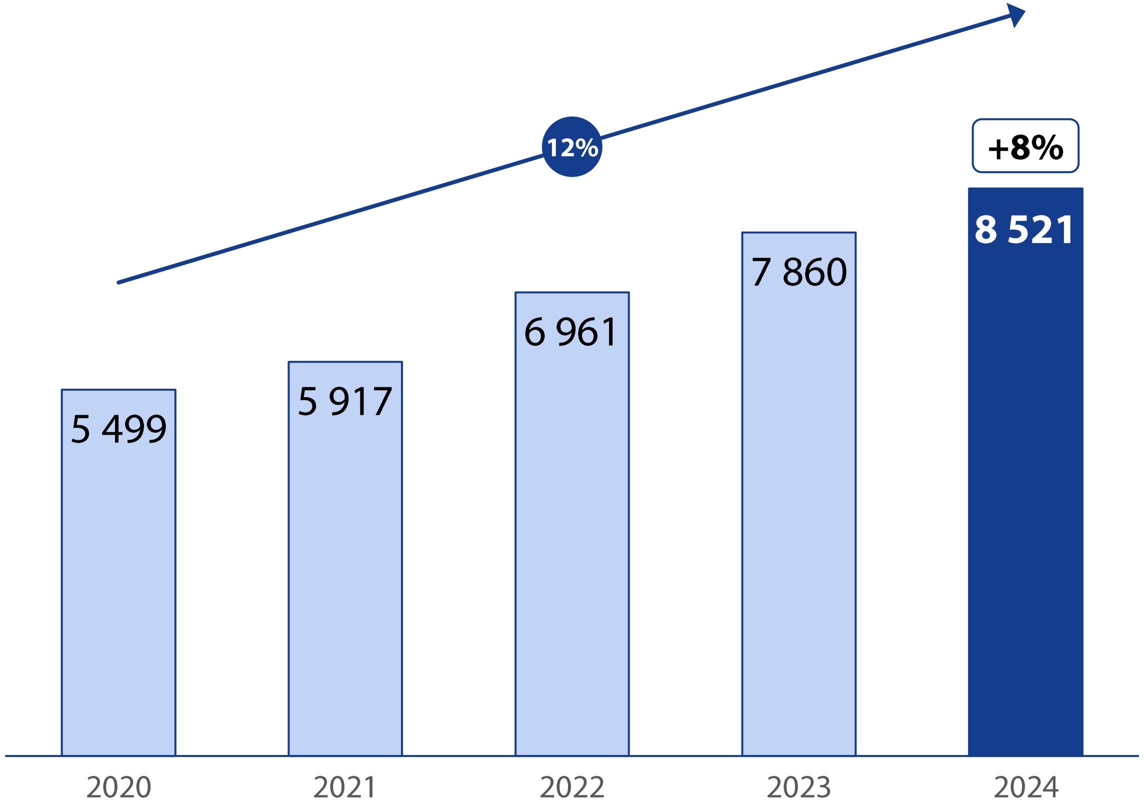


# Financial Performance

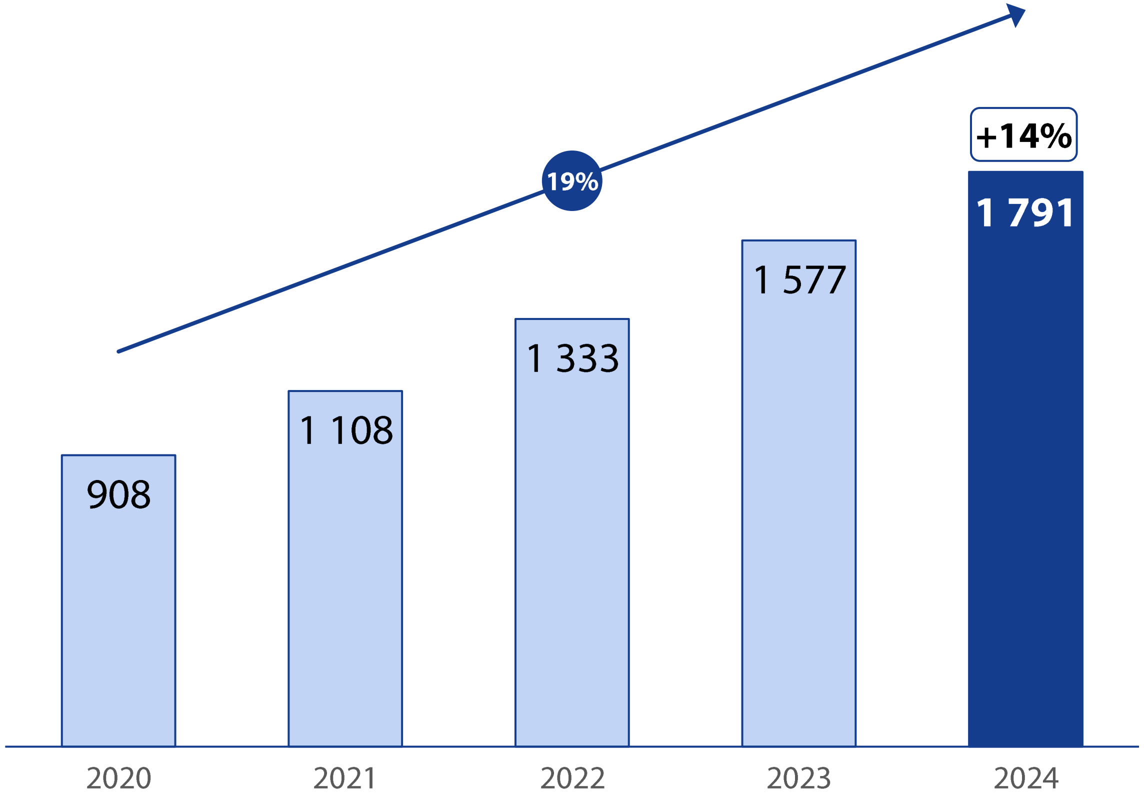
The group's strong financial performance, solid cash generation and robust balance sheet are evidence of our sound business model, clear market focus and continued emphasis on efficiencies

# Group Revenue and Operating Profit (R'm)

## Group Revenue (R'm)




## Group Operating Profit (R'm)

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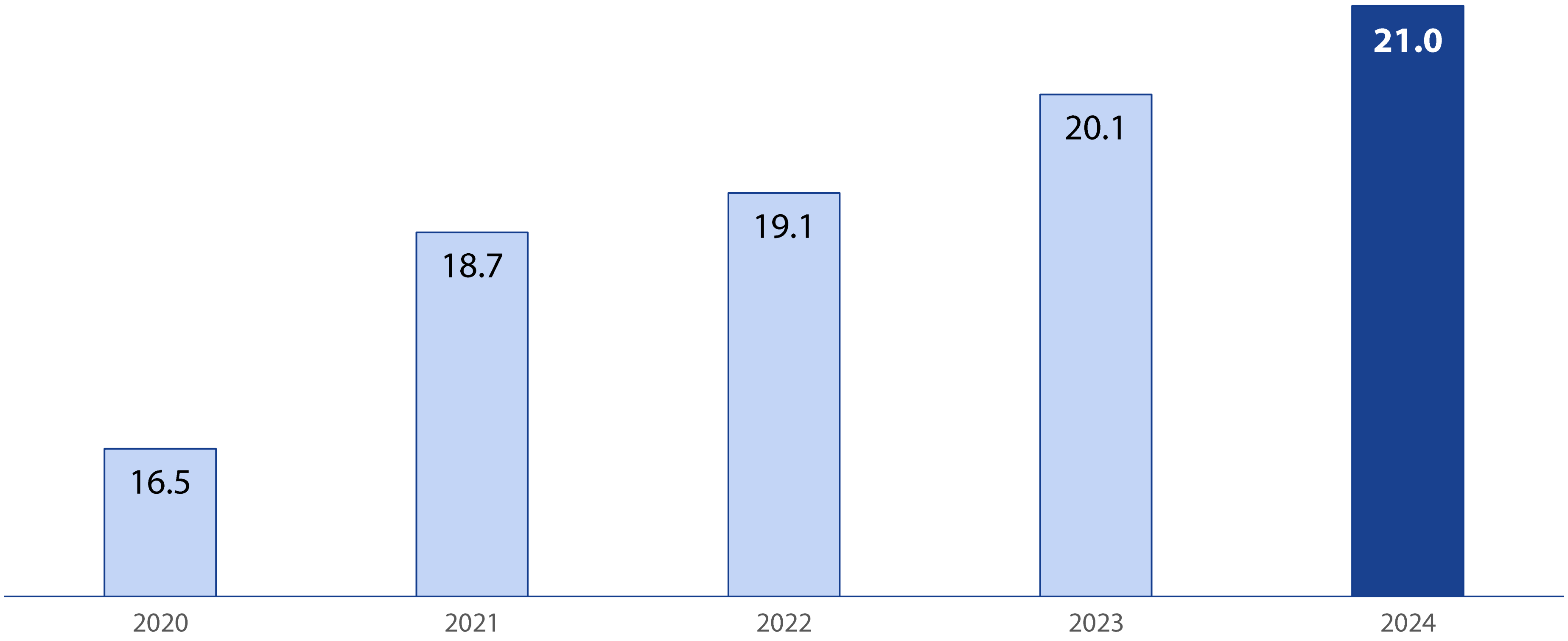
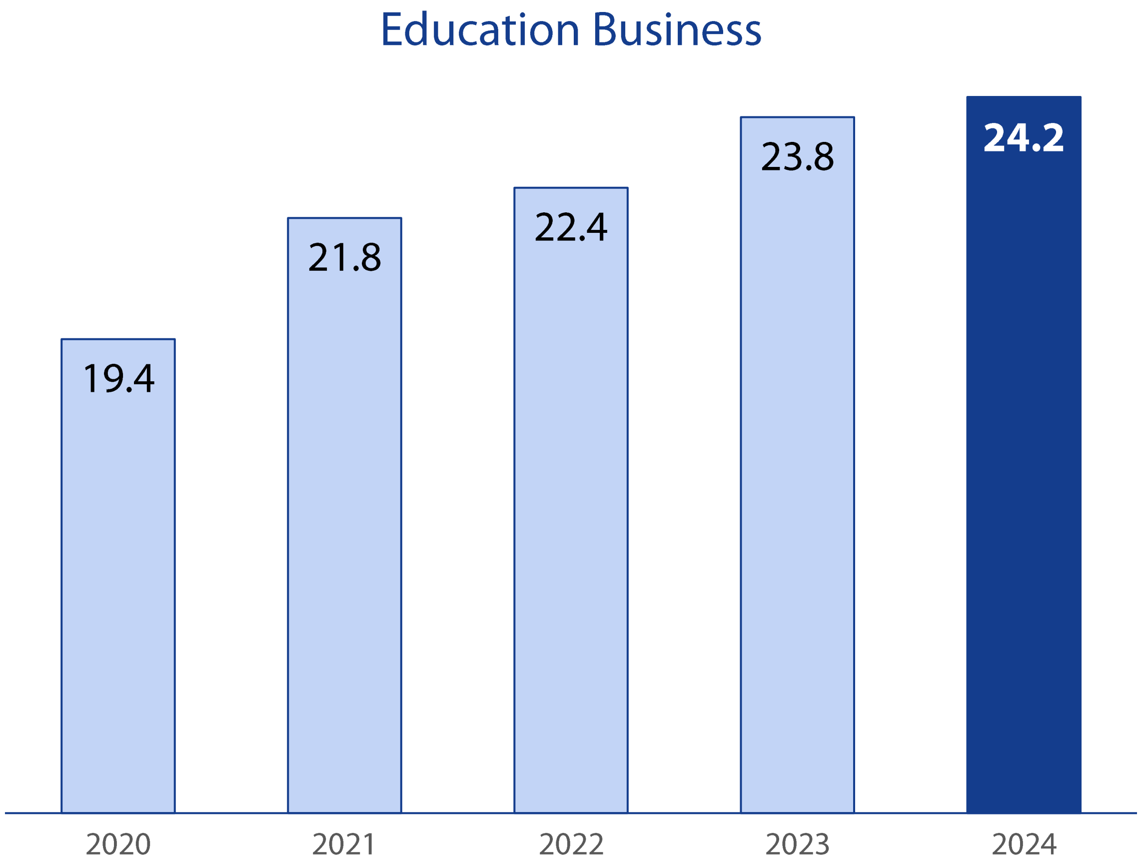
# Group Operating Margin (%)

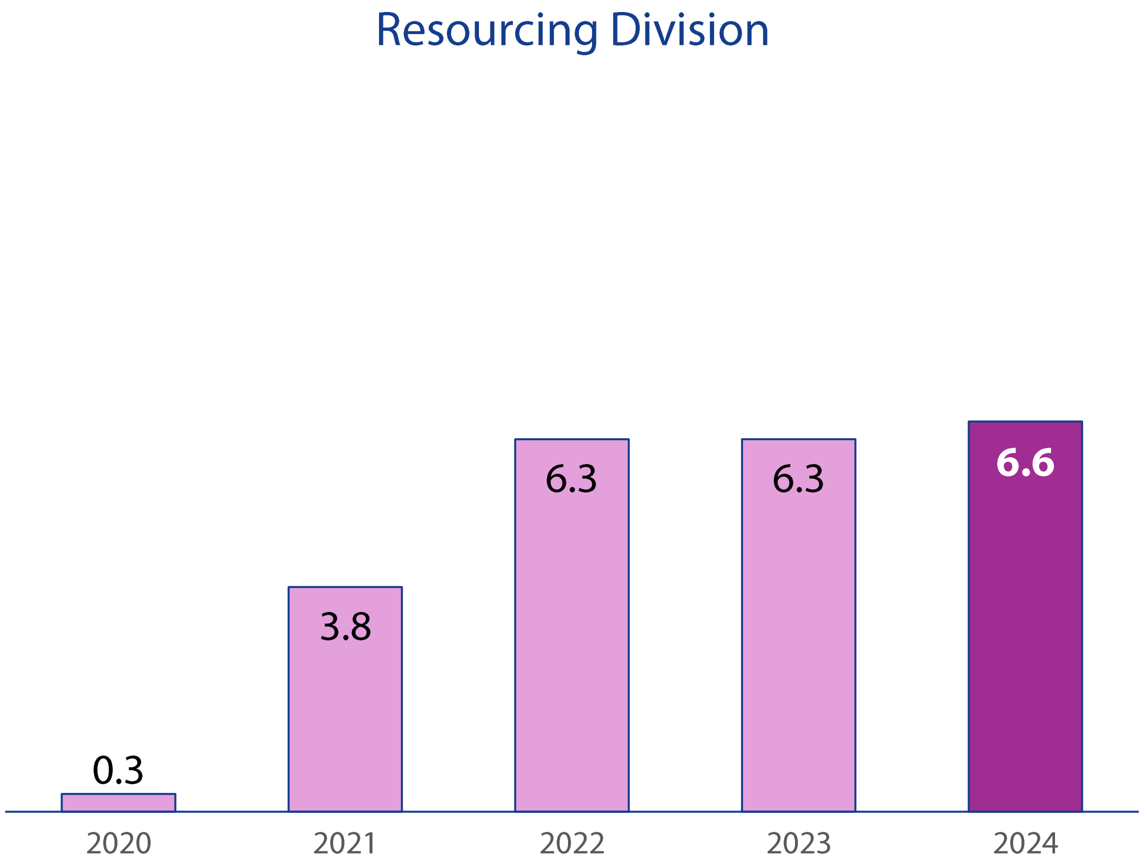
Drivers:

- Operating leverage from enrolment growth
- Continued focus on efficiencies
- Favourable mix shift between high margin education and lower margin resourcing businesses
- Further investment into systems and preparation for University status

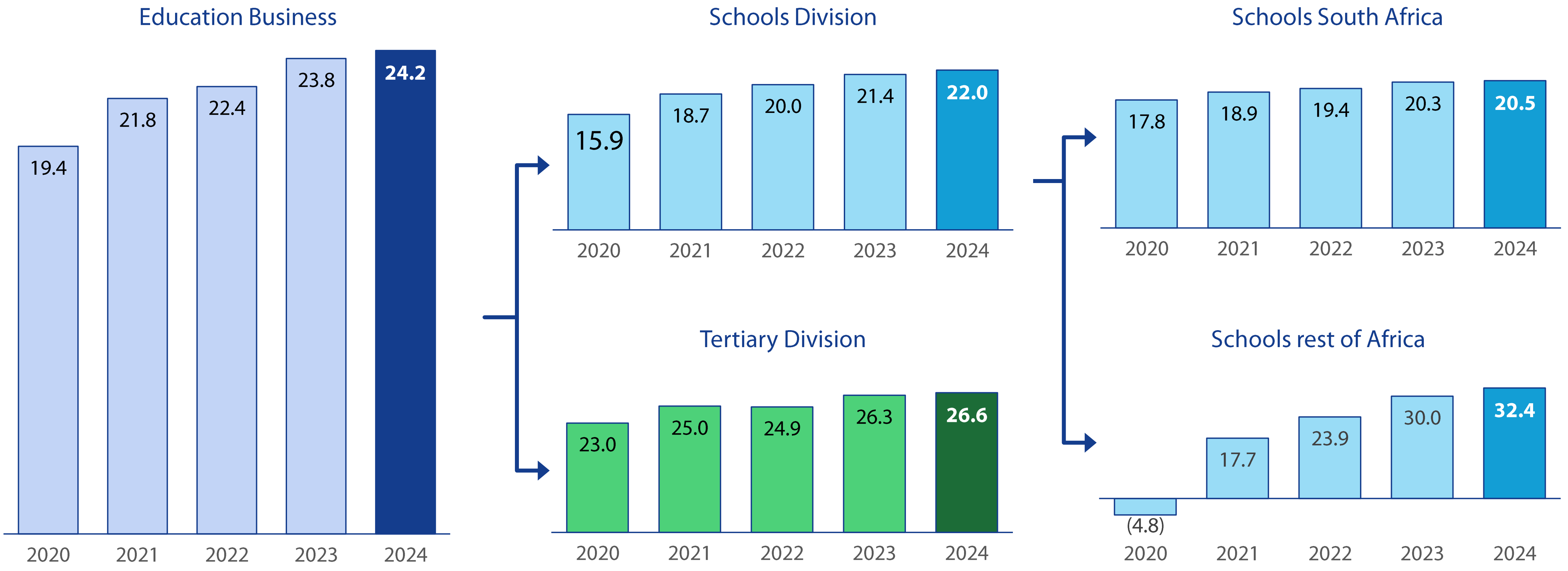


# Divisional Operating Margins (%)

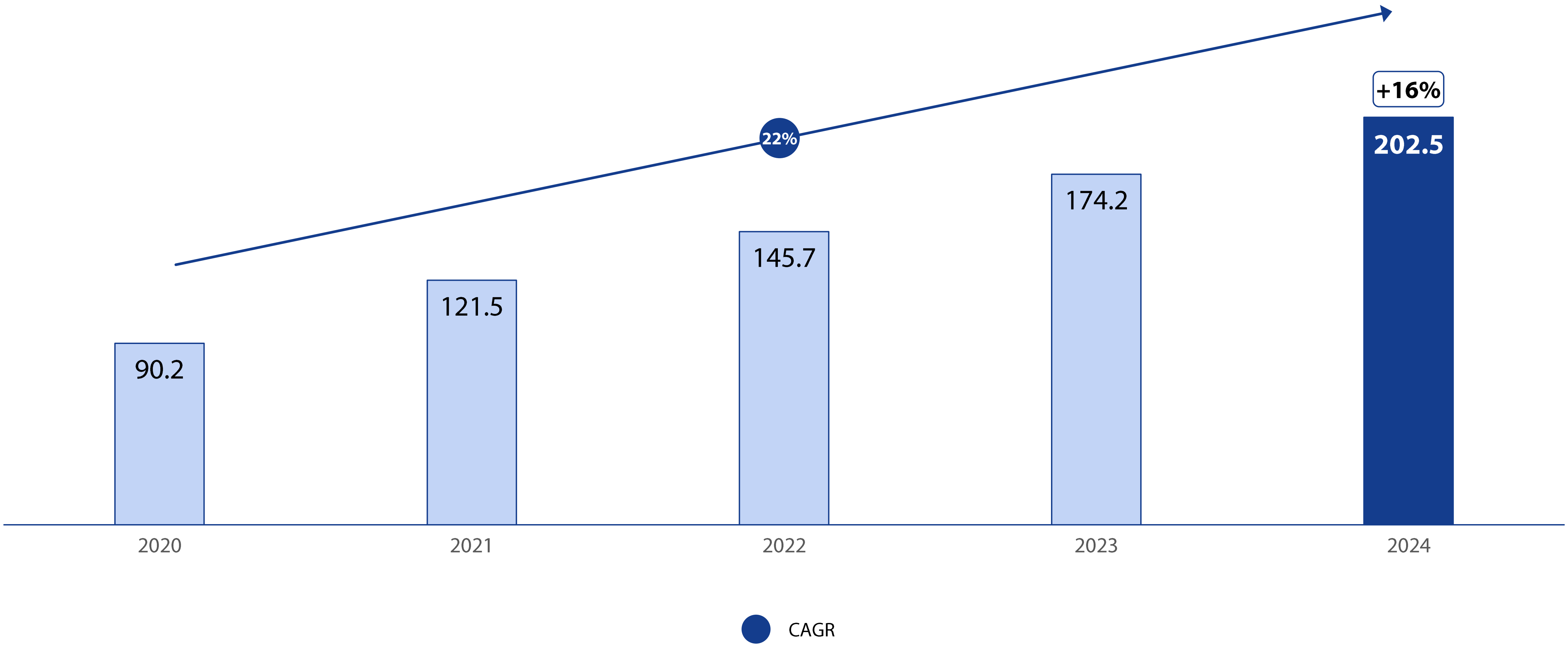


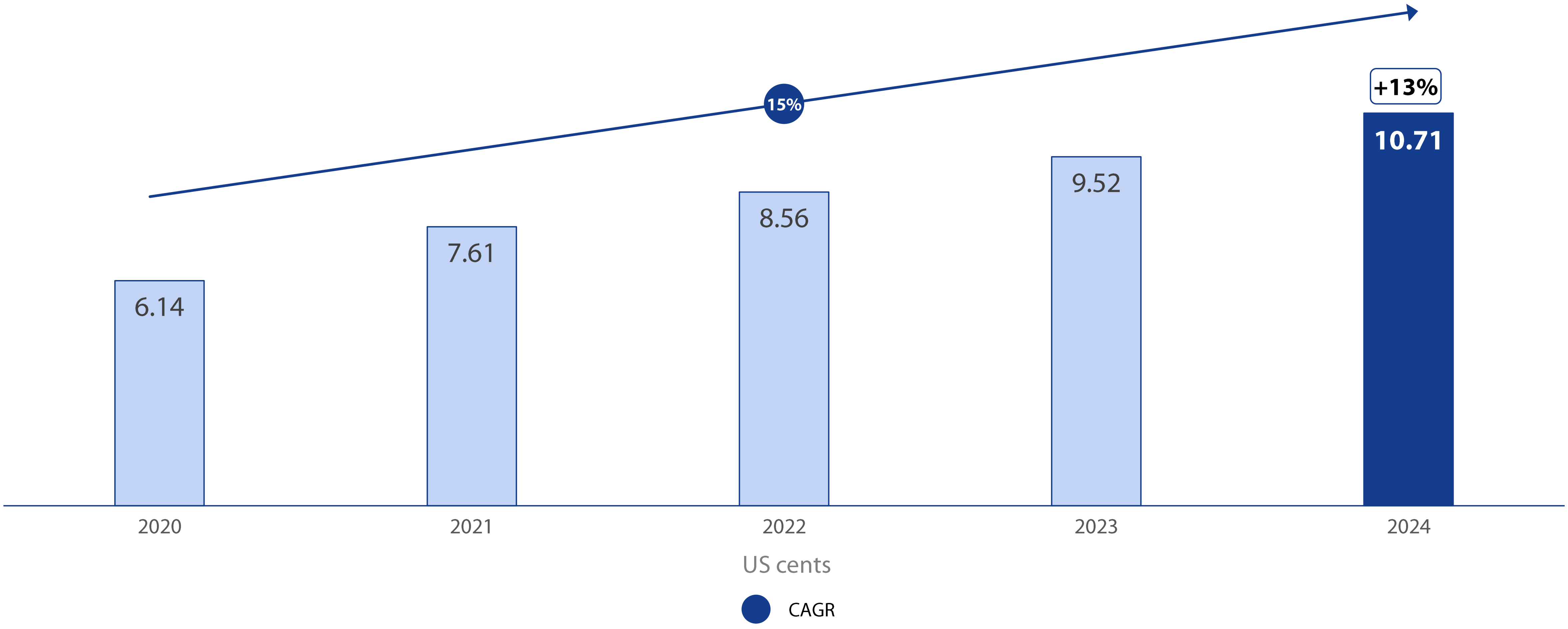
# Education Margins (%)



# Normalised Earnings Per Share (ZA Cents)



# Normalised Earnings Per Share (US$)



# Schools Division

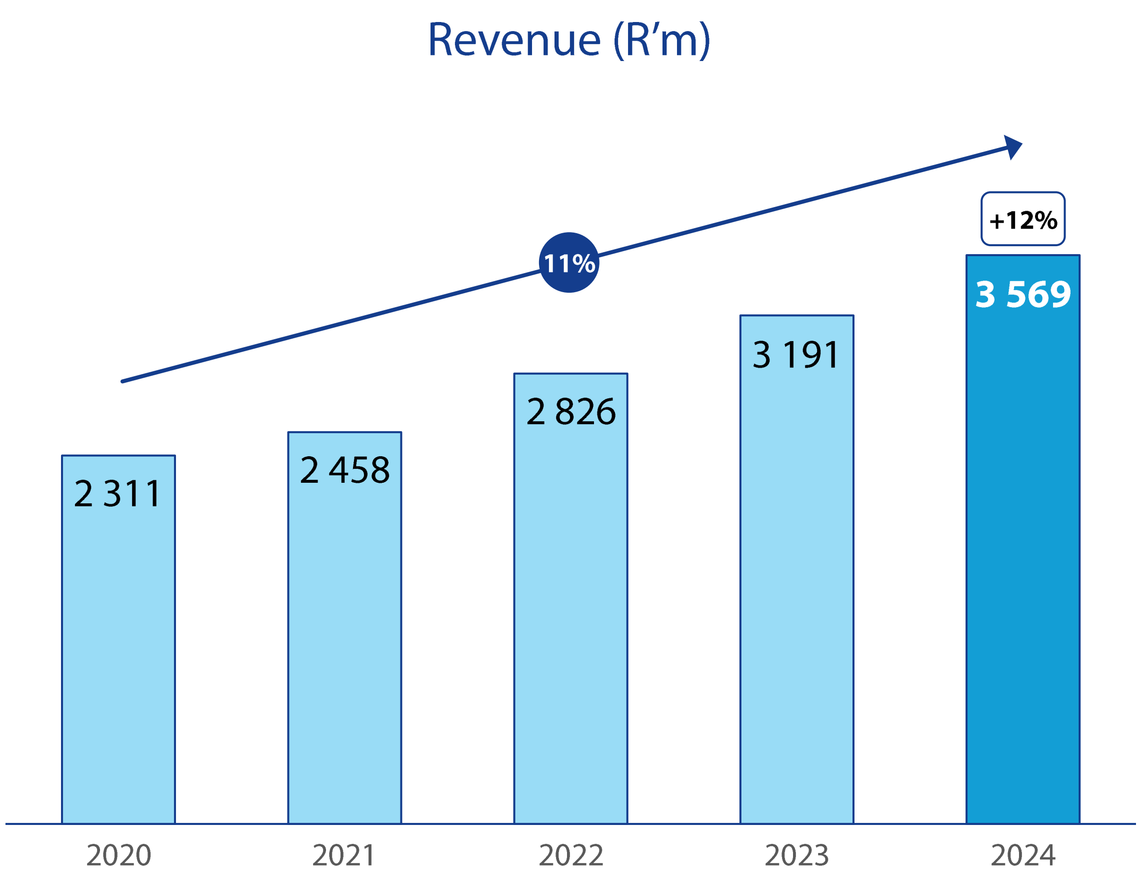
# Schools Division

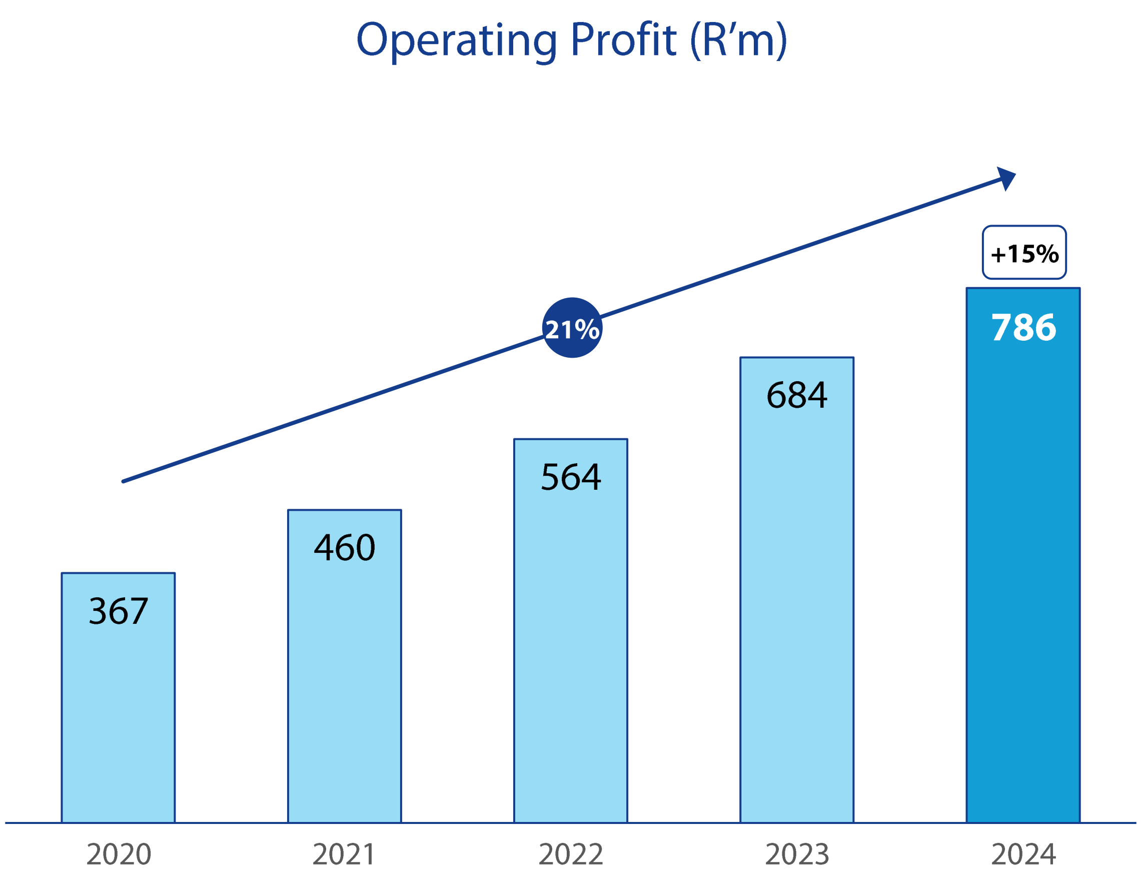
4 countries | 119 schools | 45 643 students

ADTECH GROUP

| Progressive/ Modern | Traditional/ Holistic | Mid-Fee | Specialised Academic Support and Assisted Learning | Early Childhood Development | Online/ Homeschooling |
|---|---|---|---|---|---|
| Crawford International | TRINITYHOUSE Pre-Primary • Preparatory • High | PINNACLE COLLEGES; Makini Schools Preschool \| Primary \| High; FIS FLIPPER INTERNATIONAL SCHOOL | THE BRIDGE SCHOOL; abbotts HIGH SCHOOL | Junior COLLEGES EARLY LEARNING | evolve |
| 27 Schools | 20 Schools | 53 Schools | 11 Schools | 5 Schools | 3 Schools |

# Schools Division

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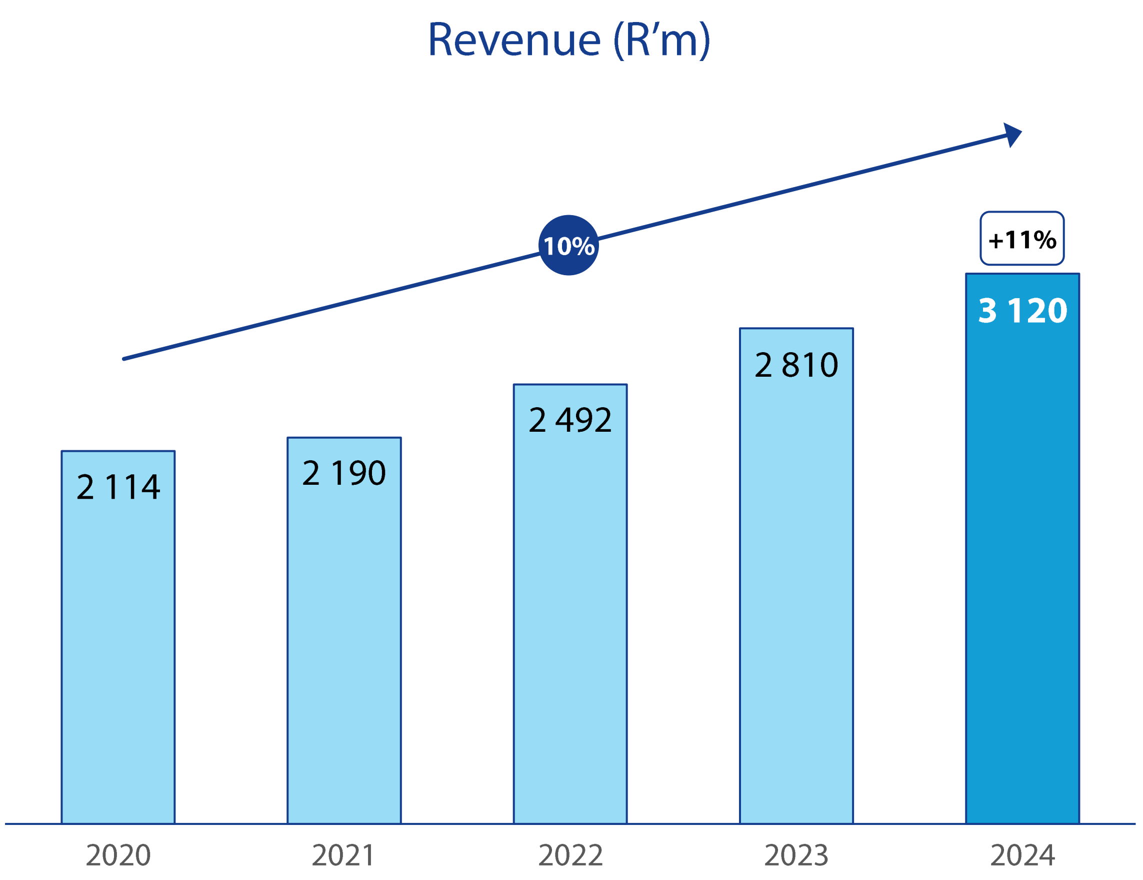
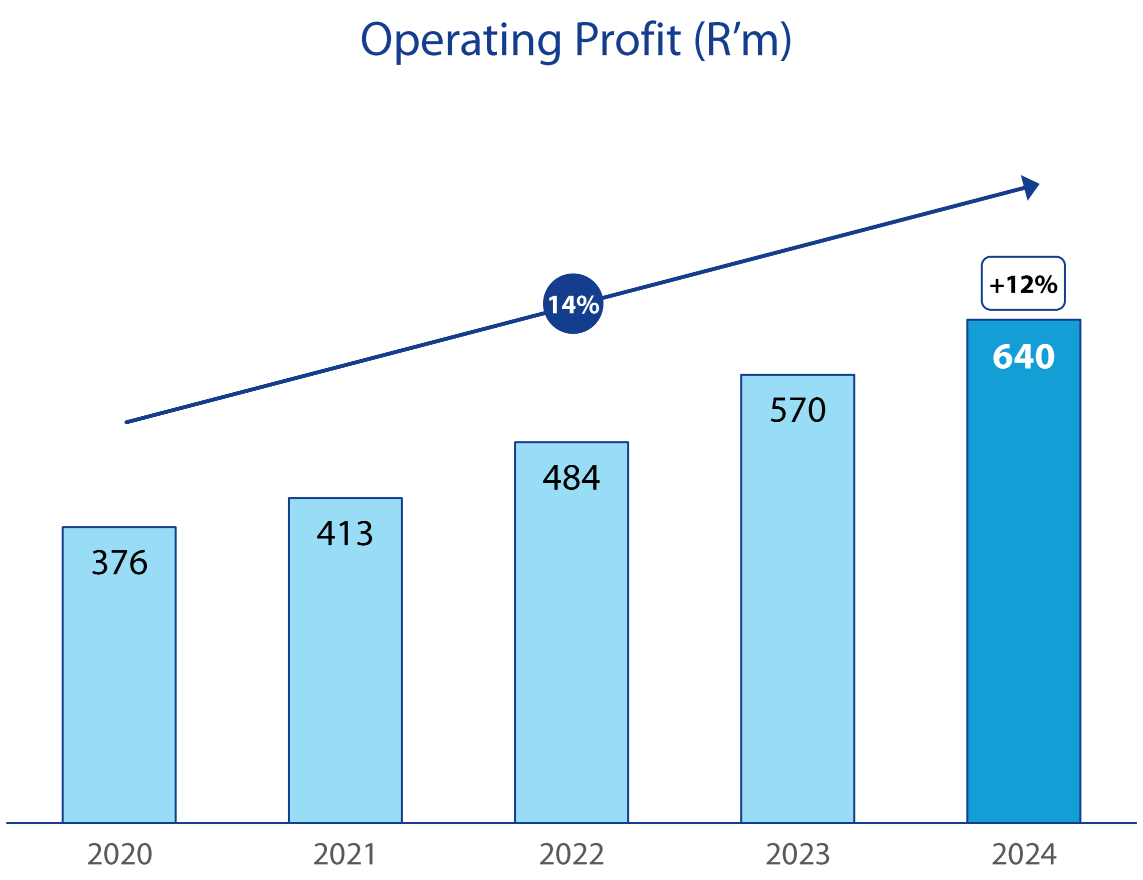
# Schools South Africa

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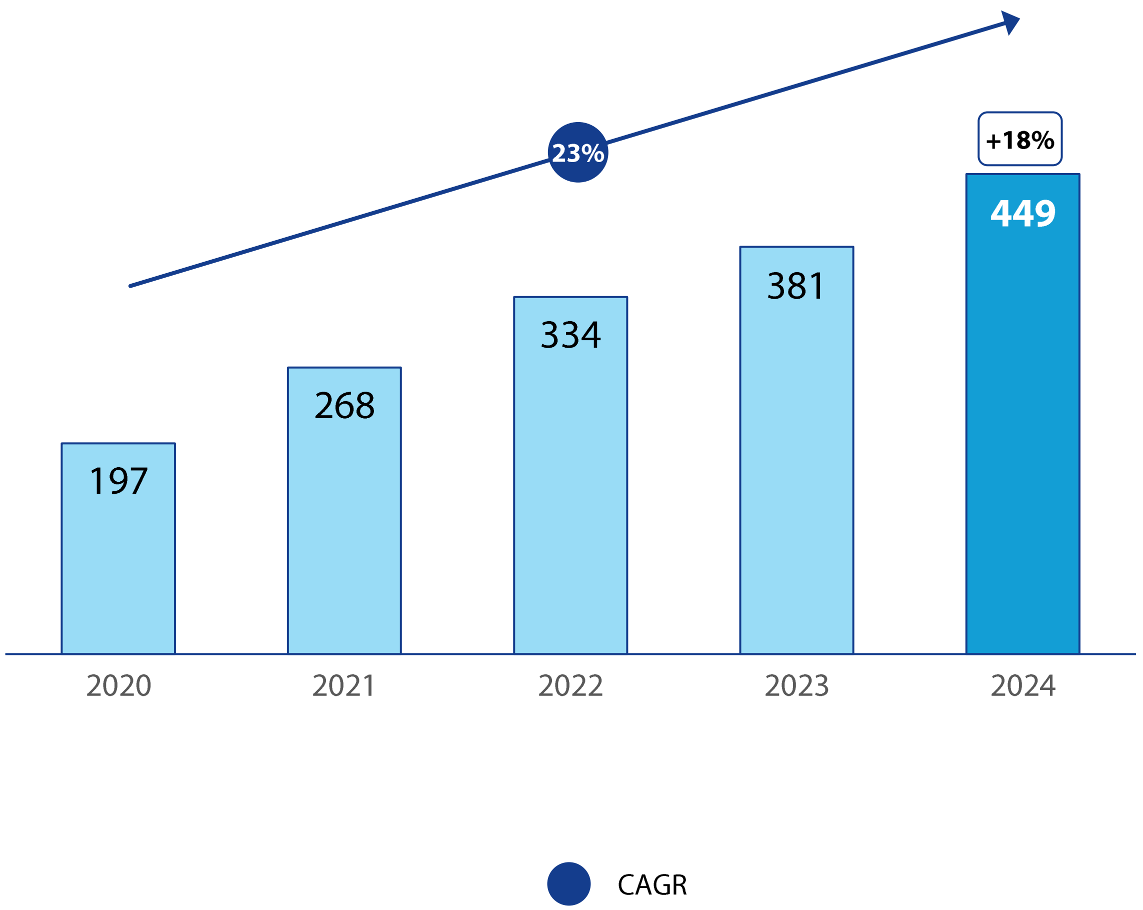
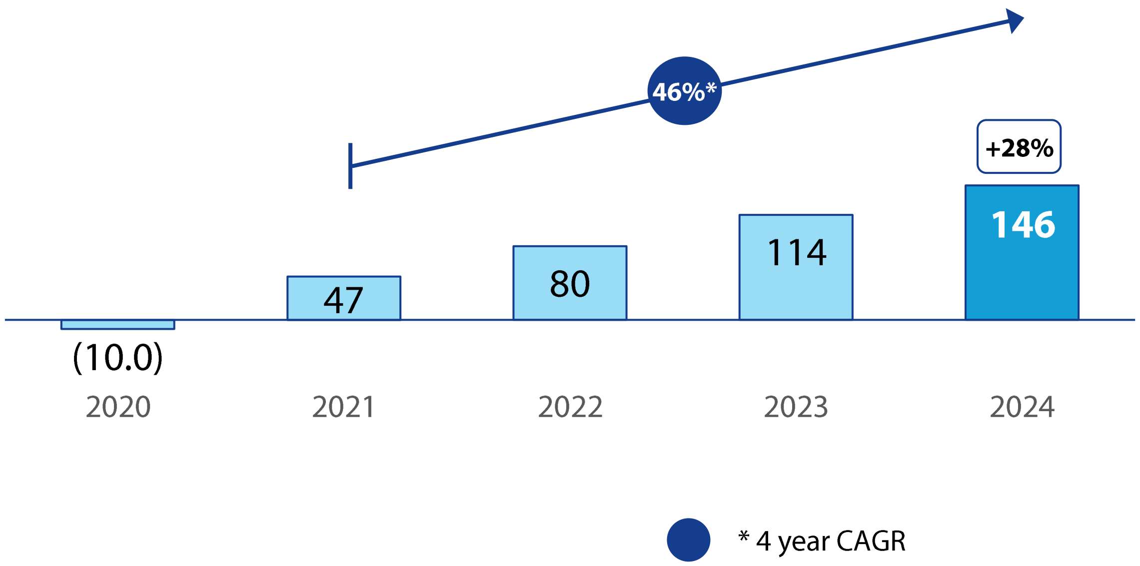
# Schools Rest of Africa

## Revenue (R'm)




## Operating Profit (R'm)



# 2024 SA Schools Academic Results

| Independent Examination Board (IEB) Results | SA Curriculum Students | IEB Acknowledgements |
| --- | --- | --- |
| Matric pass rate ADvTECH IEB students<br>99.4%<br>(2023: 99.7%) | 3 317 distinctions<br>(2023: 2 669) | 23 ADvTECH students were recognised for outstanding performance by the IEB |
| Bachelor degree pass rate ADvTECH IEB students<br>94.5%<br>(2023: 93.1%) | Average of 2.1 distinctions per student<br>(2023: 1.9) | 11 ADvTECH students were recognised for commendable achievement by the IEB |

Excluding niche schools

# Real Estate / Acquisitions

# Pinnacle College, Ridgeview High School

Opened in January 2025


| | |
|---|---|
| Total building capacity: | 980 |
| First Phase | 392 |
| Second Phase | 588 |

# Gaborone International School Expansion

Building work to expand capacity to 3 300 students has now been completed


# Acquisition: Flipper International School

- Adds Ethiopia to our international operation alongside Kenya, Botswana and Ghana
- Good fit with our existing mid-fee African model
- Acquisition price: R136m, internally funded
- 5 well-established schools in Addis Ababa
  - Founded in 1998
- Over 3,000 students, 450 staff
- Strong academic reputation
- Surging market demand for quality education

# School Building Capacity

Efficient use of existing buildings – with room to add additional capacity

| | Feb 2021 | Feb 2022 | Feb 2023 | Feb 2024 | Feb 2025 |
|---|---|---|---|---|---|
| Students enrolled ('000) | 33.9 | 36.8 | 39.2 | 41.0 | 45.6 |
| Existing building capacity ('000) | 41.5 | 44.5 | 46.7 | 49.3 | 54.7 |
| % Existing building capacity utilised | 82% | 83% | 84% | 83% | 83% |
| Ultimate capacity ('000) | 56.8 | 56.8 | 59.9 | 60.3 | 64.6 |
| % Of ultimate capacity utilised | 60% | 65% | 65% | 68% | 71% |

# Tertiary Division

# Tertiary Division – South Africa

34 campuses | 60 067 students

**9 Campuses**

- Higher certificates
- Diplomas
- Degrees
- Postgrad to masters

- Face-to-face
- Distance – online

**11 Campuses**

- Higher certificates
- Diplomas
- Degrees
- Postgrad degrees

- Face-to-face
- Distance – online

**4 Campuses**

- Higher certificates
- Diplomas
- Degrees
- Postgrad to doctoral

- Face-to-face
- Distance – online

**9 Campuses**

- Vocational
- Higher certificates
- Diplomas
- Degrees

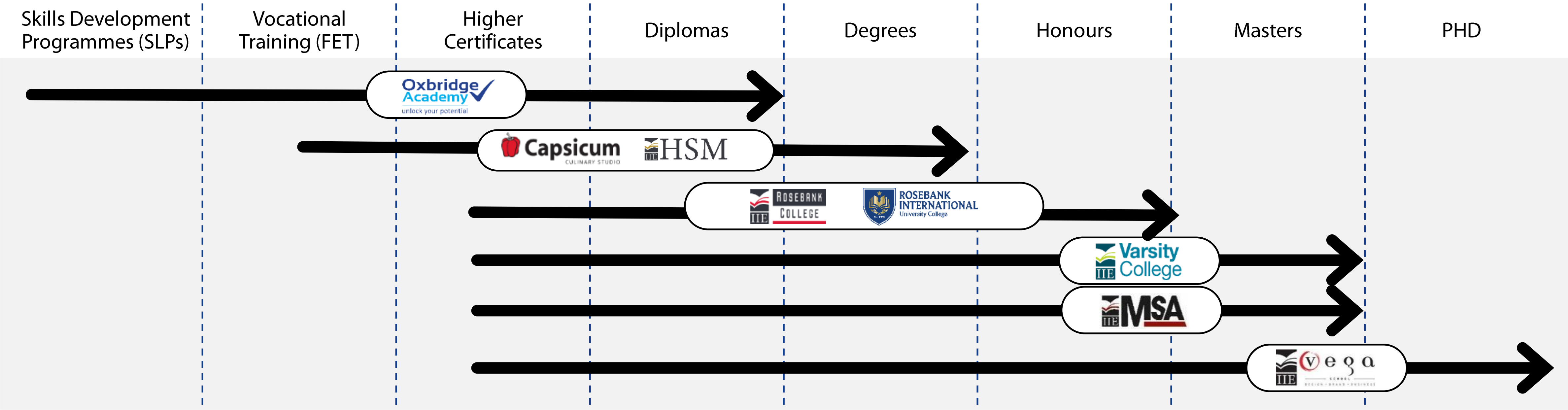
- Face-to-face
- Distance – online

**1 Campus**

- Vocational programmes
- Higher certificates
- Diplomas
- Short courses

- Distance – pack and post

# Comprehensive Range of Qualifications




## Multi-channel modes of delivery available, any time, any place

**Pack & Post**
- Oxbridge

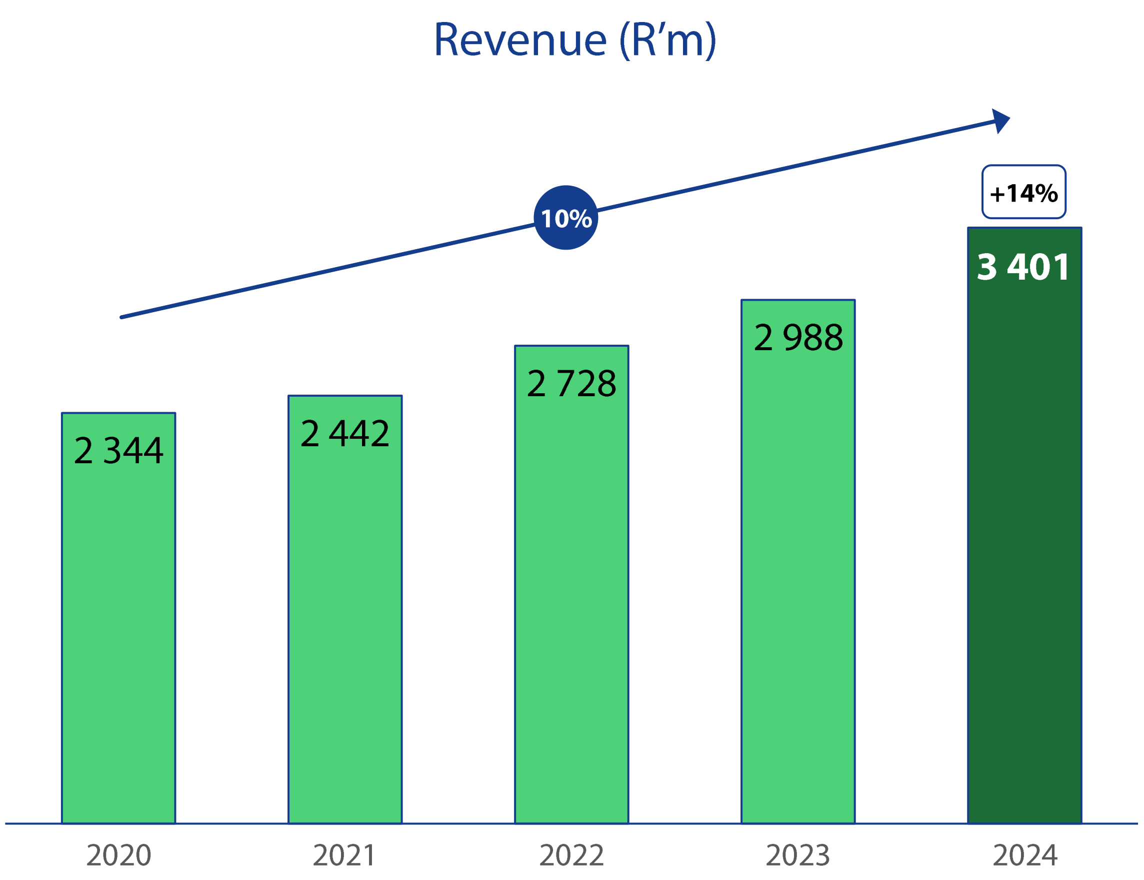
**Online**
- Oxbridge
- Rosebank College
- Varsity College
- Vega
- IIE HSM

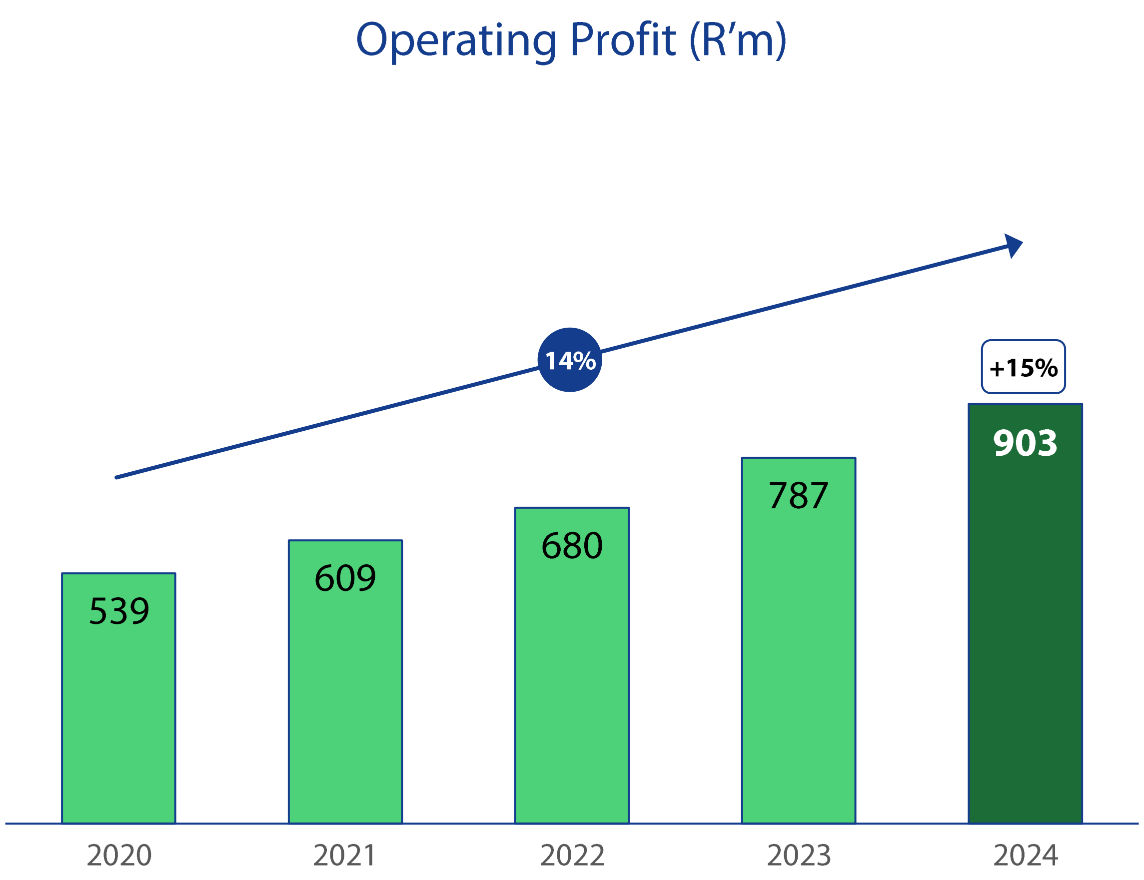
**Part-time**
- All brands

**Blended**
- Rosebank College
- Varsity College
- Vega

**Full-time**
- Capsicum
- Rosebank College
- Varsity College
- Vega
- IIE MSA
- IIE HSM

# Tertiary Division

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# Tertiary Academic Results

## South Africa

**12 829**

graduates

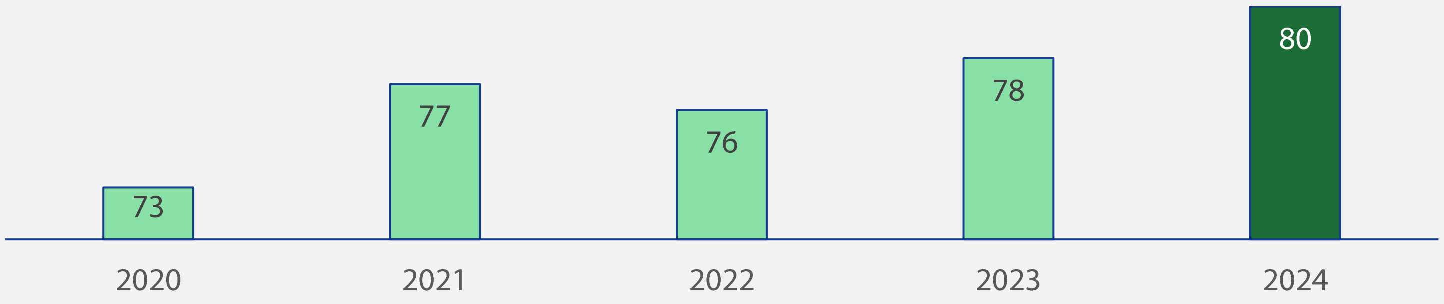
(2023: 11 739)

**80%**

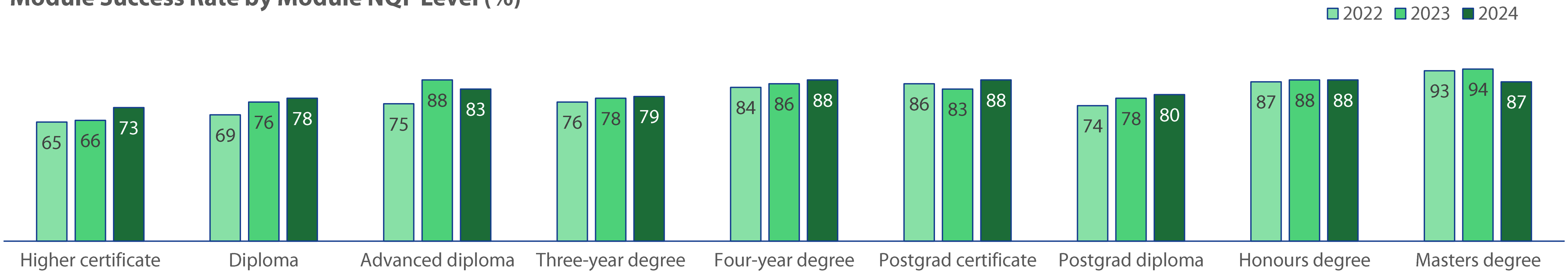
average module success rate

(2023: 78%)

### Average Module Success Rate by Year (%)




### Module Success Rate by Module NQF Level (%)



# Path To University Status

**2022 to 2024:**

- Increase in academic staff qualification levels:
  - Staff with Doctorates: +75% to 154
  - Staff with Masters: +53% to 758
- Fourfold increase in per-capita research output
- New postgraduate enrolments have increased by 23%

We have the only private education institution DHET accredited journal: - The IIE's Independent Journal of Teaching and Learning (first published in 2006)

7 faculties have been established, spanning Higher Certificates to PhDs

International university partnerships have been established across Africa and Europe

- Our minimum time degree completion and graduate employment rates are significantly better than public Universities

- Impactful and relevant community engagement initiatives have been established, including Community Law Clinics nationally

- We are continuously adding new qualifications:

| | Accredited in 2022 | Accredited in 2024 | In the Pipeline |
|---|---|---|---|
| PG Diplomas and Honours | 24 | 31 | 5 |
| Master's | 8 | 12 | 4 |
| Doctorates | 1 | 1 | 2 |

# Real Estate / Acquisitions

# Varsity College, Pretoria

## Campus upgrade completed

# Vega, Pretoria

## Relocated to the same campus as Varsity College, in new premises

# New University Campus, Grayston Drive, Sandton

ADvTECH GROUP

- The Varsity College Sandton and Vega Bordeaux campuses will relocate to the new site in 2026
- R419m investment over 2 years
- 47 000 m$^2$ land area
- Will double current capacity in building phase one to 9 000 students
- Ultimate built capacity of over 11 000

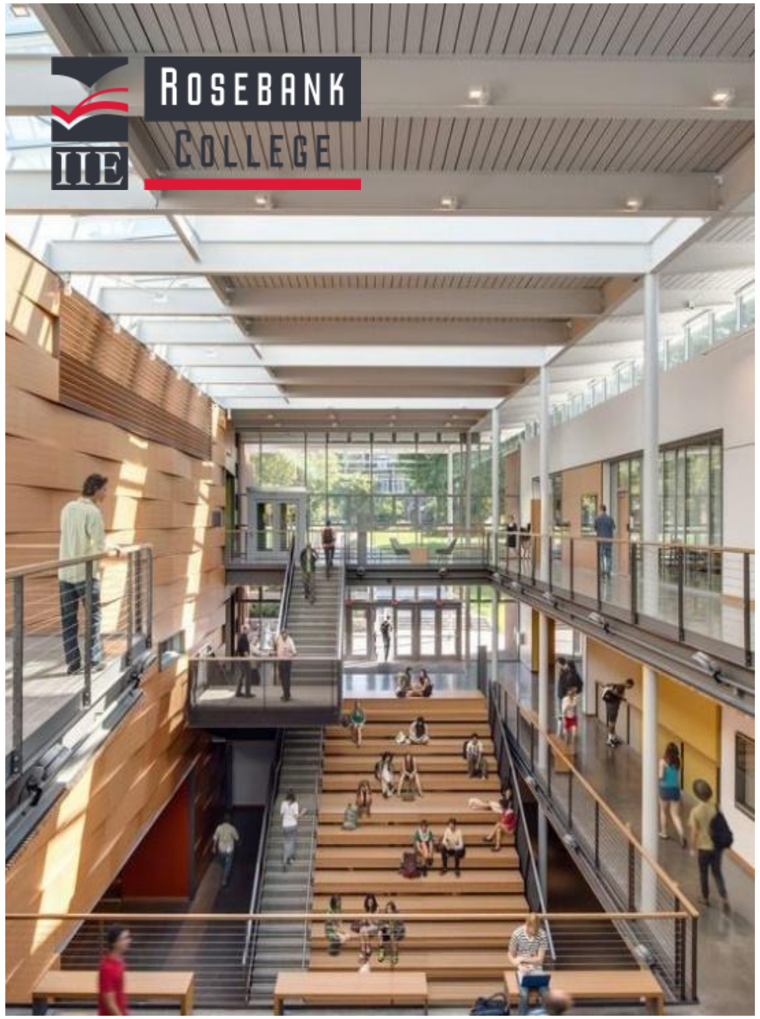
# Rosebank College, Braamfontein

## Mega Campus


- Adjacent building purchased to create a student precinct
- Capex approved to increase capacity and to create a social environment where students can collaborate, learn and experience campus life
- Upgrade commenced in the last quarter of 2024
- Student capacity will increase from 11 500 to 14 800

# Rosebank College, Braamfontein

## Mega Campus

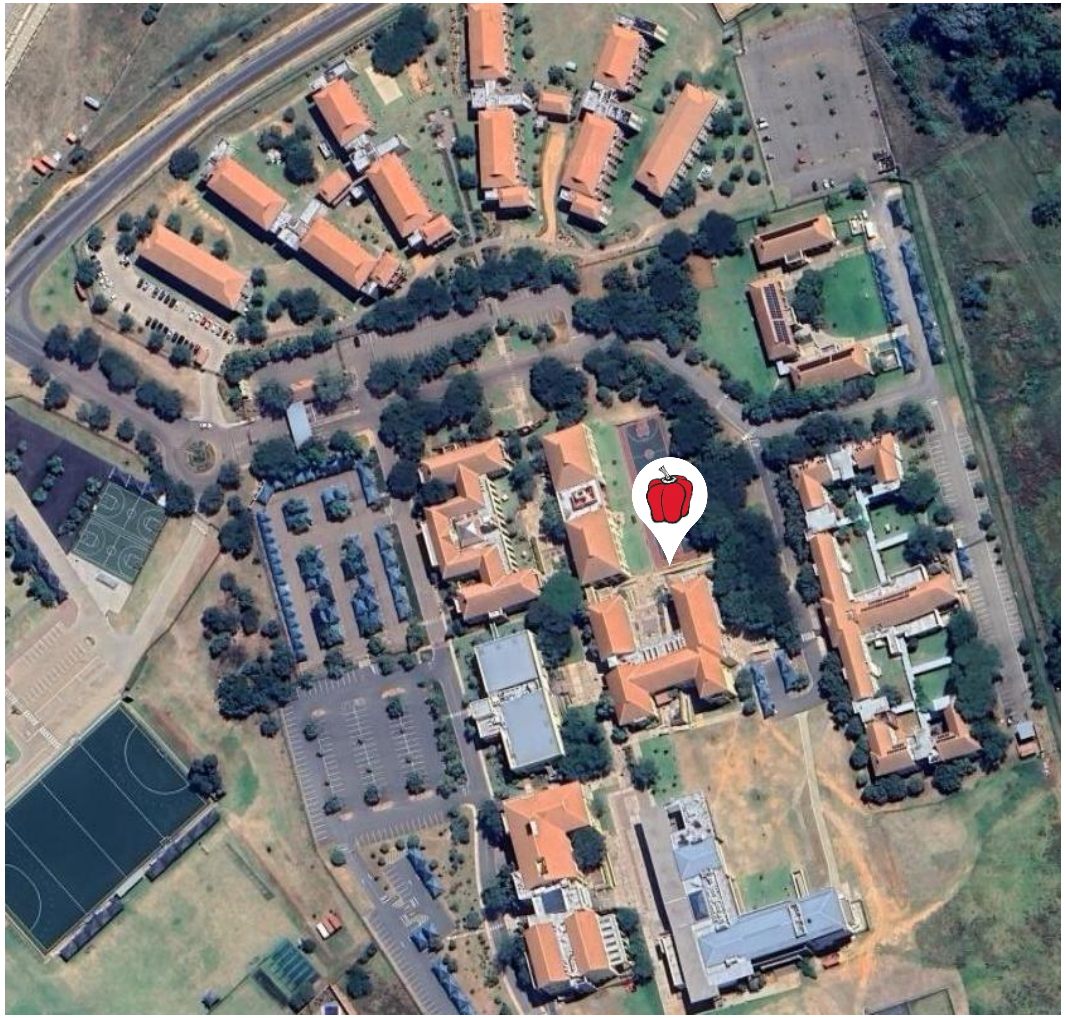



# Rosebank College, Polokwane

Two new buildings acquired, increasing capacity from 2 100 to 3 300 - already almost full after 2025 enrolment season


# Capsicum Culinary Studio

New Campus opened in 2025 at IIE MSA premises in Roodeport





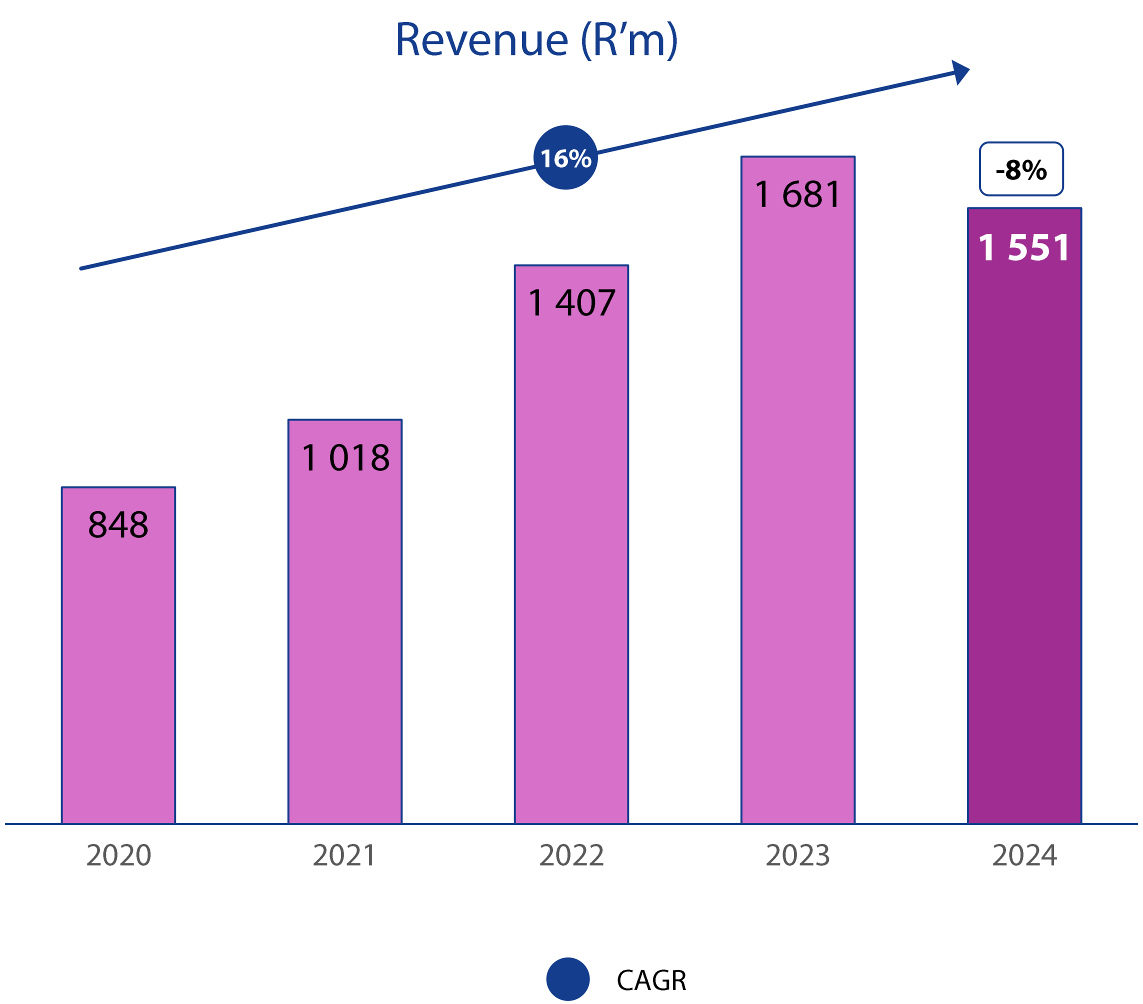
# Rosebank International University College, Ghana

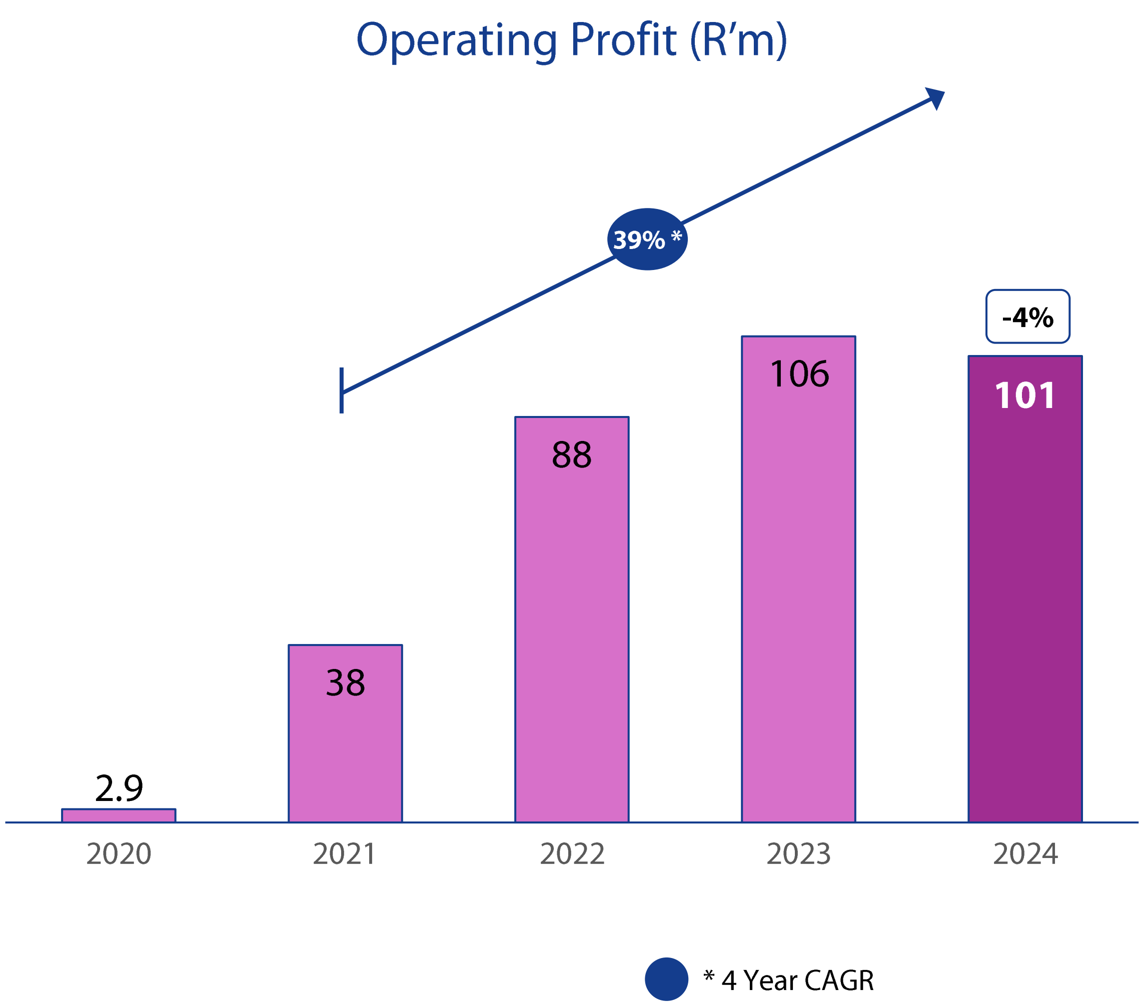
## Opens September 2025


- Adds Ghana to our Rest of Africa operation and extends the Rosebank brand outside of South Africa for the first time
- \$3 000 per annum fee point
  - Existing international universities @ \$8 000 - \$10 000
- Strong local demand for tertiary education
  - Significant shortfall in public places
- Strongly supported by the Ghanian government
  - We will open with university status
- Capacity in phase one: 1 500 students

# Resourcing Division

# Resourcing Division

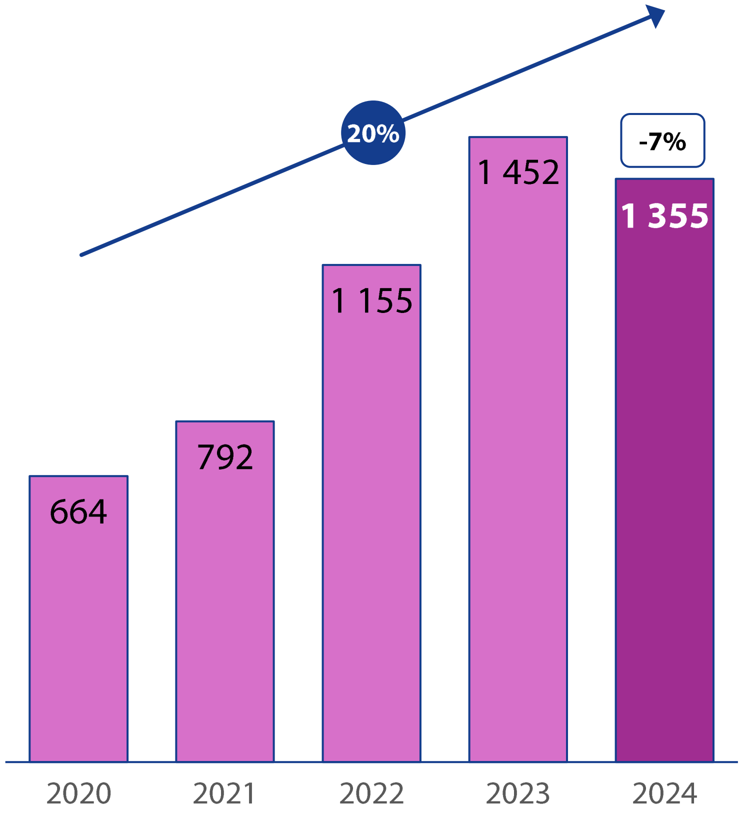


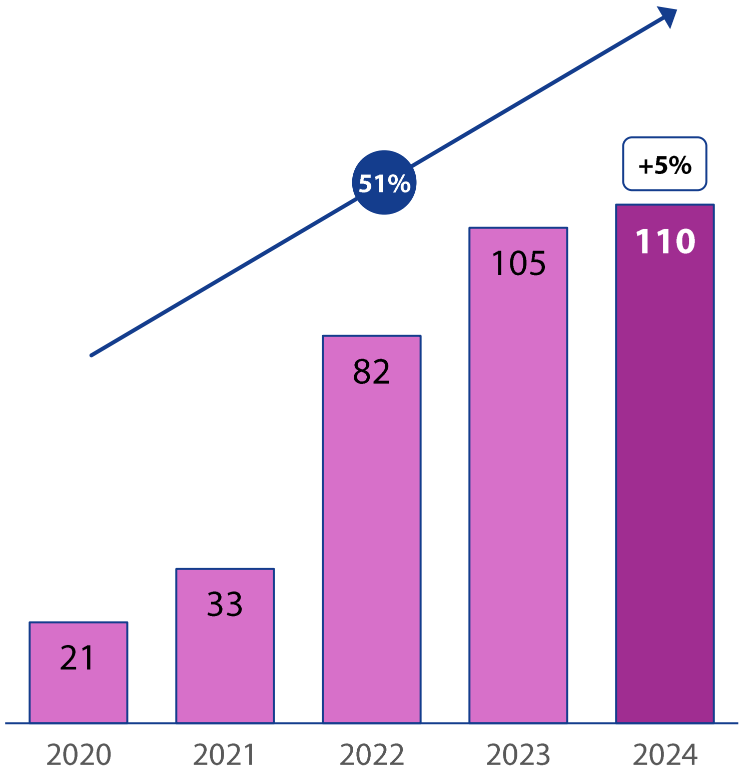
# Resourcing Rest of Africa

## Constrained top line growth but improved operating profit and margin

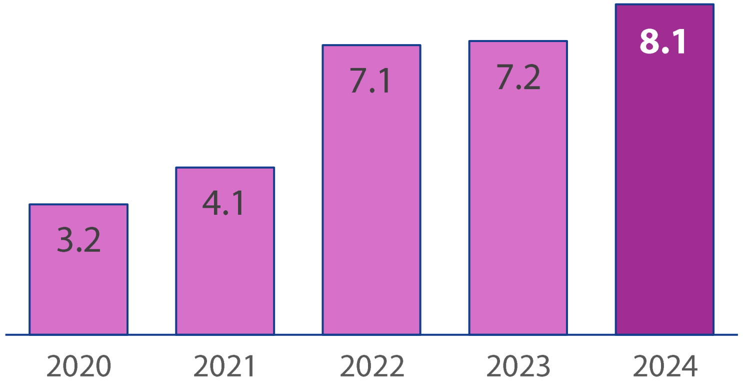
### Revenue (R'm)




### Operating Profit (R'm)




### Operating Margin (%)

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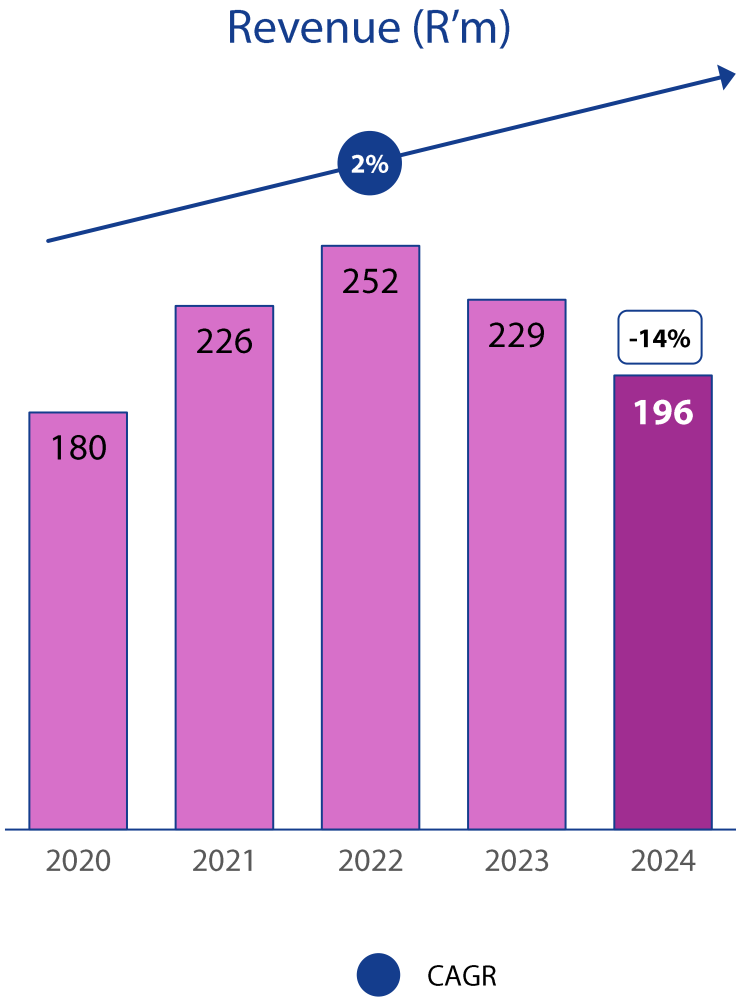
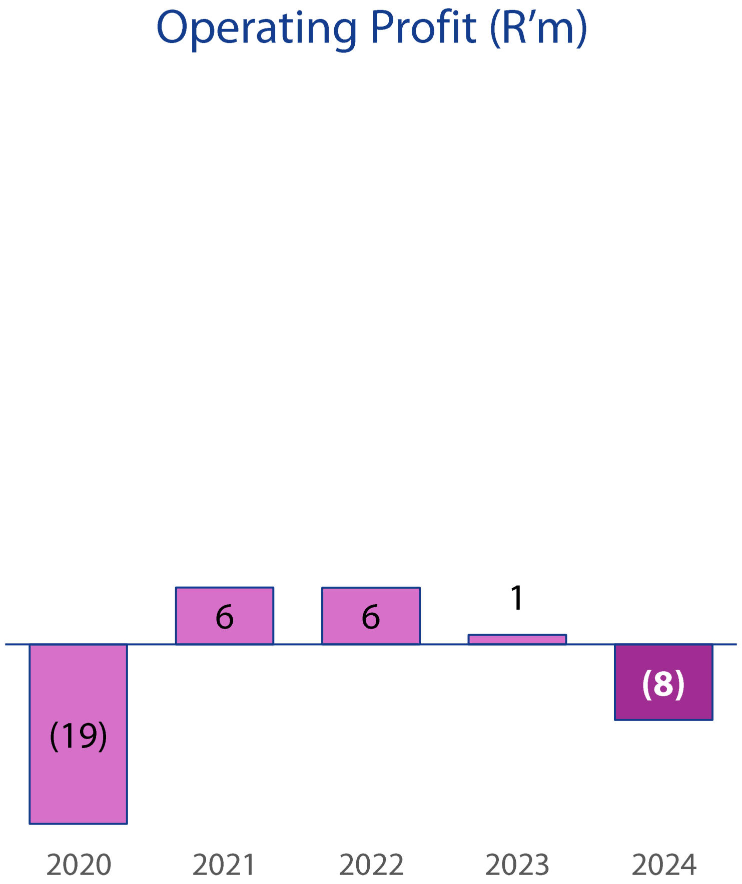
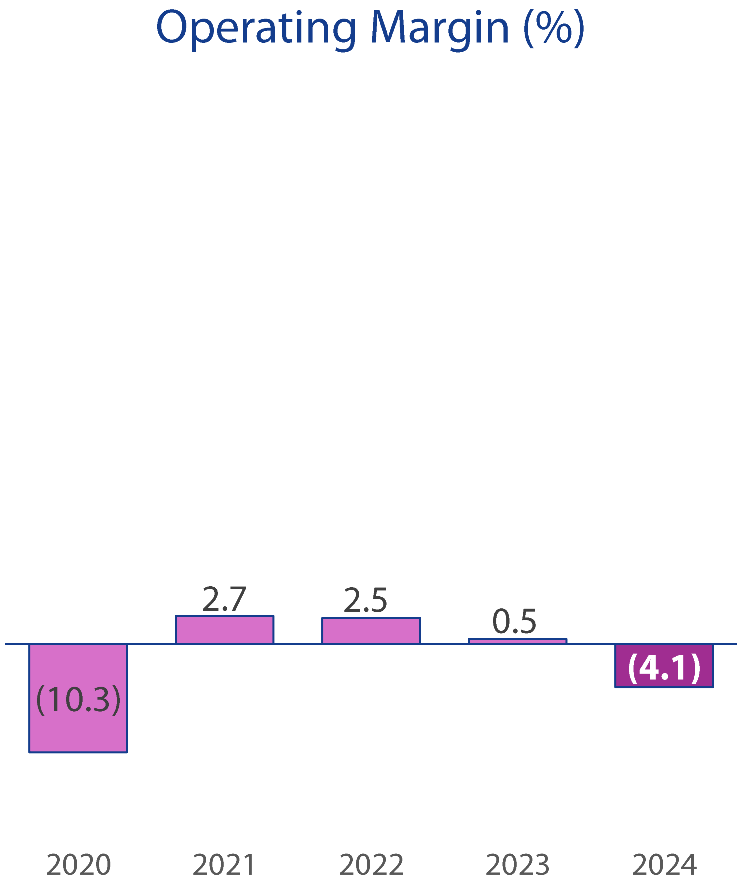
# Resourcing South Africa

## Impacted by a constrained market



# Group Analysis

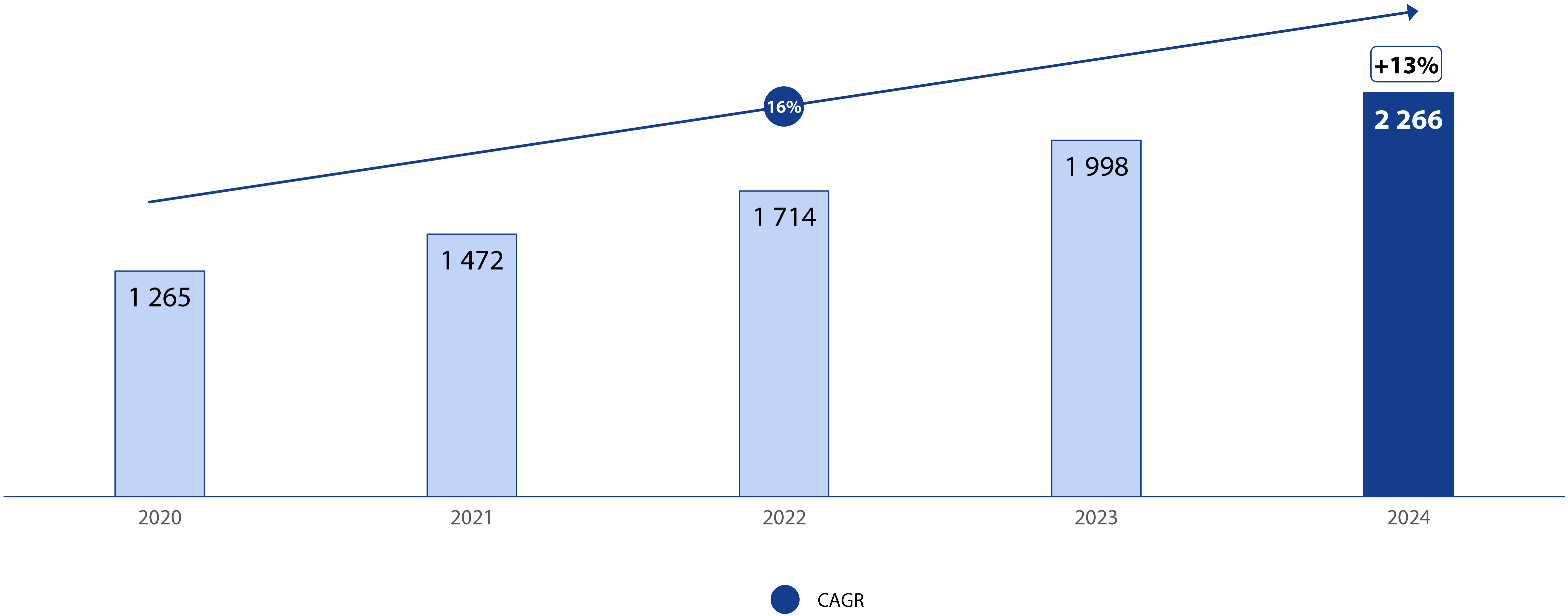
Group Commercial Director, Didier Oesch

# Debtors Breakdown

| R'm | 2024 | | | | 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Group Total | Schools | Tertiary | Resourcing | Group Total | Schools | Tertiary | Resourcing |
| Trade receivables | 808.8 | 131.4 | 635.9 | 41.5 | 813.0 | 106.3 | 669.9 | 36.8 |
| Loss allowance | (394.9) | (76.6) | (313.4) | (4.9) | (405.3) | (64.0) | (337.9) | (3.4) |
| | 413.9 | 54.8 | 322.5 | 36.6 | 407.7 | 42.3 | 332.0 | 33.4 |
| Coverage of debtors' balance | 49% | 58% | 49% | 12% | 50% | 60% | 50% | 9% |
| Credit losses | 195.3 | 41.0 | 152.7 | 1.6 | 169.8 | 27.0 | 141.9 | 0.9 |
| Credit losses as % of revenue | 2% | 1% | 4% | 0% | 2% | 1% | 5% | 0% |

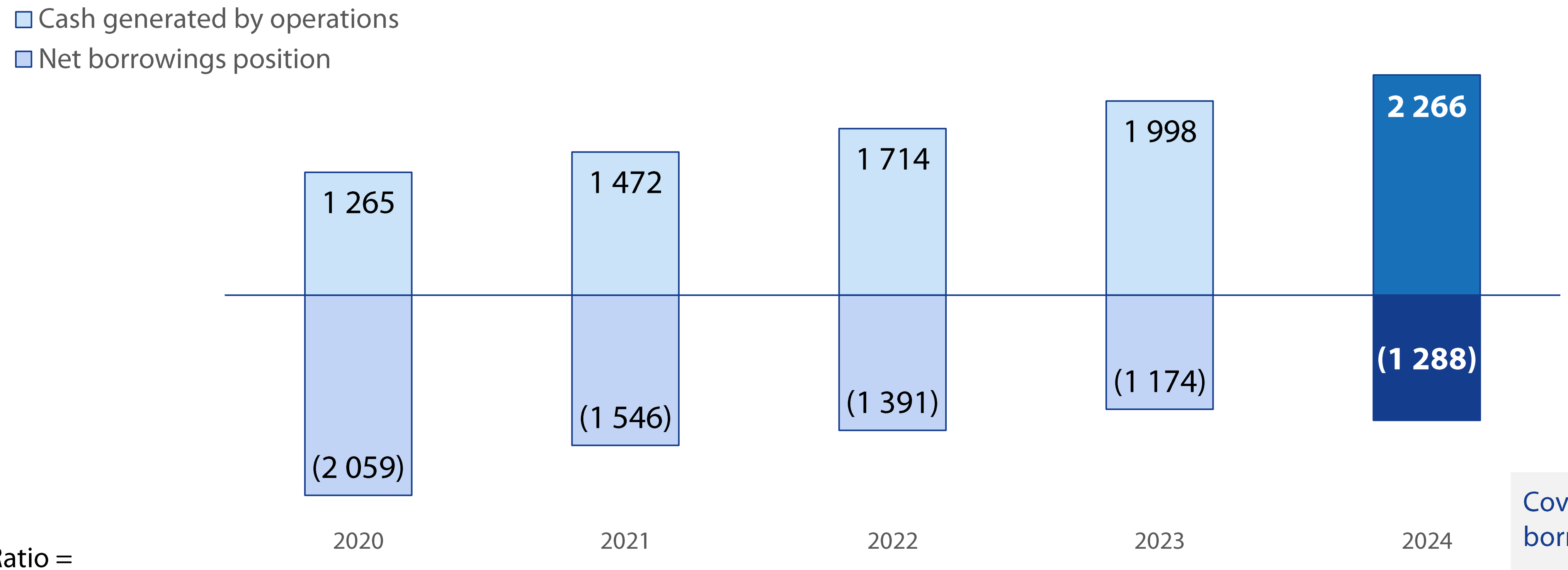
# Cash Flow Generation from Operations (R'm)

Demonstrates the inherent cash generating ability of our business



# Cash vs Net Borrowings

## Strong cash generation, sound balance sheet



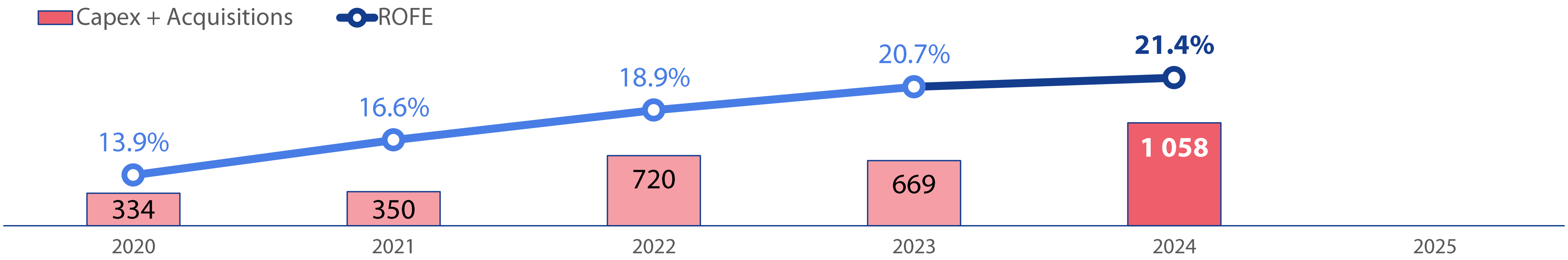

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Ratio = Net borrowing to cash generation | 1.6 | 1.1 | 0.8 | 0.6 | 0.6 |

Covenants - net borrowings: EBITDA

Banks: 3.25x

Internal: 2.75x

# Improving Returns on Funds Employed




**2020**

**Opened:**
Trinityhouse Glenvista
Pinnacle College Linden
Pinnacle College Waterfall

**2021**

**Opened:**
Evolve Online School

**Opened:**
Rosebank College Cape Town
Rosebank College Nelson Mandela Bay

**2023**

**Opened:**
Pinnacle College Raslouw

**2024**

**Acquired:**
Flipper International School

**Opened:**
The Bridge Morningside Assisted Learning School

**Opened:**
Rosebank College Mbombela

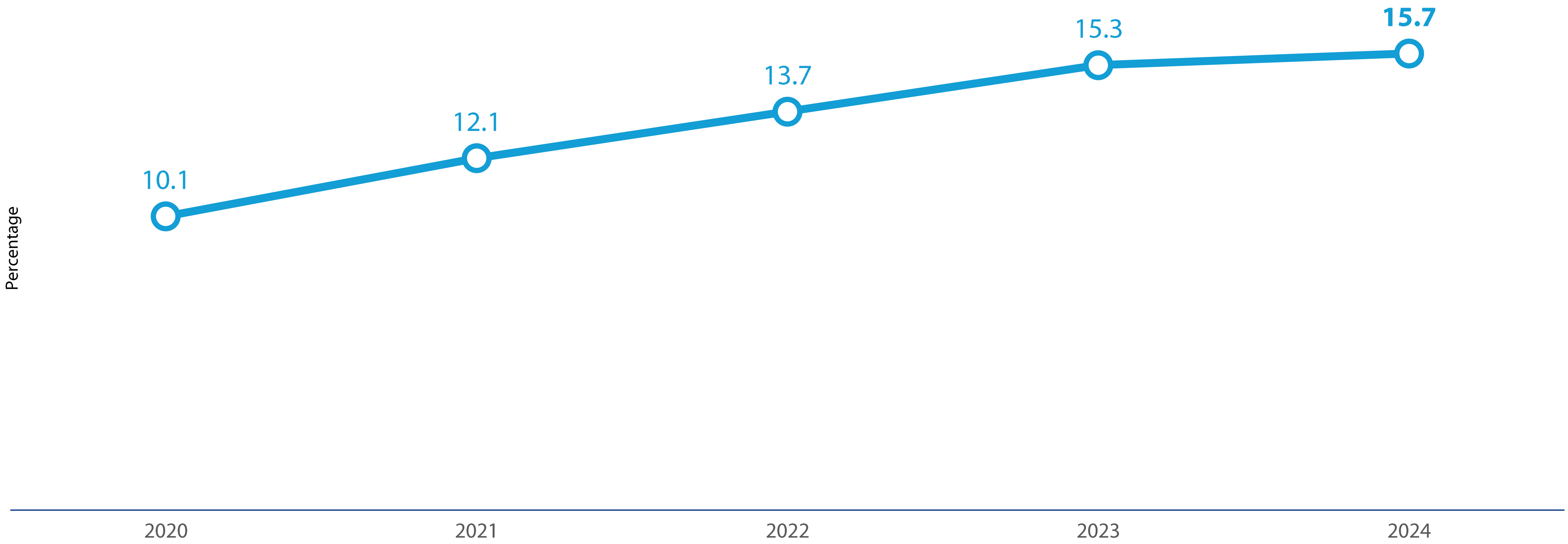
**2025**

**Opened:**
Pinnacle College Ridge View

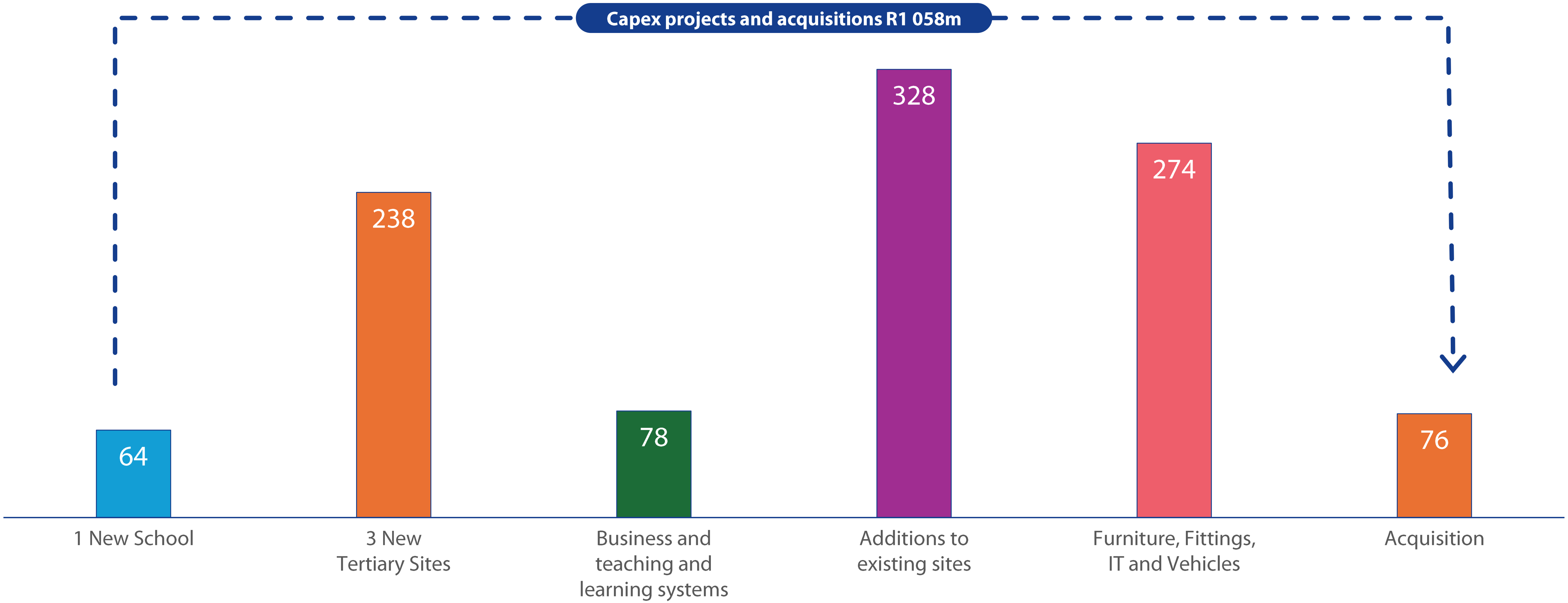
**Opened/Will open:**
Capsicum Culinary Studio, West Rand
Rosebank International Ghana

Schools    Tertiary

# Return on Invested Capital



# Capital Expenditure and Acquisitions



# Dividend

# Delivering Superior Shareholder Returns

## Strong cash generation and sound balance sheet

**+11%**

**63 cents**
Final gross dividend per share
(2023: 57 cents)

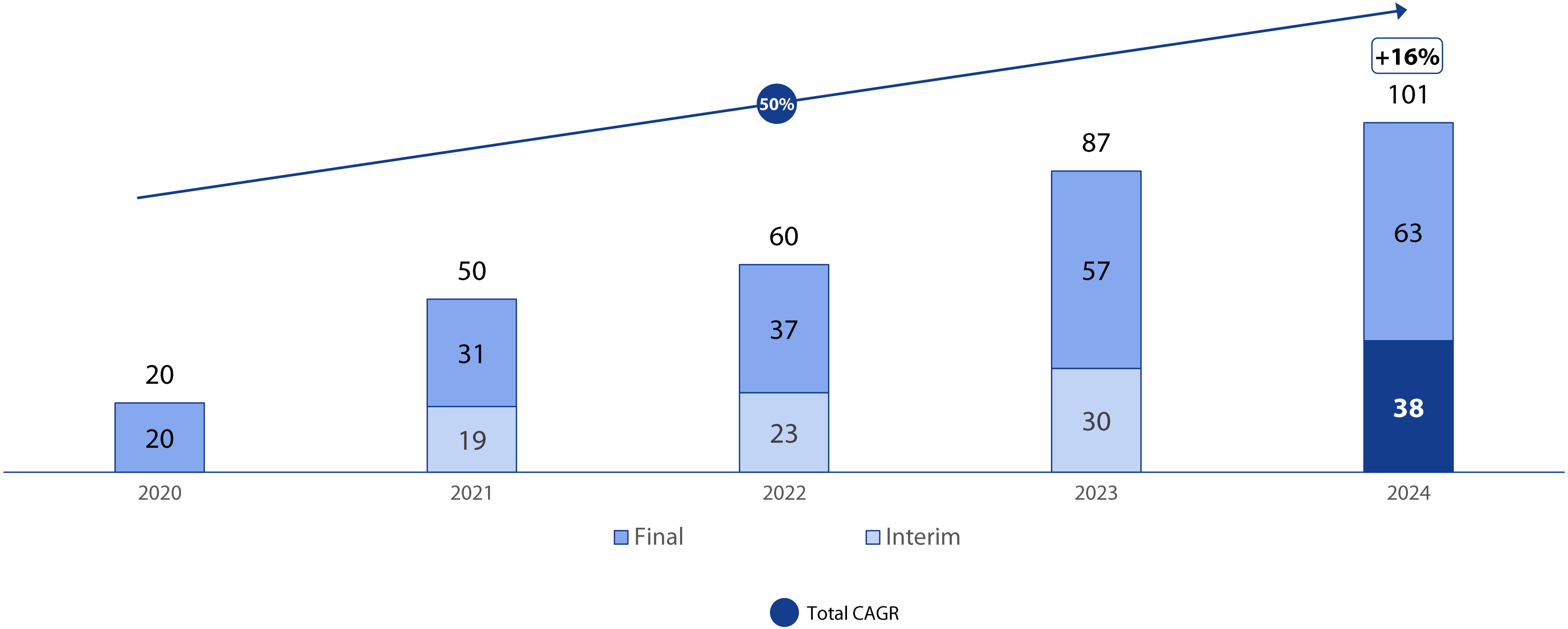
- Generating cash in excess of that required to fund investment programme
- Aligned to final dividend cover of 2.0 times

**+16%**

**101 cents**
Full year dividend per share
(2023: 87 cents)

# Dividends Per Share

## Cash generative business continues to drive dividend increases



# Future Focus

Group CEO, Geoff Whyte

*"We will lead in every market segment in which we choose to operate.*

*We will become the employer of choice in the education and resourcing sectors."*

ADVTECH GROUP

ADvTECH Forward Vision

# Strategic Imperatives

## Update from 2024 Investor Strategy Day

- Addition of new, high-demand tertiary qualifications
- Simplification of brand structures
- Optimisation of brand propositions and marketing
- Investment  to secure university status
- Expansion of African operations
- Aggressively grow distance tertiary
- Further extend academic advantage across all our brands

Solid progress is being made across all focus areas

# Prospects

- South African demographic and supply and demand tailwinds continue, especially in Tertiary
- Strong demand for quality education persists across all our chosen markets
- Leaders in teaching and learning across the African continent
- Growing scale and expertise in Africa
- Strong cash generation
- Sound balance sheet
- Unrelenting focus on extending competitive advantage in both the schools and tertiary divisions
- Able to invest with confidence in areas of opportunity
- Good position to maintain our growth trajectory

# Recognising An Illustrious 20 year ADvTECH Career

## Didier Oesch

- Joined ADvTECH as Group Financial Manager in 2005
- Promoted to Group Financial Director in the same year
- Promoted to Group Commercial Director / CFO in 2019

# Highlights of Didier's Tenure

ADvTECH GROUP

**Student Enrolments**

957%

2005: 10 000

2025: 105 710

**Group Revenue**

1 189%

2005: R661m

2024: R8.5bn

**ADvTECH Employees**

230%

2005: 2 560

2023: 8 438

**NEPS**

1 190%

2005: 15.7

2024: 202.5

**Share Price**

1 511%

2005: R2.10

2024: R33.84

**Share Price and Dividends**

1 794%

2005: R2.10

2024: R39.78

# Q & A