

### HEADLINE EARNINGS\*



From R201m to R248m

### REVENUE\*



From R2 099m to R2 496m

### HEPS\*



From 49.0 cents to 60.1 cents

### EBITDA\*



From R473m to R627m

\*From continuing operations

### SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	change	Audited 31 Dec 2018 R million	Audited 31 Dec 2017 R million
<b>Continuing operations</b>			
Revenue	19%	2 496	2 099
Operating expenses	15%	(1 869)	(1 626)
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	33%	627	473
– Schools EBITDA	30%	772	594
– Head office EBITDA	20%	(145)	(121)
Depreciation and amortisation	18%	(154)	(131)
<b>Earnings before interest and taxation (EBIT)</b>	38%	473	342
Interest income	34%	55	41
Profit on sale of property, plant and equipment		–	12
Share of (loss)/profit of associate		(1)	1
(Loss)/profit on disposal of investment in associate		(1)	–
Finance costs	62%	(193)	(119)
<b>Profit before taxation (PBT)</b>	20%	333	277
Taxation	21%	(91)	(75)
<b>Profit for the period (PAT) from continuing operations</b>	20%	242	202
<b>Discontinued operations</b>			
Loss from discontinued operations		–	(4)
<b>Profit for the period (PAT)</b>	22%	242	198
Other comprehensive income:			
Net fair value profit/(loss) on cash-flow hedges		6	(13)
Foreign currency translation		(1)	–
<b>Total comprehensive income</b>	34%	247	185
<b>Profit attributable to:</b>			
Owners of the parent	19%	248	209
Non-controlling interest		(6)	(11)
	22%	242	198
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	29%	253	196
Non-controlling interest		(6)	(11)
	34%	247	185
<b>Reconciliation of headline earnings:</b>			
Profit attributable to owners of the parent		248	209
Adjusted for:			
Profit on sale of property, plant and equipment		–	(12)
Loss on disposal of investment in associate		–	–
<b>Headline earnings</b>	26%	248	197
– From continuing operations	23%	248	201
– From discontinued operations		–	(4)
<b>EBITDA margin</b>	25%	25%	23%
<b>Schools EBITDA margin</b>	31%	31%	28%
<b>Earnings per share (cents)</b>			
– Basic	18%	60.0	51.0
– Diluted	18%	59.8	50.8
<b>Headline earnings per share (cents)</b>	25%	60.1	48.1
– From continuing operations	23%	60.1	49.0
– From discontinued operations		–	(0.9)
<b>Diluted headline earnings per share (cents)</b>	25%	60.0	48.0
– From continuing operations	23%	60.0	48.9
– From discontinued operations		–	(0.9)
<b>Number of shares in issue (millions)</b>			
– Basic		412.1	412.1
– Diluted		413.0	413.5
<b>Weighted average number of shares in issue (millions)</b>			
– Basic		412.1	408.9
– Diluted		413.0	410.4

### SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 31 Dec 2018 R million	Audited 31 Dec 2017 R million
<b>ASSETS</b>		
<b>Non-current assets</b>	8 718	7 274
Property, plant and equipment	7 937	6 658
Goodwill	520	397
Intangible assets	239	169
Investment in associate	–	12
Other financial assets	14	38
Deferred tax	8	–
<b>Current assets</b>	447	810
Inventories	5	3
Current tax receivable	1	3
Other financial assets	21	125
Trade receivables	89	66
Other receivables	146	42
Investment in money market	15	–
Cash and cash equivalents	170	571
<b>Total assets</b>	9 165	8 084
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of parent</b>	5 238	5 019
Share capital	4 733	4 733
Reserves	9	14
Retained income	496	272
Non-controlling interest	34	(23)
<b>Total equity</b>	5 272	4 996
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>	3 400	2 717
Loans and other financial liabilities	2 853	2 342
Deferred tax	533	375
Contract liability	14	–
<b>Current liabilities</b>	493	371
Loans and other financial liabilities	49	40
Trade and other payables	143	169
Contract liability	197	135
Development and acquisitions payables	26	27
Bank overdraft	78	–
<b>Total liabilities</b>	3 893	3 088
<b>Total equity and liabilities</b>	9 165	8 084
Net asset value per share (cents)	1 277	1 226

### SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited 31 Dec 2018 R million	Audited 31 Dec 2017 R million
<b>Balance at the beginning of the period</b>	4 996	4 964
Total comprehensive income	247	185
Issue of shares	–	177
Share issue costs	–	(1)
Stadio unbundling	–	(345)
Other	29	16
<b>Balance at the end of the period</b>	5 272	4 996

**SUMMARY CONSOLIDATED SEGMENTAL REPORT**

	change	Audited 31 Dec 2018	Audited 31 Dec 2017
<b>Learner numbers</b>	12%	<b>51 305</b>	45 870
– Curro	16%	<b>41 992</b>	36 205
– Meridian	(4%)	<b>9 313</b>	9 665
<b>Revenue (R million)</b>	19%	<b>2 496</b>	2 099
– Curro	22%	<b>2 222</b>	1 828
– Meridian	1%	<b>274</b>	271
<b>Schools EBITDA (R million)</b>	30%	<b>772</b>	594
– Curro	32%	<b>714</b>	540
– Meridian	7%	<b>58</b>	54
<b>Net head office expenditure (R million)</b>	20%	<b>(145)</b>	(121)
– Curro	21%	<b>(133)</b>	(110)
– Meridian	9%	<b>(12)</b>	(11)
<b>EBITDA margin</b>		<b>25%</b>	23%
– Curro		<b>26%</b>	24%
– Meridian		<b>17%</b>	16%
<b>Headline earnings (R million)</b>	26%	<b>248</b>	197
Schools	23%	<b>248</b>	201
– Curro	14%	<b>265</b>	232
– Meridian	N/a	<b>(17)</b>	(31)
Stadio		–	(4)
<b>Headline earnings per share (cents)</b>	25%	<b>60.1</b>	48.1
Schools	23%	<b>60.1</b>	49.0
– Curro	14%	<b>64.3</b>	56.6
– Meridian	N/a	<b>(4.2)</b>	(7.6)
Stadio		–	(0.9)
<b>Earnings per share (cents)</b>	18%	<b>60.0</b>	51.0
Schools	16%	<b>60.0</b>	51.9
– Curro	8%	<b>64.2</b>	59.5
– Meridian	N/a	<b>(4.2)</b>	(7.6)
Stadio		–	(0.9)
<b>Total assets (R million)</b>	13%	<b>9 165</b>	8 084
Schools	13%	<b>9 165</b>	8 084
– Curro	15%	<b>8 473</b>	7 381
– Meridian	(2%)	<b>692</b>	703
<b>Total liabilities (R million)</b>	26%	<b>3 893</b>	3 088
Schools	26%	<b>3 893</b>	3 088
– Curro	41%	<b>3 267</b>	2 315
– Meridian	(19%)	<b>626</b>	773
<b>Net asset value per share (cents)</b>		<b>1 277</b>	1 226

**SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS**

	change	Audited 31 Dec 2018 R million	Audited 31 Dec 2017 R million
Cash generated from operations	29%	<b>632</b>	489
Tax paid	125%	<b>(18)</b>	(8)
Net finance costs	79%	<b>(138)</b>	(77)
Working capital movements – operations	N/a	<b>(10)</b>	(27)
Working capital movements – investments	N/a	<b>(78)</b>	(64)
Net cash flow generated from operating activities	24%	<b>388</b>	313
Net cash flow utilised in investing activities	15%	<b>(1 373)</b>	(1 192)
Net cash flow from financing activities	N/a	<b>506</b>	891
Net cash flow from Stadio unbundling	N/a	–	(147)
<b>Net decrease in cash and cash equivalents</b>		<b>(479)</b>	(135)
<b>Cash and cash equivalents at the beginning of the period</b>		<b>571</b>	<b>706</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>92</b>	<b>571</b>

**KEY RATIOS**

	31 Dec 2016	31 Dec 2017	31 Dec 2018	31 Jan 2019
Number of campuses	48	51	58	<b>68</b>
Number of schools	114	127	138	<b>164</b>
Number of learners	42 343	45 870	51 305	<b>57 276</b>
Average number of learners per campus	882	899	885	<b>842</b>
Number of employees	4 723	5 369	5 628	<b>6 175</b>
Number of teachers	2 546	2 778	2 945	<b>3 301</b>
Learner/teacher ratio	17	17	17	<b>17</b>
Building size (m <sup>2</sup> )	540 799	598 194	656 081	
Land size (ha)	423	444	514	
Capital investment (R million)	1 700	1 192	1 373	
– Current campuses (R million)	571	652	590	
– New campuses (R million)	649	472	534	
– Acquisitions (R million)	266	12	369	
– Stadio (R million)	214	56	(120)	

**J-CURVE (UNAUDITED)**

The table below illustrates the J-curve effect from the newly established schools to more mature schools by age. All figures and amounts are as at 31 December.

	Number at 31 Dec 2018		Learner numbers				EBITDA** (R million)				EBITDA margin		Built capacity			Eventual capacity		
	Campuses	Schools	2017	2018	16/17	17/18	2017	2018	16/17	17/18	2017	2018	2016	2017	2018	2016	2017	2018
<b>Developed schools</b>	<b>41</b>	<b>98</b>	<b>28 315</b>	<b>31 798</b>	<b>15%</b>	<b>12%</b>	<b>342</b>	<b>464</b>	<b>33%</b>	<b>36%</b>	<b>27%</b>	<b>32%</b>	<b>60%</b>	<b>64%</b>	<b>63%</b>	<b>42%</b>	<b>45%</b>	<b>47%</b>
2009 and before*	<b>4</b>	<b>9</b>	3 443	<b>3 874</b>	(1%)	<b>13%</b>	55	<b>64</b>	25%	<b>16%</b>	26%	<b>30%</b>	82%	83%	<b>82%</b>	88%	87%	<b>71%</b>
2010	<b>2</b>	<b>6</b>	2 254	<b>2 205</b>	1%	(2%)	37	<b>39</b>	19%	<b>5%</b>	35%	<b>35%</b>	79%	79%	<b>75%</b>	69%	70%	<b>55%</b>
2011	<b>5</b>	<b>15</b>	4 552	<b>4 166</b>	0%	(8%)	53	<b>65</b>	2%	<b>23%</b>	28%	<b>31%</b>	63%	62%	<b>59%</b>	47%	47%	<b>50%</b>
2012	<b>2</b>	<b>6</b>	1 904	<b>1 977</b>	6%	<b>4%</b>	25	<b>34</b>	32%	<b>36%</b>	28%	<b>33%</b>	68%	72%	<b>75%</b>	53%	57%	<b>59%</b>
2013	<b>4</b>	<b>12</b>	6 149	<b>6 427</b>	7%	<b>5%</b>	104	<b>127</b>	12%	<b>22%</b>	39%	<b>42%</b>	66%	71%	<b>74%</b>	59%	63%	<b>64%</b>
2014	<b>4</b>	<b>8</b>	1 833	<b>2 148</b>	20%	<b>17%</b>	6	<b>17</b>	100%	<b>183%</b>	9%	<b>20%</b>	41%	47%	<b>55%</b>	22%	27%	<b>44%</b>
2015	<b>8</b>	<b>19</b>	5 748	<b>6 193</b>	21%	<b>8%</b>	38	<b>52</b>	124%	<b>37%</b>	21%	<b>24%</b>	55%	66%	<b>63%</b>	31%	37%	<b>47%</b>
2016	<b>4</b>	<b>8</b>	1 179	<b>1 682</b>	101%	<b>43%</b>	15	<b>37</b>	N/a	<b>147%</b>	22%	<b>37%</b>	17%	35%	<b>45%</b>	10%	20%	<b>32%</b>
2017	<b>3</b>	<b>8</b>	1 253	<b>2 485</b>	0%	<b>98%</b>	9	<b>38</b>	–	<b>322%</b>	18%	<b>37%</b>	–	41%	<b>72%</b>	–	23%	<b>40%</b>
2018	<b>5</b>	<b>7</b>	–	<b>641</b>	–	<b>0%</b>	–	<b>(9)</b>	–	<b>0%</b>	–	<b>(37%)</b>	–	–	<b>19%</b>	–	–	<b>10%</b>
<b>Acquired schools</b>	<b>17</b>	<b>40</b>	<b>17 555</b>	<b>19 507</b>	<b>(1%)</b>	<b>11%</b>	<b>268</b>	<b>324</b>	<b>15%</b>	<b>21%</b>	<b>30%</b>	<b>33%</b>	<b>86%</b>	<b>84%</b>	<b>76%</b>	<b>73%</b>	<b>73%</b>	<b>68%</b>
2012 and before	<b>7</b>	<b>17</b>	6 919	<b>6 985</b>	1%	<b>1%</b>	142	<b>153</b>	9%	<b>8%</b>	37%	<b>41%</b>	77%	77%	<b>73%</b>	72%	72%	<b>61%</b>
2013***	<b>2</b>	<b>2</b>	4 233	<b>3 837</b>	(10%)	(9%)	35	<b>30</b>	(17%)	(14%)	25%	<b>23%</b>	95%	85%	<b>64%</b>	78%	70%	<b>78%</b>
2014	<b>2</b>	<b>6</b>	2 618	<b>2 744</b>	7%	<b>5%</b>	56	<b>70</b>	30%	<b>25%</b>	33%	<b>36%</b>	99%	91%	<b>96%</b>	85%	92%	<b>80%</b>
2015 and 2016	<b>4</b>	<b>11</b>	3 785	<b>4 142</b>	5%	<b>9%</b>	35	<b>47</b>	94%	<b>34%</b>	20%	<b>24%</b>	88%	92%	<b>100%</b>	69%	72%	<b>74%</b>
2018	<b>2</b>	<b>4</b>	–	<b>1 799</b>	–	<b>0%</b>	–	<b>24</b>	–	<b>0%</b>	–	<b>37%</b>	–	–	<b>79%</b>	–	–	<b>86%</b>
Property rental and royalties							(16)	(16)										
<b>Total</b>	<b>58</b>	<b>138</b>	<b>45 870</b>	<b>51 305</b>	<b>8%</b>	<b>12%</b>	<b>594</b>	<b>772</b>	<b>22%</b>	<b>30%</b>	<b>28%</b>	<b>31%</b>	<b>69%</b>	<b>70%</b>	<b>69%</b>	<b>52%</b>	<b>53%</b>	<b>53%</b>

**Note:**

Acquired schools indicates the year the school was incorporated into Curro. All acquired schools have been established for at least seven years.

\* 2009 and before schools have a maximum of 20 learners per class, which has a direct impact on the EBITDA. Other schools have a maximum of 25 learners for Curro and Select or 35 for Meridian and Academy schools.

\*\* Schools EBITDA

\*\*\* Learner number losses at Northern Academy.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. STATEMENT OF COMPLIANCE

The 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 require 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 the 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, B van der Linde, CA(SA) CFA.

### 2. AUDIT OPINION

These summary consolidated financial statements for the year ended 31 December 2018 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.

Copies of the auditor's reports on the summary consolidated financial statements, appears at the end of this report. A copy of the auditor's report on the annual consolidated financial statements are available for inspection at the company's registered office, together with the financial statements identified in the respective auditor's reports.

The auditor does not necessarily report on all the information contained in this announcement/financial results. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report, together with the accompanying financial information from the issuer's registered office.

### 3. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated financial statements are consistent with those of the annual financial statements for the year ended 31 December 2017, except for the mandatory adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers which became effective 1 January 2018. For a comprehensive list of standards and interpretations that have been adopted, we refer you to our 31 December 2018 annual financial statements.

### 4. BUSINESS COMBINATIONS

Effective 1 March 2018, Curro acquired Dot's Learning Centre and on 1 April 2018, Curro acquired Cooper College including Magic Beings. Effective 1 July 2018, Curro acquired Baobab School (Gaborone, Botswana) and on 1 December 2018, Curro acquired Northriding College.

R million

#### The following assets and liabilities were recognised:

Property, plant and equipment	313
Intangible assets	43
Trade and other receivables	6
Cash and cash equivalents	11
Deferred tax liabilities	(90)
Trade and other payables	(14)
Non-controlling interest	(8)
Total identifiable net assets	261
Goodwill	123
	384
<b>Total purchase consideration</b>	
Cash consideration paid	(380)
Deferred purchase consideration	(4)
	(384)
<b>Net cash outflow on acquisition</b>	
Cash consideration paid	(380)
Cash acquired	11
	(369)

### 5. CASH-FLOW HEDGES

R million	Dec 2018	Dec 2017
Fixed-for-variable interest rate swap liabilities	9	17

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.

### 6. EVENTS AFTER THE REPORTING PERIOD

Effective 1 January 2019, Curro acquired Creston College in KwaZulu-Natal and Sagewood School in Gauteng.

## REVIEW OF RESULTS

The Board is pleased with the financial results as well as the progress made in widening access to quality school education in South Africa and beyond.

Due to both organic and acquisitive growth, more than 57 000 learners across 68 campuses are attending a Curro school in 2019, its 21st year of existence.

In addition, Curro extended its brand offering with the opening of Curro Foreshore (Cape Town), with a new tech-focused schooling model. This provides a progressive curriculum focused on Mathematics, Science, Robotics and Coding – essential subjects for learners to operate in the Fourth Industrial Revolution era.

Curro also opened the doors to Curro Private College Rivonia (Gauteng). This educational facility is the first in our stable to offer the National Certificate Vocational (NCV) as an alternative to the National Senior Certificate. Its focus in 2019 is on a NCV programme for Information Technology and Computer Sciences.

### Learner numbers

	Dec 2017	Dec 2018	% increase	Jan 2019	% increase
Existing schools	45 870	51 305		54 291	6%
New schools				1 674	
Organic growth Acquisitions	45 870	51 305		55 965	9%
				1 311	
Total	45 870	51 305	12%	57 276	12%

### Financial results

For the period ended 31 December 2018, learner numbers increased by 12% from 45 870 to 51 305, increasing revenue by 19% from R2 099 million in 2017 to R2 496 million.

Schools EBITDA increased by 30% from R594 million in 2017 to R772 million for the period under review, with group EBITDA increasing by 33% from R473 million to R627 million. The major improvement in the EBITDA margin from 23% to 25% is due to increased efficiencies, capacity utilisation and a lower bad debt expense.

The net bad debt expense as a percentage of revenue decreased from 1.5% in 2017 to 0.8% under the adoption of IFRS 9 as a result of the significant recoveries on outstanding debtors post year-end. Had IFRS 9 been applied in 2017, the bad debt expense as a percentage of revenue would have been 0.7%.

Finance costs increased by 62% from R119 million to R193 million as a result of long-term interest-bearing debt increasing from R2 342 million to R2 853 million to fund expansion and growth.

Headline earnings from continuing operations increased by 23% from R201 million to R248 million during the reporting period. Headline earnings per share from continuing operations increased by 23% from 49.0 cents to 60.1 cents.

Headline earnings increased by 26% from R197 million to R248 million and Headline earnings per share increased by 25% from 48.1 to 60.1 cents, respectively.

### Matric results

2018 marked an exceptional year for Curro Holdings' IEB schools, with an overall pass rate of 99.7% for its grade 12 learners. The results revealed an increase in the number of students with university exemption, growing from 85% to 88%; the number of A candidates improving from 9.8% to 11.5%; and candidates with an average C or above rising from 70.3% to 73.2%.

The pass rate for all Curro Holdings' NSC schools in 2018 was 94.3%. Complimenting this was an increase in the number of learners with university exemption, from 42% to 52.1%, while the number of A candidates doubled from 1.1% to 2.2%.

### Investments

During 2018, R1.7 billion was invested in the business. The capital was deployed as follows:

Construction of six new campuses to the value of R416 million. These campuses include Curro Vanderbijlpark and Edenvale (both in Gauteng), Curro Academies at Parkdene (Boksburg), Protea Glen (Soweto) and Savanna City (Johannesburg), as well as a Curro Castle at Burgundy Estate (Cape Town). A further, R118 million was invested in land banking.

R590 million invested in the expansion of existing campuses, significantly so at Curro Roodeplaat, Curro Academy Wilgeheuwel, Windhoek Gymnasium (Namibia), Curro Midrand (previously Building Blocks) and Curro Heritage House (previously Curro Embury).

Meridian was capitalised with R390 million, Curro's portion as a 65% shareholder amounted to R253 million. This investment was used to reduce senior and mezzanine debt.

### Dividend

The board has agreed to pay a maiden dividend of 12c per share from income reserves for the year ended 31 December 2018. This constitutes 20% of the 2018 Headline earnings per share.

The dividend amount, net of South African dividends tax of 20%, is 9.6 cents per share. The number of ordinary shares in issue at the declaration date is 412 087 989, and the income tax number of the Company is 915/907/00/29.

The salient dates for this dividend distribution are:

Last day to trade *cum* dividend Tuesday, 5 March 2019

Trading ex-dividend commences Wednesday, 6 March 2019

Record date Friday, 8 March 2019

Payment date Monday, 11 March 2019

Share certificates may not be dematerialised or rematerialised between Wednesday, 6 March 2019 and Friday, 8 March 2019, both days inclusive.

### Prospects

The board remains optimistic about the future growth prospects of Curro.

On behalf of the board



SL Botha  
Chairperson

13 February 2019



AJF Greyling  
Chief Executive Officer

## STATUTORY AND ADMINISTRATION

**Directors:** SL Botha\*\* (Chairperson), ZL Combi\*\*, AJF Greyling (CEO), HG Louw (CIO), ZN Mankai\*\*, PJ Mouton\*, SWF Muthwa\*\*, B Petersen\*\*, D Ramaphosa\*\*, B van der Linde (CFO), CR van der Merwe\*

\* Non-executive

\*\* Independent non-executive

**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 sponsor:** PSG Capital

**Company Secretary:** IWM Isdale



## 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, contained in the accompanying provisional report, which comprise the summary consolidated statement of financial position as at 31 December 2018, 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 2018.

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 requirements of the JSE Limited Listings Requirements for provisional reports, 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 Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 13 February 2019. 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.

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Chief Executive Officer: T D Shango  
Management Committee: S N Madikane, J S Masondo, P J Mothibe, C Richardson, F Tonelli, C Volschenk  
The Firm's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of the partners' names is available for inspection.  
VAT reg.no. 4070182128



### 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 requirements of the JSE Limited Listings Requirements for provisional reports, 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.  
Director: D de Jager  
Registered Auditor  
Stellenbosch

13 February 2019