

## Notice of annual general meeting

## LETTER TO SHAREHOLDERS

1 July 2024

## **Adcorp Holdings Limited**

Registration number: 1974/001804/06

Share code: ADR ISIN: ZAE000000139

("Adcorp" or "Company")

## **Dear Adcorp Shareholder**

AVAILABILTY OF THE INTEGRATED ANNUAL REPORT FOR THE YEAR ENDED 29 FEBRUARY 2024 AND DISTRIBUTION OF THE NOTICE OF ANNUAL GENERAL MEETING INCORPORATING EXTRACTS OF THE ANNUAL FINANCIAL STATEMENTS

Shareholders should note that Adcorp Holdings Limited's integrated annual report for the year ended 29 February 2024 has been released and is available on the Company's website at https://www.adcorpgroup.com/Integrated-Annual-Report-2024.

In addition, shareholders are advised that the notice of annual general meeting ("AGM") incorporating extracts of the audited consolidated annual financial statements of the Company and its subsidiaries ("the Group") for the year ended 29 February 2024 ("extracts of the annual financial statements") has been distributed to shareholders, and is available on the Company website at: https://www.adcorpgroup.com/notice-of-agm-2024/.

The full audited consolidated annual financial statements of the Adcorp group for the year ended 29 February 2024 ("annual financial statements") are also available on the Company website at: https://www.adcorpgroup.com/fy24-adcorp-group-consolidation-financial-statements/ and on the JSE cloudlink website at:

https://senspdf.jse.co.za/documents/2024/jse/isse/ADR/YE2024.pdf.

The AGM will be held entirely by way of electronic meeting participation on Tuesday, 30 July 2024 at 09:00.

Should you require a printed copy of the integrated annual report and/or the annual financial statements, kindly inform the Company Secretary or the transfer secretary on the contact details as provided in the notice of the AGM.

Kindly note that the proxy form attached to the notice of AGM must be lodged with the Transfer Secretaries by no later 09:00 on Friday, 26 July 2024 at adcorp@4axregistry.co.za.

Yours sincerely,

#### **Newton Chipswa**

## NOTICE OF ANNUAL GENERAL MEETING

## **Adcorp Holdings Limited**

Incorporated in the Republic of South Africa Registration number: 1974/001804/06 Share code: ADR ISIN: ZAE000000139

("Adcorp" or "Company")

### To the shareholders of Adcorp

If you are in any doubt as to what action you should take in respect of the following resolutions, please consult your Central Securities Depository Participant ("CSDP"), broker, banker, attorney, accountant or other professional adviser immediately.

Notice is hereby given to shareholders recorded in the Company's share register, that the annual general meeting ("AGM") of shareholders of Adcorp will be held, (subject to any adjournment, postponement or cancellation) at 09:00 on Tuesday, 30 July 2024 electronically for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions set out hereunder.

The board of directors of the Company ("Board") has determined, in terms of section 62(3) (a), as read with section 59 of the Companies Act 71 of 2008, as amended ("Companies Act"), that the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM is Friday, 19 July 2024. Accordingly, the last day to trade Adcorp's shares in order to be recorded in the register to be entitled to vote will be Tuesday, 16 July 2024.

## Shareholders' diary

Event	2024
Record date in order to be eligible to receive the AGM notice	Friday, 21 June
AGM notice posted to shareholders	Monday, 1 July
Last date to trade in order to be eligible to vote at the AGM	Tuesday, 16 July
Record date in order to be eligible to vote at the AGM	Friday, 19 July
Last day to lodge forms of proxy for administration purposes for the AGM and	
registration of electronic participation (by 09:00)	Friday, 26 July
AGM (at 09:00)	Tuesday, 30 July
Results of the AGM released on SENS	Tuesday, 30 July

## Electronic participation in the AGM

The AGM will only be accessible through electronic participation, as provided for in terms of the provisions of the Companies Act and the company's memorandum of incorporation ("MOI"). Shareholders should inform the company secretary at companysecretary@adcorpgroup.com and copy CTSE Registry (Transfer Secretaries to Adcorp) on adcorp@4axregistry.co.za or alternatively contact CTSE Registry on +27 (0) 11 100 8352 by no later than 09:00 on Friday, 26 July 2024 (electronic notice) should they wish to attend.

Shareholders are able to vote through proxy submission in the usual manner, despite opting to participate electronically. Shareholders are strongly encouraged to submit votes by proxy before the AGM. Shareholders who choose to vote during the meeting will be able to do so electronically. CTSE Registry will assist shareholders with the requirements for electronic meeting participation. CTSE Registry is obliged to validate this information with your CSDP before providing you with the necessary means to access the voting platform. Any reference to "shareholder" in this section includes a reference to that shareholder's proxy.

# In order to participate electronically, shareholders must provide:

- If the shareholder is an individual, a certified copy of his/her identity document and/or passport;
- 2. If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution and the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication;
- 3. In the case of (1) and (2) above, the shareholders should indicate that their shareholding has been voted and the manner in which it has been cast, so as to provide the Company with assurance that they have understood that their participation is not in order to vote; and
- 4. A valid email address and telephone number of the participant (by no later than 48 hours prior to the time of the AGM, the Company shall use its reasonable endeavours to communicate with each shareholder who has delivered a valid electronic notice, by notifying such shareholder at its contact address and/or number of the relevant details through which the shareholder can participate via electronic communication).

Where the Company is required to provide for electronic participation at the AGM, the costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder so accessing the electronic participation. Should a shareholder wish to vote at the AGM, he/she may do so by attending and voting at the AGM either in person or by proxy regardless of attendance in person or electronically.

## Purpose of the AGM and agenda

The purpose of the AGM is to present the annual financial statements for the year ended 29 February 2024 and to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out in this notice.

## Presentation of the annual financial statements

The annual financial statements are presented at the AGM in accordance with section 30(3)(d) of the Companies Act. The complete set of annual financial statements is also available on the Company's website.

## **Ordinary resolutions**

For an ordinary resolution to be adopted, it must be supported by more than 50% (fifty percent) of the voting rights exercised on that resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution concerned.

## 1. Ordinary resolutions number 1.1 to 1.3: Re-election of directors

#### 1.1 Ordinary resolution number 1.1

"Resolved that Gloria Serobe, who retires by rotation in accordance with the provisions of the Company's MOI, being eligible and offering herself for reelection, be and is hereby re-elected as a director as well as the Chairperson of the Board."

## Summary curriculum vitae of Gloria Serobe

Gloria is the founder and executive director of WIPHOLD and an honorary member of the Actuarial Society of South Africa and she also serves as director on various public and private Company boards.

### 1.2 Ordinary resolution number 1.2

"Resolved that Tshidi Mokgabudi, who retires by rotation in accordance with the provisions of the Company's MOI, being eligible and offering herself for reelection, be and is hereby re-elected as a director."

### Summary curriculum vitae of Tshidi Mokgabudi

Tshidi is a Chartered Accountant with extensive experience in board and executive leadership, as well as governance, spanning across both the public and private sectors. She has extensive financial expertise, business acumen and leadership qualities, with more than 30 years of accounting, auditing and advisory experience within the public and private sectors.

#### 1.3 Ordinary resolution number 1.3

"Resolved that Tim Olls, who retires by rotation in accordance with the provisions of the Company's MOI, being eligible and offering himself for re-election, be and is hereby re-elected as a director."

#### Summary curriculum vitae of Tim Olls

Tim is an Associate Director of Value Capital Partners (VCP). Prior to joining VCP in 2018, Tim was at PwC Banking & Capital Markets, and PwC Mergers & Acquisitions. Tim holds a Bachelor of Commerce Honours in Accounting cum laude and is a registered Chartered Accountant (South Africa), and a CFA charter-holder.

The reason for ordinary resolutions numbers 1.1 to 1.3 (inclusive) is that the MOI and the JSE Limited Listings Requirements ("JSE Listings Requirements"), require that a third (1/3) of the non-executive directors rotate at every annual general meeting of the Company and being eligible, may offer themselves for re-election as directors.

#### Ordinary resolutions number 2.1 to 2.4: Re-election of audit and risk committee members

#### 2.1 Ordinary resolution number 2.1

"Resolved that Tshidi Mokgabudi, being eligible and subject to the approval of the ordinary resolution number 1.2, be and is hereby re-appointed as a member and the Chairperson of the Company's audit and risk committee until the next annual general meeting of the Company."

A summary curriculum vitae of Tshidi Mokgabudi was included in paragraph 1.2 above.

### 2.2 Ordinary resolution number 2.2

"Resolved that Herman Singh, being eligible, be and is hereby re-appointed as a member of the Company's audit and risk committee until the next annual general meeting of the Company."

#### Summary curriculum vitae of Herman Singh

Herman's focus on the convergence of technology and business has resulted in him taking on a number of key technology- focused roles at various companies both in the public and private sectors.

#### 2.3 Ordinary resolution number 2.3

"Resolved that Ronel van Dijk, being eligible, be and is hereby re-appointed as a member of the Company's audit and risk committee until the next annual general meeting of the Company."

### Summary curriculum vitae of Ronel van Dijk

Ronel is an experienced CFO with exposure to corporate governance, internal controls and risk management, strategy development and implementation, and leadership development. She was previously CFO of Spur Corporation Limited and PPC Limited.

#### 2.4 Ordinary resolution number 2.4

"Resolved that Melvyn Lubega, being eligible, be and is hereby re-appointed as a member of the Company's audit and risk committee until the next annual general meeting of the Company."

#### Summary curriculum vitae of Melvyn Lubega

Melvyn is an actuary by training and is an experienced technology entrepreneur and executive who has built businesses that serve customers worldwide. As a referenced thought leader, he has been invited to speak both abroad and locally on digital transformation, disruptive innovation, the future of the workforce, as well as business strategy.

The reason for ordinary resolutions numbers 2.1 to 2.4 (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 committee be appointed, or re-appointed, as the case may be, at each annual general meeting of the Company.

3. Ordinary resolution number 3: Re-appointment of independent external auditor "Resolved that KPMG Inc. ("KPMG") be and is hereby re-appointed as the independent registered auditor of the Group for the ensuing financial year, with the individual designated partner being Fred Von Eckardstein."

The audit and risk committee and the Board of the Company have evaluated the independence, experience and expertise of both KPMG and Fred Von Eckardstein and have concluded that both the firm and individual designated partner are independent of the Company in accordance with section 94(8) of the Companies Act. In compliance with the JSE Listings Requirements (paragraph 3.84(g)(ii)), the audit and risk committee obtained and considered all information required in its assessment of the suitability of KPMG, as well as Fred Von Eckardstein, for reappointment and recommend their re-appointment as the external auditors.

The reason for ordinary resolution number 3 is that the Company, being a public listed company, is required to have its financial statements audited annually, and the auditor has to be appointed or re-appointed, as the case may be, at each annual general meeting of the Company as required by the Companies Act.

4. Ordinary resolution number 4: Non-binding advisory vote on the remuneration policy "Resolved that the Group's remuneration policy, as set out in the integrated annual report on page 55, be and is hereby endorsed, by way of a non-binding advisory vote."

The reason for ordinary resolution number 4 is that the King IV Report on Corporate Governance  $^{\text{TM}}$  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 each annual general meeting of the company. This enables shareholders to express their views on the remuneration policy adopted. Ordinary resolution number 5 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. Should 25% or more of the votes be cast against this ordinary resolution, Adcorp undertakes to engage with shareholders as to the reasons therefor. The manner and timing of such engagement, if required, shall be communicated in the voting results announcement.

## Ordinary resolution number 5: Non-binding advisory vote on the remuneration implementation report

"Resolved that, the Group's remuneration implementation report, as set out in the integrated annual report on page 55, be and is hereby endorsed, by way of a non-binding advisory vote."

The reason for ordinary resolution number 5 is that King IV recommends, and the JSE Listings Requirements require, that the implementation report on the Group's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the Company. This enables shareholders to express their views on the implementation of the Group's remuneration policy. Ordinary resolution number 5 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 be cast against this ordinary resolution, Adcorp undertakes to engage with shareholders as to the reasons therefor. The manner and timing of such engagement, if required, shall be communicated in the voting results announcement.

6. Ordinary resolution number 6: Authority to implement resolutions passed at the AGM "Resolved that the CEO, CFO or the Company Secretary of the Company be authorised to do all such things, perform all acts and sign all such documentation as may be required to give effect to the ordinary and special resolutions passed at this AGM or any adjustment thereof."

The reason for ordinary resolution number 6 is to authorise the CEO, CFO or the Company Secretary of the Company to take all actions necessary or desirable and sign all documents required to give effect to ordinary and special resolutions passed at this AGM.

## **Special resolutions**

For a special resolution to be adopted, it must be supported by at least 75% (seventy-five percent) of the voting rights exercised on that special resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution concerned.

#### 7. Special resolution number 1: Remuneration payable to non-executive directors

"Resolved that, in terms of section 66(9) of the Companies Act, 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, to the extent applicable) provided that the authority will be valid until the next annual general meeting of the Company:

	Annual retainer fee for 2023/2024 (R)	Proposed annual retainer fee for 2024/2025 (R)
Board		
Chairperson <sup>1</sup>	918 750	961 013
Lead independent non-executive	367 500	384 405
Non-executive	262 500	274 575
Audit and risk committee		
Chairperson	315 000	329 490
Non-executive	157 500	164 745
Human capital committee		
Chairperson	157 500	164 745
Non-executive: HCC	84 000	87 864
Chairperson: Nomination <sup>1</sup>	-	
Social, ethics and sustainability committee		
Chairperson	157 500	164 745
Non-executive	84 000	87 864
Investment committee		
Chairperson	157 500	164 745
Non-executive	84 000	87 864

<sup>&</sup>lt;sup>1</sup> The Board chairperson's fees are capped; the Board chairperson does not receive additional fees for serving on other committees she may be serving on."

The reason for special resolution number 1 is for the Company to obtain shareholders' approval for the payment of remuneration to the Company's non-executive directors in terms of section 66 of the Companies Act.

The effect, if passed, of the special resolution is that the Company will be able to remunerate its non-executive directors for their services as directors until the next annual general meeting of the Company.

## 8. Special resolution number 2: Repurchase of the Company's shares

"Resolved that, the Company, and/or a subsidiary of the Company, be and are hereby authorised as a general authority to repurchase or purchase, as the case may be, shares issued by the Company, from any person, upon such terms and conditions and in such number as the directors of the Company or a subsidiary may from time to time determine, subject to the applicable requirements of the Company's MOI, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time; and subject further to the restriction that the repurchase or purchase, as the case may be, by the Company and/or any of its subsidiaries, of shares in the Company of any class under this authority shall not, in aggregate in any one financial year, exceed 20% of the shares in issue in such class, as at the commencement of such financial year."

The reason for and effect, if passed, of special resolution number 2 is to grant the directors 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 2.

The JSE Listings Requirements provide, *inter alia*, that the Company, or any subsidiary of the Company, may only make a general repurchase of the shares in the Company subject to the following:

- Any such repurchase of shares is effected through the order book operated by the trading system of the JSE Limited ("JSE") and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- Authorisation thereto is given by the Company's MOI;
- The general authority shall be valid only until the Company's next AGM or 15 months from the date of passing of the special resolution, whichever is earlier;
- No repurchases may be made at a price which is greater than 10% above the
  weighted average of the market value for the securities for the five business
  days immediately preceding the date on which the transaction is effected (the
  maximum price). The JSE will be consulted for a ruling if the Company's securities
  have not traded in such a five-day period;
- At any point in time, the Company may appoint only one agent to effect any repurchase(s) on its behalf;
- Prior to entering the market to repurchase the Company's shares, a Board resolution
  will have been passed stating that the directors have authorised the repurchase of
  shares under this general authority, that Adcorp and/or its subsidiaries have passed
  the solvency and liquidity test as set out in the Companies Act and, since the test
  was performed, there have been no material changes to the financial position of
  the Group;

- The Company or its subsidiaries may not repurchase any of the Company's shares during a prohibited period as defined in the JSE Listings Requirements, unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and the Company has submitted the repurchase programme to the JSE in writing. The Company will instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to commencement of the prohibited period to execute the repurchase programme submitted to the JSE; and
- When the Company or a subsidiary of the Company has cumulatively repurchased 3% of any class of the Company's shares in issue on the date of passing of the special resolution (the initial number), and for each 3% in aggregate of the initial number of that class of shares acquired thereafter, in each case in terms of the resolution, an announcement shall be published on the Securities Exchange News Service ("SENS") of the JSE, giving such details as may be required in terms of the JSE Listings Requirements.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of its holding company.

For the avoidance of 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 non-dilutive 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.

## **Board intention**

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.

# Adequacy of working capital in terms of section 11.26 of the JSE Listings Requirements

The directors of the Company will ensure that, after considering the effect of the maximum repurchase:

- the Company and the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the repurchase;
- the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the repurchase. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited Group annual financial statements:
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase.

# Other disclosure in terms of section 11.26 of the JSE Listings Requirements

The JSE Listings Requirements require the following disclosure, which is contained in the extracts of the annual financial statements incorporated into this notice:

- Major shareholders of the Company on page 33; and
- Share capital of the Company on page 34.

## **Material change**

There have been no material changes in the financial or trading position of the Company and its subsidiaries since the Company's financial year end and the date of this notice.

## Directors' responsibility statement

The directors, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 2 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all such information as required by law and the JSE Listings Requirements.

Special resolution number 3: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company

"Resolved that, the directors, in terms of and subject to the provisions of section 44 of the Companies Act, be and are hereby authorised to approve that the Company provides financial assistance by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription for any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or inter-related company or corporation, 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 directors the authority, until the next annual general meeting of the Company, to provide financial assistance to any person (including any financier) for the purpose of or in connection with the subscription 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 guarantee and furnish security where any such financial assistance is directly or indirectly given to a party subscribing for 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 plan 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.

#### 10. Special resolution number 4: Inter-company financial assistance

"Resolved that, the directors, in terms of and subject to the provisions of section 45 of the Companies Act, be and are hereby authorised to approve that the Company provide direct or indirect financial assistance to any company or corporation or future company or corporation which is related or inter-related to the Company, for such amounts and on such terms and conditions 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 4 is to grant the Board the authority, until the next annual general meeting of the Company, to provide direct or indirect financial assistance to any one or more related or interrelated companies or corporations of 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.

## Report of the social, ethics and sustainability committee

The report of the Company's social, ethics and sustainability committee is included in the integrated annual report and will serve as the social, ethics and sustainability committee report to the Company's shareholders at the AGM.

## Attendance and voting by shareholders and proxies

- 1. A certificated and own-name dematerialised ordinary and/or "B" ordinary shareholder entitled to attend and vote at the AGM may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the AGM in the place of the shareholder. 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 a certificated or own-name registered dematerialised ordinary and/or "B" ordinary shareholder who wishes 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.
- 2. A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment, remains valid only until the end of the AGM.
- A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- 4. The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.

- 5. The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
- 6. If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's MOI to be delivered by the Company to the shareholder, must be delivered by the Company to (a) the shareholder, or (b) the proxy or proxies, if the shareholder has:
  - i. directed the Company to do so in writing; and
  - ii. paid any reasonable fee charged by the Company for doing so. Attention is also drawn to the "Explanatory notes regarding proxy".

It is recommended that forms of proxy should be delivered to CTSE Registry at adcorp@4axregistry.co.za or alternatively contact CTSE Registry on +27 (0) 11 100 8352 so as to reach this address by no later than 09:00 on Friday, 26 July 2024 for administrative purposes only provided that any form of proxy not delivered to CTSE Registry by this time may be handed to the chairperson of the AGM at any time before the appointed proxy exercise any shareholder rights at the AGM.

Shareholders who have dematerialised their shares, other than with "own name" registration, should contact their CSDP or broker:

- to furnish their CSDP or broker with their voting instructions; or
- in the event that they wish to attend the meeting, to obtain the necessary letter of representation to do so.

This must be done in terms of the agreement entered into between the shareholder and the CSDP or broker concerned.

Any shareholder having difficulties or queries with regard to the above should contact the Company Secretary via email at **companysecretary@adcorpgroup.com**.

By order of the Board

## Form of proxy

I/We

(Name in block letters)

## **Adcorp Holdings Limited**

Incorporated in the Republic of South Africa Registration number: 1974/001804/06 Share code: ADR ISIN: ZAE000000139 ("Adcorp" or "Company")

This form of proxy relates to the annual general meeting of the Company ("**AGM**") to be held electronically on Tuesday, 30 July 2024, at 09:00 and is for use by certificated ordinary shareholders and dematerialised shareholders with "own name" registration on the date of the AGM.

Please print clearly when completing this form and see the instructions and notes at the end of this form for an explanation of the use of this form of proxy and the rights of the shareholder and the proxy.

of (address)			
being a shareholder of the Company and the registered holder(s) of  Company hereby appoint:	Ord	inary Sha	res of the
1.		or, failing	him/her,
2.		or, failing	g him/her,
3.		or, failing	g him/her,
<ol> <li>the chairperson of the AGM, to attend and participate in the meeting and to speak ar for me/us and on my/our behalf in respect of all matters arising (including any poll meeting) at the meeting, even if the meeting is postponed, and at any resumption the</li> </ol>	nd vote or and all re ereof afte	abstain fro solutions p r any adjo	om voting out to the ournment.
Please indicate with an "X" in the appropriate spaces below how you wish your votes instructed, my/our proxy may vote as he/she thinks fit.	to be cas	st. Unless	otherwise
	Num	nber of sh	ares
	For	Against	Abstain
Ordinary resolution number 1: Re-election of directors			
Ordinary resolution 1.1: Re-election of Gloria Serobe and as Chairperson of the Board			
Ordinary resolution 1.2: Re-election of Tshidi Mokgabudi			
Ordinary resolution 1.3: Re-election of Tim Olls			
Ordinary resolution number 2: Re-appointment of audit and risk committee members			
Ordinary resolution 2.1: Re-appointment of Tshidi Mokgabudi as an audit and risk committee member and Chairperson (subject to re-election as a director)			
Ordinary resolution 2.2: Re-appointment of Herman Singh as an audit and risk committee member			
Ordinary resolution 2.3: Reappointment of Ronel van Dijk as an audit and risk committee member			
Ordinary resolution 2.4: Re-appointment of Melvyn Lubega as an audit and risk committee member			
Ordinary resolution number 3: Re-appointment of independent external auditor			
Ordinary resolution number 4: Non-binding advisory vote on the remuneration policy			
Ordinary resolution number 5: Non-binding advisory vote on the remuneration implementation report			
Ordinary resolution number 6: Authority to implement resolutions passed at the AGM			
Special resolution number 1: Remuneration payable to non-executive directors			
Special resolution number 2: Repurchase of the Company's shares			
Special resolution number 3: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company			
Special resolution number 4: Inter-company financial assistance			
Signed this day of			2024
Signature: Tel: ( ) Mobile: ( )			
Email:			

## **Explanatory notes regarding proxy**

#### Summary of rights contained in section 58 of the Companies Act

In terms of section 58 of the Companies Act:

- A shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder.
- A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
- A proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder.
- Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states
- If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.
- A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.
- If the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
  - the relevant shareholder; or
  - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

#### **Explanatory notes**

- The form of proxy must only be used by certificated ordinary shareholders and dematerialised shareholders with "own name" registration and "B" ordinary shareholders.
- Dematerialised shareholders, other than own name registered dematerialised shareholders, who wish to attend the AGM in person, will need to request their CSDP or broker to provide them with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between such shareholders and the CSDP or broker. Dematerialised the state of the custody agreement entered into between such shareholders and the CSDP or broker. Dematerialised the state of the custody agreement entered into between such shareholders and the CSDP or broker. 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 themselves and the CSDP or broker in the manner and time stipulated therein. Such shareholders should contact their CSDP or broker with regard to the cut-off time for their voting instructions.
- An ordinary and/or "B" ordinary shareholder entitled to attend and vote at the AGM may insert the name of a proxy or the names of two or more alternate proxies of the shareholder's choice in the space provided, with or without deleting "the chairperson of the AGM". The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of such proxy(ies) whose names follow.

  An ordinary and/or "B" ordinary shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of
- each ordinary and/or "B" ordinary share held. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the shares held by the shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's exercisable votes. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
- A vote given in terms of an instrument of proxy will be valid in relation to the AGM despite the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the shares in respect of which the proxy is given, unless notice on any of the noted matters has been received by the transfer secretaries not less than 48 hours before the start of the AGM.
- If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the AGM be proposed, such proxy shall be entitled to vote as he/she thinks fit.
- The chairperson of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with the Companies Act, the MOI and these notes.
- A shareholder's authorisation to the proxy, including the chairperson of the AGM, to vote on such shareholder's behalf, will
- As interiorded is a durinoistation to the proxy, including the chaipersort on the AGM, to vote on social state foliates a behalf, will be deemed to include the authority to vote on procedural matters at the AGM.

  The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person to the exclusion of any proxy appointed in terms hereof.
- 10. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or it is waived by the chairperson of the AGM.
- A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the transfer secretaries of the Company.
- 12. Where there are joint holders of shares:
  - any one holder may sign the form of proxy; and
  - (ii) the vote(s) of the senior shareholder(s) (for that purpose seniority will be determined by the order in which the names of shareholders appear in the Company's register of shareholders) who tender(s) a vote (whether in person or by proxy)
- will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).

  13. Completed Forms of Proxy and the authority (if any) under which they are signed must be lodged with or delivered to the Company, at CTSE Registry Services Proprietary Limited, 5th Floor, Block B, The Woodstock Exchange Building, 66–68 Albert Road, Woodstock, 7925, South Africa, 2!73 or by email at adcorp@4axregistry.co.za to be received by them for administrative purposes only by no later than 48 hours before the commencement of the AGM (or any adjournment of the AGM), excluding Saturdays, Sundays and official public holidays, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be handed to the chairperson of the AGM prior at any time before the appointed proxy exercises any shareholder rights at the AGM.

  14. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or
- correction must be signed and not merely initialled.



# Extract of the audited consolidated financial statements

## Consolidated statement of financial position

as at 29 February 2024

### **Basis of preparation**

The extracts from the consolidated financial statements comprise an extract from the consolidated statement of financial position at 29 February 2024, an extract from the consolidated statement of comprehensive income, an extract from the consolidated statement of changes in equity, an extract from the consolidated statement of cash flows for the year ended 29 February 2024, and an extract from the group's segment reporting. The extracts from the consolidated financial statements and the full set of consolidated financial statements have been prepared under the supervision of Noel Prendergast CA(SA), the Group CFO.

# Audited consolidated annual financial statements – independent auditors' opinion

The auditors expressed an unmodified opinion on the consolidated financial statements from which these extracts were derived. The audit report issued also includes communication of key audit matters. A copy of the auditor's report, together with the accompanying consolidated financial statements, are available for inspection on the following links (https://www.adcorpgroup.com/fy24-adcorp-group-consolidation-financial-statements/ or https://senspdf.jse.co.za/documents/2024/jse/isse/ADR/YE2024.pdf). The information as set out in this report has not been audited. The Board of Directors take full responsibility for ensuring that the financial information has been correctly extracted from the underlying financial statements.

The full annual financial statements are available on our website https://www.adcorpgroup.com/fy24-adcorp-group-consolidation-financial-statements/.

# Consolidated statement of financial position continued

as at 29 February 2024

•			
	Notes	2024 R'000	2023 R'000
Assets			
Non-current assets		1 133 443	1 238 869
Property and equipment	4	24 678	30 811
Right-of-use assets	5.1	249 800	291 785
Intangible assets	6	109 047	123 684
Goodwill	7	515 782	512 695
Other financial assets – investment at fair value	8.1	-	21 074
Deferred taxation	9	219 640	214 833
Prepayments	13.1	14 496	43 987
Current assets		1 989 319	1 922 796
Trade receivables	12	1 512 337	1 337 049
Other receivables	13.3	169 744	136 242
Taxation prepaid	11	31 989	33 957
Cash and cash equivalents and restricted cash	14	275 249	415 548
Total assets		3 122 762	3 161 665
Equity and liabilities			
Total equity		1 459 705	1 534 677
Share capital and share premium	15.1	1 740 858	1 740 858
Treasury shares	15.2	(93 864)	(91 170)
Reserves	16	(187 289)	(115 011)
Non-current liabilities		349 445	388 936
Lease liabilities	5.2	303 881	331 977
Deferred taxation	9	41 054	56 959
Provisions	19	4 510	-
Current liabilities		1 313 612	1 238 052
Lease liabilities	5.2	75 259	77 433
Trade and other payables	18	996 416	898 855
Provisions	19	216 504	234 889
Taxation payable	11	25 433	26 875
Total equity and liabilities		3 122 762	3 161 665

# Extract of the audited consolidated financial statements continued

## Consolidated statement of profit or loss

	Notes	2024 R'000	2023 R'000
Continuing operations			
Revenue	20	12 982 141	12 048 951
Cost of sales		(11 725 110)	(10 766 543)
Gross profit		1 257 031	1 282 408
Other income	21	24 857	19 743
Loss allowance for expected credit losses – trade receivables	12	818	10 585
Impairment of goodwill	7	_	(34 463)
Operating expenses	22	(1 154 000)	(1 114 368)
Operating profit before finance income and finance costs		128 706	163 905
Finance income	23	11 161	5 589
Finance costs	24	(49 931)	(50 981)
Profit before taxation		89 936	118 513
Taxation	10	(1 894)	2 241
Profit for the year from continuing operations		88 042	120 754
Discontinued operations			
Loss for the year from discontinued operations	3.1	_	(79 980)
Profit for the year		88 042	40 774
Profit/(loss) attributable to:			
Owners of the parent from continuing operations		86 152	118 562
Owners of the parent from discontinued operations		_	(79 980)
Non-controlling interest		1 890	2 192
Continuing operations basic and diluted earnings per share:			
Basic earnings per share – cents	25	83,8	114,7
Diluted earnings per share – cents	25	81,4	110,6
Discontinued operations basic and diluted earnings per share:			
Basic loss per share – cents	25	_	(77,4)
Diluted loss per share – cents	25	_	(77,4)
Total basic earnings per share			
Basic earnings per share – cents	25	83,8	37,3
Diluted earnings per share – cents	25	81,4	36,0

## Consolidated statement of other comprehensive income

	2024 R'000	2023 R'000
Profit for the year	88 042	40 774
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:	(35 943)	100 884
Continuing operations		
Exchange differences on translating foreign operations	(40 726)	25 330
Exchange differences arising on the net investment of a foreign operation	4 783	72 281
Discontinued operations		
Exchange differences reclassified to profit or loss on disposal of foreign business		3 273
business	_	3 2 7 3
Other comprehensive income for the year, net of tax	52 099	141 658
Non – controlling interest	65	309
Total comprehensive income for the year	52 164	141 967
Total comprehensive income attributable to:		
Owners of the parent from continuing operations	50 209	216 173
Owners of the parent from discontinued operations	_	(76 707)
Non-controlling interest	1 955	2 501

# Extract of the audited consolidated financial statements continued

## Consolidated statement of changes in equity

	Share capital R'000	Share premium R'000	Treasury shares R'000	Share-based payment reserve R'000	
Notes	15.1	15.1	15.2	16.1	
Balance as at 28 February 2022	2 749	1 738 109	(72 172)	196 240	
Share-based payments	-	_	_	1 563	
Transfer to retained earnings	_	_	-	(9 560)	
Profit for the year	-	_	_	_	
Other comprehensive income	_		_	-	
Treasury share purchases	-	_	(19 560)	_	
Share scheme settlement	-	_	562	(562)	
Distributions to shareholders	_	_	_	_	
Balance as at 28 February 2023	2 749	1 738 109	(91 170)	187 681	
Share-based payments	_	_	_	7 401	
Transfer to retained earnings	-	_	_	(176 166)	
Profit for the year	-	-	_	_	
Other comprehensive income	_	_	_	_	
Treasury share purchases	-	_	(6 782)	_	
Share scheme settlement	_	_	4 088	(4 088)	
Distributions to shareholders	-	_	-	-	
Balance as at 29 February 2024	2 749	1 738 109	(93 864)	14 828	

Foreign currency translation reserve R'000	Accumulated loss R'000	Attributable to equity holders of the parent R'000	Non- controlling interest R'000	Employees' share Scheme Reserve R'000	Total equity R'000
16.2					
23 658	(412 692)	1 475 892	(3 531)	168	1 472 529
-	_	1 563	_	_	1 563
-	9 560	_	_	_	-
_	38 582	38 582	2 192	_	40 774
100 884	_	100 884	309	_	101 193
_	_	(19 560)	_	_	(19 560)
_	_	_	_	_	_
	(61 822)	(61 822)	_	_	(61 822)
124 542	(426 372)	1 535 539	(1 030)	168	1 534 677
_	_	7 401	_	_	7 401
_	176 166	_	-	_	_
-	86 152	86 152	1 890	_	88 042
(35 943)	_	(35 943)	65	_	(35 878)
-	-	(6 782)	-	-	(6 782)
-	_	_	-	_	-
-	(127 756)	(127 756)	-	-	(127 756)
88 599	(291 810)	1 458 611	925	168	1 459 704

# Extract of the audited consolidated financial statements continued

## Statement of cash flows

	Notes	2024 R'000	2023 R'000
Operating activities			
Profit before taxation		89 936	38 533
From continuing operations		89 936	118 513
From discontinued operations	3.1	_	(79 980)
Adjusted for:			
Depreciation on property and equipment	4	10 602	14 581
Depreciation on right-of-use assets	5.1	53 516	54 534
Amortisation of intangible assets	6	15 829	15 906
Prepayment released – enterprise technology			
transformation project	13.2	30 389	25 472
Impairment of financial asset <sup>1</sup>		-	55 000
Impairment of goodwill	7	-	34 463
Loss/ (profit) on the sale of property and equipment	22	42	(290)
Share-based payments	16.1	10 671	12 428
Profit from the disposal of businesses	32	-	(9 640)
Fair value adjustment – investment at fair value	8.1	(832)	(1 477)
Decrease in loss allowances for expected credit losses –			
trade receivables	12	(818)	(10 585)
Right-of-use asset derecognised	5.2	816	_
Lease liability derecognised	5.3	(1 074)	_
Finance income	23	(11 161)	(5 589)
Finance costs	24	49 931	50 981
Cash generated from operations before working capital changes		247 847	274 317
(Increase)/decrease in trade and other receivables	12 and 13	(198 578)	31 315
Increase in trade and other payables	18	88 378	54 290
(Decrease)/Increase in provisions	19	(13 875)	17 749
Cash generated by operations		123 772	377 671
Finance income	23	11 161	5 589
Finance costs	24	(7 316)	(6 891)
Interest expense on lease liabilities	5.2	(42 615)	(44 090)
Taxation paid	11	(20 566)	(72 722)
Net cash generated from operating activities		64 436	259 557

## Statement of cash flows continued

		2024	2023
	Notes	R'000	R'000
Investing activities			
Additions to property and equipment	4	(4 919)	(8 052)
Proceeds from the sale of property and equipment and intangible assets		492	1 100
Proceeds upon settlement of investment at fair value	8.1	21 906	_
Additions to intangible assets	6	(683)	(7 883)
Prepayment – enterprise technology transformation project	13.2	(2 612)	(16 856)
Net cash inflow/(outflow) from investing activities		14 184	(31 691)
Financing activities			
Treasury share purchases	15.2	(6 782)	(19 560)
Repayment of borrowings	17.2	(424 601)	(615 183)
Proceeds from borrowings	17.2	424 601	480 190
Distributions to external shareholders		(127 756)	(61 822)
Capital payment of lease liabilities	5.2	(41 502)	(38 511)
Net cash outflow from financing activities		(176 040)	(254 886)
Net decrease in cash and cash equivalents		(97 420)	(27 020)
Cash and cash equivalents at the beginning of the year	14	311 692	420 355
Foreign currency adjustments		(10 097)	22 618
Restricted cash reclassified to/(from) cash and cash equivalents	14	_	(103 856)
Cash and cash equivalents deconsolidated		_	(405)
Cash and cash equivalents at the end of the year	14	204 175	311 692

<sup>&</sup>lt;sup>1</sup> In the prior year, R54 million related to the impairment of trade and other receivables in the discontinued operations of allaboutXpert Technologies Proprietary Limited (aaX). Refer to note 3.

# Extract of the audited consolidated financial statements continued

## Segment report

for the year ended 29 February 2024

Information reported to the Group's executive committee chief operating decision maker (CODM) for the purposes of making key operating decisions, resource allocation and the assessment of segmental performance is focused on the different service offerings and geographical region of operations. In the current year, the operating segments were reorganised and are grouped into the following categories: contingent staffing, functional outsourcing, professional and business support. The Group's reportable segments under IFRS 8 are as follows:

### **Contingent Staffing**

Contingent Staffing South Africa is a market leading industrial contingent staffing service that offers compliant fixed term employee contracting to FMCG, manufacturing, warehousing and logistics, mining and renewable energy industries, enabling client labour flexibility and improved variable cost management. It also offers strategic skills development solutions through customised programmes.

Contingent Staffing Australia is a leading provider of blue-collar staffing solutions and healthcare personnel across Australia in the food processing, transport and logistics, trade and construction, agricultural and healthcare sectors.

The brands in the contingent staffing operating segment include that of BLU and Labour Solutions Australia.

The South African operating segment includes a brand, PMI, that is a training provider to external clients and support to other Adcorp service lines.

### **Functional Outsourcing**

Functional Outsourcing offers effective non-core process outsourcing related to productivity, process efficiencies and continuous improvement that is focused in the FMCG, warehousing and logistics sectors. It also offers niche industrial and office cleaning.

The brands in the functional outsourcing operating segment include that of FunctionO and Capability.

#### **Professional Services**

Professional Services South Africa provides ICT personnel resourcing and project management that sources contractors from multiple ICT disciplines on either a contracting or permanent placement basis. It also offers temporary and permanent placement of front and back-office professionals across multiple industries and operates a 100% digital marketplace where freelancers and hirers connect and transact.

Professional Services Australia is a leading technology and digital staffing and recruitment business in Australia offering temporary and permanent placement of ICT professionals to customers across various industries in Australia for more than 50 years. It also offers Recruitment Process Outsourcing and Managed Service solutions.

The South African operating segment includes a brand that is in the information and communication technologies software training industry and largely a trainer of the Microsoft product suite, delivering in-person and virtual instructor led or demand driven online training.

The brands of the professional services operating segment include that of Paracon, Charisma, Quest, Kelly, DAV, Jobvine, TalentCRU and TorquelT.

### **Business Support**

This segment plays a pivotal support role in the execution and the handling of specialised operational services such as finance, human resources, payroll, IT, legal, risk, compliance and marketing. This segment acts as a service centre for all other operating segments in the Group in order to identify efficiencies that will reduce costs and create a higher degree of strategic flexibility and support.

#### **Geographical segmentation**

The geographic segment report is disclosed as (a) South Africa and (b) Australia. Segment operating profit or loss before finance income and finance costs represents the profit or loss earned by each segment without allocation of central administration costs. It includes directors' salaries, finance income, finance costs, and income tax expense applicable to the business support segment and internal charges between business support and other segments. The finance income and finance costs includes intra-group charges. This is the measure reported to the Group's Chief Executive for the purpose of resource allocation and assessment of segment performance. For the purposes of monitoring segment performance and allocating resources between segments the Group's Chief Executive monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of other financial assets (except for trade and other receivables) and taxation assets. Goodwill has been allocated to reportable segments, as described in note 7.

Transactions between segments follow the Group's accounting policies.

No single customer contributes more than 10% of the Group's revenue.

# Extract of the audited consolidated financial statements continued

## Segment report continued

	Contingent Staffing <sup>1</sup> South Africa (R'000)	Professional Services <sup>2</sup> South Africa (R'000)	Functional Outsourcing South Africa (R'000)	Business Support South Africa (R'000)	Contingent Staffing Australia (R'000)
Revenue					
- February 2024	3 788 111	1 945 836	1 136 882	-	1 900 714
- February 2023	3 591 607	1 946 941	1 129 795	-	1 408 709
Internal revenue					
- February 2024	61 045	14 831	11 961	-	-
- February 2023	45 085	23 314	10 833	_	-
Cost of sales					
- February 2024	(3 356 545)	(1 724 542)	(1 055 168)	-	(1 731 110)
- February 2023	(3 158 979)	(1 686 513)	(1 038 835)	-	(1 280 934)
Gross profit					
– February 2024	431 566	221 294	81 714	-	169 604
- February 2023	432 628	260 428	90 960	-	127 775
Staff costs					
- February 2024	(113 740)	(102 155)	(12 492)	(87 453)	(98 958)
- February 2023	(127 042)	(107 807)	(23 298)	(110 974)	(71 831)
Other operating expenditure					
- 2024 (R'000)	(46 803)	(37 626)	(21 433)	(211 450)	(24 250)
- 2023 (R'000)	(35 152)	(50 057)	(6 353)	(208 997)	(18 700)
Inter-segmental allocated costs					
- 2024 (R'000)	(167 156)	(100 743)	(43 008)	345 327	_
- 2023 (R'000)	(181 307)	(110 359)	(42 131)	361 853	-
Depreciation on PPE and amortisation					
- 2024 (R'000)	(489)	(17 591)	(901)	(239)	(1 643)
- 2023 (R'000)	(605)	(16 530)	(576)	(5 803)	(1 537)
Depreciation on right-of-use assets					
- 2024 (R'000)	(5 329)	(370)	(204)	(30 814)	(3 055)
- 2023 (R'000)	(6 660)	(1 103)	_	(30 171)	(3 474)
Loss allowances for expected credit losses and bad debts on trade receivables		· · · · ·			· ,
– February 2024	767	115	(196)	-	-
- February 2023	12 787	(369)	(60)	-	-
Operating profit/(loss) before finance income and finance costs					
- February 2024	98 816	(37 076)	3 480	15 371	41 698
- February 2023	94 649	(25 797)	18 543	5 908	32 233

Includes PMI, which was previously included in the training segment in the 2023 financial year which is now managed in the contingent staffing segment. The comparatives have been restated to include PMI in the contingent staffing segment.

staffing segment. The comparatives have been restated to include PMI in the contingent staffing segment.

Includes Torque II. which was previously included in the training segment in the 2023 inancial year which is now managed in the
professional segment. The comparatives have been restated to include Torque II in the professional segment.

			Discontinued	Discontinued		Geographica	l segments
Professional Services Australia (R'000)	Business Support Australia (R'000)	Group – continued operations (R'000)	operations/ held for sale South Africa (R'000)	operations/ held for sale Australia <sup>3</sup> (R'000)	Total Group (R'000)	South Africa (R'000)	Australia (R'000)
4 210 598	-	12 982 141	-	-	12 982 141	6 870 829	6 111 312
3 971 899	-	12 048 951	_	107 106	12 156 057	6 668 343	5 487 714
-	-	87 837	-	-	87 837	87 837	-
_	_	79 232		_	79 232	79 232	
(3 857 745)	-	(11 725 110)	-	-	(11 725 110)	(6 136 255)	(5 588 855)
(3 601 282)		(10 766 543)		(125 599)	(10 892 142)	(5 884 327)	(5 007 815)
050.050		4.057.004			4.057.004	704 574	500 457
352 853	-	1 257 031	-	(40,400)	1 257 031	734 574	522 457
370 617	-	1 282 408		(18 493)	1 263 915	784 016	479 899
(191 970)	(22 869)	(629 637)	_	_	(629 637)	(315 840)	(313 797)
(197 291)	(19 190)	(657 432)	_	(4 190)	(661 622)	(369 121)	(292 501)
(137 231)	(13 130)	(007 402)		(+ 190)	(001 022)	(303 121)	(232 301)
(47 141)	(30 856)	(419 559)	_	_	(419 559)	(317 312)	(102 247)
(60 042)	(7 444)	(386 743)	_	(12 703)	(399 448)	(300 559)	(98 889)
, ,		,		, ,	, ,	,	, ,
_	(34 420)	_	_	_	_	34 420	(34 420)
-	(28 056)	-	-	-	-	28 056	(28 056)
(5 440)	(128)	(26 431)	-	-	(26 431)	(19 220)	(7 211)
(4 898)	(428)	(30 377)	_	(110)	(30 487)	(23 514)	(6 973)
(13 744)	-	(53 516)	-	-	(53 516)	(36 717)	(16 799)
(12 623)	(503)	(54 534)		_	(54 534)	(37 934)	(16 600)
-	132	818	_	_	818	686	132
-	(1 773)	10 585	-	(54 124)	(43 539)	12 358	(55 897)
					. ,		<u> </u>
94 558	(88 141)	128 706	_	_	128 706	80 591	48 115
95 763	(57 394)	163 905	_	(89 620)	74 285	93 303	(19 018)

<sup>&</sup>lt;sup>3</sup> Relates to the trading performance and financial position of allaboutXpert Australia Proprietary Limited, allaboutXpert NZ Proprietary Limited and allaboutXpert Technologies Proprietary Limited classified as a discontinued operation in the prior financial year and its related assets and liabilities classified as held for sale.

# Extract of the audited consolidated financial statements continued

## Segment report continued

	Contingent Staffing <sup>1</sup> South Africa (R'000)	Professional Services <sup>2</sup> South Africa (R'000)	Functional Outsourcing South Africa (R'000)	Business Support South Africa (R'000)	Contingent Staffing Australia (R'000)	
Interest income						
- February 2024	329	721	22	5 646	-	
- February 2023	84	538	40	4 871	-	
Interest expense						
- 2024 (R'000)	(409)	(116)	(19)	-	-	
- 2023 (R'000)	(40)	-	-	-	-	
Interest expense on lease liabilities						
- 2024 (R'000)	(484)	(523)	(16)	(40 406)	(507)	
- 2023 (R'000)	(901)	(176)	-	(41 732)	(263)	
Impairment expense⁴						
- February 2024	_	-	-	-	-	
- February 2023	_	_	_	(34 463)	_	
Taxation (expense)/income						
- February 2024	(1 819)	16 193	(2 852)	1 627	(11 781)	
- February 2023	(11 925)	4 207	(6 322)	2 275	(10 154)	
Total assets						
- February 2024	782 303	444 089	100 400	427 263	261 097	
- February 2023	815 003	415 493	94 082	601 964	163 491	
Total liabilities						
- February 2024	365 448	203 910	88 890	432 638	210 242	
- February 2023	394 311	183 771	104 164	470 688	135 204	
Additions to property and equipment						
- February 2024	263	122	778	-	342	
- February 2023	569	52	1 356	225	1 305	
Additions to right-of-use assets						
- February 2024	6 635	-	489	3 076	-	
- February 2023	2 285	_	_	_	11 912	
Additions to intangible assets						
- February 2024	583	-	100	-	-	
- February 2023	1 883	6 000	_		_	

Includes PMI, which was previously included in the training segment in the 2023 financial year which is now managed in the contingent staffing segment. The comparatives have been restated to include PMI in the contingent staffing segment.

<sup>&</sup>lt;sup>2</sup> Includes Torque IT, which was previously included in the training segment in the 2023 financial year which is now managed in the professional segment. The comparatives have been restated to include Torque IT in the professional segment.

<sup>&</sup>lt;sup>3</sup> Relates to the trading performance and financial position of allaboutXpert Australia Proprietary Limited, allaboutXpert NZ Proprietary Limited and allaboutXpert Technologies Proprietary Limited classified as a discontinued operation in the prior financial year and its related assets and liabilities classified as held for sale.

<sup>&</sup>lt;sup>4</sup> Includes impairment on goodwill (note 7).

ographical segments	Geographic		Discontinued operations/	Discontinued operations/	Group -	Business	Professional
Africa Australia (R'000) (R'000	South Africa (R'000)	Total Group (R'000)	held for sale Australia <sup>3</sup> (R'000)	held for sale South Africa (R'000)	continued operations (R'000)	Support Australia (R'000)	Services Australia (R'000)
6 718 4 443	6 718	11 161	-	-	11 161	4 443	-
5 533 56	5 533	5 589			5 589	56	
(544) (6 772	(544)	(7 316)	_	_	(7 316)	(4 536)	(2 236)
(40) (6 851	, ,	(6 891)	_	_	(6 891)	(4 489)	(2 362)
(40) (0001	(+0)	(0 001)			(0 031)	(4 403)	(2 302)
(41 429) (1 186	(41 429)	(42 615)	-	-	(42 615)	-	(679)
(42 809) (1 281	(42 809)	(44 090)	-	_	(44 090)	(2)	(1 016)
	-	-	-	-	-	-	-
34 463) –	(34 463)	(34 463)	_	_	(34 463)	_	-
13 149 (15 043	13 149	(1 894)	_	_	(1 894)	23 689	(26 951)
	(11 765)	2 241	_	_	2 241	52 847	(28 687)
	(,00)					020	(20 00.)
754 055 1 368 707	1 754 055	3 122 762	-	_	3 122 762	501 234	606 376
926 542 1 235 123	1 926 542	3 161 665	-	-	3 161 665	578 527	493 105
90 886 572 171	1 090 886	1 663 057	-	-	1 663 057	(23 198)	385 127
152 934 474 054	1 152 934	1 626 988	-	_	1 626 988	4 018	334 832
1 163 3 756		4 919	-	-	4 919	35	3 379
2 202 5 850	2 202	8 052	-	_	8 052	179	4 366
10 200 1 955	10 200	12 155	_	_	12 155	_	1 955
2 285 16 647		18 932	_	_	18 932	_	4 735
2 200 10 047	2 200	10 302			10 332		7 7 7 3 3
683 -	683	683	-	-	683	-	-
7 883 –	7 883	7 883	_	-	7 883	_	-

## **Shareholder information**

## **Shareholder analysis**

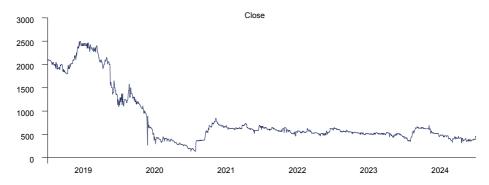
Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1 000	8 218	92,07	418 745	0,38
1 001 – 10 000	400	4,48	1 414 453	1,29
10 001 – 100 000	199	2,23	7 236 883	6,58
100 001 – 1 000 000	85	0,95	29 704 348	27,02
Over 1 000 000	24	0,27	71 180 246	64,73
Total	8 926	100,00	109 954 675	100,00
Distribution of shareholders				
Assurance companies	14	0,16	7 182 079	6,53
Close corporations	14	0,16	86 114	0,08
Collective investment schemes	44	0,49	32 037 424	29,14
Control accounts	1	0,01	108	0,00
Custodians	11	0,12	1 067 704	0,97
Foundations and charitable funds	17	0,19	1 780 202	1,62
Hedge funds	6	0,07	17 198 549	15,64
Insurance companies	2	0,02	3 965	0,00
Investment partnerships	12	0,13	94 711	0,09
Managed funds	10	0,11	66 319	0,06
Medical aid funds	4	0,04	430 559	0,39
Private companies	48	0,54	2 570 367	2,34
Public companies	2	0,02	200 400	0,18
Retail shareholders	8 543	95,71	5 098 322	4,64
Retirement benefit funds	100	1,12	33 873 169	30,81
Scrip lending	2	0,02	50 042	0,05
Stockbrokers and nominees	13	0,15	237 424	0,22
Treasury	2	0,02	7 086 725	6,45
Trusts	71	0,80	889 902	0,81
Unclaimed scrip	10	0,11	590	0,00
Total	8 926	100,00	109 954 675	100,00
Shareholder type				
Non-public shareholders	9	0,10	43 600 563	39,65
Directors and associates (direct holding)	5	0,06	653 632	0,59
Directors and associates (indirect holding)	2	0,02	35 860 206	32,61
Treasury	2	0,02	7 086 725	6,45
Public shareholders	8 917	99,90	66 354 112	60,35
Total	8 926	100,00	109 954 675	100,00

Pursuant to the provisions of Section 56 of the Companies Act, 2008, disclosures from foreign nominee companies have been included in this analysis.

	Number	%
Fund managers with a holding greater than 5% of the issued shares	of shares	of issued capital
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Value Capital Partners	34 258 743	31,16
Camissa Asset Management	21 541 488	19,59
Allan Gray	16 946 391	15,41
PSG Asset Management	8 828 042	8,03
Steyn Capital Management	5 994 479	5,45
Total	87 569 143	79,64
Beneficial shareholders with a holding greater than 5% of the issued shares		
H4 Collective Investments	12 271 084	11,16
Allan Gray	9 697 023	8,82
PSG Asset Management	8 812 415	8,01
Camissa Asset Management	7 399 562	6,73
Torque IT	6 530 120	5,94
Total	44 710 204	40,66
Total number of shareholders		8 926
Total number of shares in issue		109 954 675
Share price performance		
Opening price 1 March 2023		R4,72
Closing price 29 February 2024		R4,50
Closing high for the period		R6,90
Closing low for the period		R3,17
Number of shares in issue		109 954 675
Volume traded during the period		20 121 281
Ratio of volume traded to shares issued (%)		18,30
Rand value traded during the period		R100 686 123
Price/earnings ratio as at 29 February 2024		6,89
Earnings yield as at 29 February 2024		14,51
Dividend yield as at 29 February 2024		5,45
Market capitalisation at 29 February 2024		R494 796 038

## **Shareholder information** continued

## Five-year share price performance (cents)



Authorised share capital: 183 177 151 ordinary shares and 16 822 849 "B" ordinary shares. Issued share capital: 109 954 675 ordinary shares and 6 729 140 "B" ordinary shares.

## **Corporate information**

#### **Adcorp Holdings Limited**

Registration number 1974/001804/06 Listed 1987

Share code: ADR ISIN: ZAE000000139

Website: www.adcorpgroup.com

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