



1. When was the school put up for sale?

The school has never been placed on the market for sale.

The Board has been approached over the past 5 years by 3 different potential buyers.

This is the first time Curro has made an offer to buy the School.

2. Why were the other offers not considered favourable?

Until the Curro offer, the Board considered the indicative offers too low and/or lacking conditions which the parent body would consider an improvement for their children and for the School.

3. Were the other interested parties offers re-investigated?

Yes. The School did not fit with the Educas group plans for global expansion. Advtech, after showing some interest during the early part of 2018, declined to re-investigate when contacted later in the year, no reasons were given. Our own interaction with Advtech led us to believe that Oakhill and Advtech would not be a good fit.

4. How are the staff handling having no input in the vote?

Many staff are parents at Oakhill too and they do have a vote. All our staff need to feel safe. There have been 4 meetings with the staff this week and we are working hard to make sure their concerns and questions are answered as fully as possible. Their concerns include job security, ability to continue to teach in the manner they currently do, and the continuation of the "personality" of the School.

We have assured them that their contracts with the new School would continue uninterrupted, protected by labour law. There is a perception amongst some staff that Curro adopts a model of retrenching "expensive" staff fairly shortly after take-over and employing inexperienced staff at a low cost. We have asked at 3 select schools taken over in the last 6 years and were told that this was not the case. Some staff left of their own accord. Staff appointments will continue to be handled by the School, with the Head having the final say on appointments. This will be a condition of the sale contract.

We are finding out exactly if and how our Staff's daily routine and content of teaching may be affected - a Curro education specialist is coming to School this week to address them on this.

5. Will the school keep the name Oakhill?

Yes. The name, the logo, the website, the uniform, and all of the Oakhill policies (which are better than the Curro policies) remain as is - this will be a condition of the contract.

6. Will the school fees increase?

Fees won't exceed the EPI (educational price index, usually around 8%). This will be a condition of the contract and is the same basis used by the Oakhill Finance Committee each year to increase fees.

Curro as a rule use CPI plus between 2 and 4%.

7. Will they increase the number of students per class?

The number of students per class will not increase above 25 - Curro's policy on Select Schools is to keep to small classes of 25 or less. This will be a condition of the contract.

8. Will they build a boarding house?

They have shown great interest in building a boarding school. This will fit in with their strategy to increase the size of the School. They are mindful that they face the same limitations we have faced historically of a small town with strong competition on the Garden Route.



9. Will there be special levies to the parents to build a boarding house?

No. The owner of the School is responsible for financing capital projects. Parents will no longer own the school, Curro will. Our research shows that no building levies have been raised by Curro at any Select Schools.

10. What will the model (management structure) look like and what influence would parents have?

The existing management structure within the school will be the same.

The Board will fall away and a Parents Association will be formed. We would like to have a provision in the contract which allows the OSA to have a say in the appointment of the Head and other key appointments, and also to allow for some form of option or first-right of refusal in the event that Curro makes the decision to sell the School.

11. Who will manage Curro's compliance with the contract?

There will be an interim phase-in period (about 1 year).

We anticipate it will take about 2 years to wind up the business of the OSA after any sale. We have proposed that the OSA then remain in existence, governed by trustees appointed from the current Board, to ensure compliance with Curro's continuing obligations.

12. What is the Board's opinion of the offer?

The Board was unanimous that this offer be brought to the parents for consideration, and their recommendation is that the offer should be accepted. The Board is of the view that this offer represents a unique opportunity to provide our children with superior facilities and overall school experience (not least of which is certainty of longevity) that the School would not be in a position to offer for at least another 10 years.

13. Would Jannie feel the same way if he had no children at the school?

Jannie believes that this offer is the right thing for the future of the School, for all of its children.

14. Why is this necessary?

The board believes that the School is facing a number of risks which it just isn't in a position to mitigate against should they materialise. These include emigration, growing competition from schools in George and Plett, a declining economy placing pressure on parents to afford private school fees and increases or special levies, and an inability for the School to provide new and improved facilities for existing students, and to attract new students.

Independence demands respect but comes at a price. That price has become too high. Very few independent private schools without a large endowment or access to a large alumni are able to survive in the current economy, and Oakhill is one of those schools under threat. Debt is the current school 'owner'.

15. Will the uniform change? Blazers? And will there now be a tablet fee?

The uniform remains the same. We will include a provision in the contract for this but the Select School model is designed to retain the look and feel of the school acquired.

Curro has shown great interest in our use of google classrooms - we are confirming with them that we may continue to use it. They are delighted to interact with such a high functioning school. We can negotiate from a point of strength. The college pupils already have to purchase their own tablets - there should be no change to the current tablet policy including payment, we will confirm this.



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16. How was the amount Curro have offered negotiated?

The Board's focus was on how to maximise value for the entire Oakhill family, given the challenge of the non-profit organisational structure. The Board believes that the combination of the full payment of the debt, the immediate commitment to build significant infrastructure plus the commitment to bursaries represents the best value based on the NPO structure.

17. What is the time period for implementation should the offer be accepted?

Depending on the contracting process, Curro could take over from as early as 1 September 2019.

18. Who will recruit staff?

The process will continue as it currently does. Jannie has a budget and the school executive will interview potential candidates. There will be internal Curro advertising but there is no restriction on the School to only employ from the Curro group of applicants. Having access to the Curro group may well help Oakhill to find scarce skills but should these not be found within the Curro stable, the School is free to go to the open market.

19. How was the asset list created?

Jannie drew up a wish-list from the various School departments. This was used by the planning committee which looked at the various sections and layers of the school, and the priorities for students, parents and staff. The current list is those items which we believe we would want as soon as we could afford them. Any other suggestions are welcomed.

20. The asset list is heavy on sport - what about art?

There is no current need to expand the art department. Last year there were 7 matrics, this year 13. Should the art room move it will be for the demand for space for two classrooms, not because the current art room is not adequate.

21. Is the school already sold? We fall under Curro on the website.

The School has not been sold. Curro has made an offer to buy the School, and parents will vote on this on the 11th of June. After that the contract will be negotiated and the final sale contract requires both Oakhill and Curro board approval. As to the curro schools map search, the error was noticed by the pupils as well. The Google algorithm places the school in the search. If you do a similar search for AdvTech schools then Oakhill is also similarly identified.

22. Has the product 'Oakhill' outpriced itself?

We do not believe so. Oakhill provides a superior product which comes at a cost. There is demand for our offering and certain of the college grades now have waiting lists.

23. Are other schools in the Curro group stable?

We have had contact with other schools and research has shown that they are stable. Curro started as a need for middle class alternative to state schooling. Curro entered the niche market with Select Schools - there are currently 9 handpicked ones.

24. The title deed restriction on the campus property was for education - how is it possible to sell the land to a business?

The history of the land is as follows - the campus property was donated to Oakhill by the National Government. There was a restriction on the title deed which held that the land would revert to the Government (original donor of the land) if the land was not used for education. As of June 2016 this restriction has been removed, as it was detrimental to the School trying to use the land as security. It is still however zoned as educational. The land will continue to be used for educational purposes.

25. Of the 500 pupils currently at Oakhill, how many of them are full fee paying?

There are 6-8 kids per year on partial scholarship - this amounts to some 2.5 scholar fees per annum which is carried by the school.

There are about 36 staff pupils whose fees are reduced at rates applicable as per policies in place at the time a teacher joins our staff.

26. Have all other fundraising and other avenues been explored?

Parents have donated and lent money & debentures were raised. In addition we raise substantial funds through our festivals and events. These were started as fund raising events and are very successful. The size of the debt problem far outstrips our ability to close this gap via fundraising.

27. Has an alternative been considered such that the parents buy a part or all of the School?

Parents as shareholders would need to buy the assets out of the debt-laden OSA should they wish to make any return on their investment (the same as Curro). Parents cannot own a percentage of the school as long as it is within the OSA.

28. What does Jannie think personally about the offer?

We are currently trying to gain as much info as possible by contacting colleagues we know who work at Curro schools.

Oakhill is not 'limping' along and we are in a strong negotiating position and the school will be fine in the short/medium term.

Jannie mentioned what is on offer

Academic support which Oakhill can access should we need or require it

Facilities - Oakhill would like to grow and reach our dream. This deal allows that

This deal allows us to build diversity in the school. This is a glaring missing component in our school which needs to be addressed.

29. We are happy as an independent school, why would we even consider selling to Curro and becoming a profit-centred school?

We currently have R18m long term debt in addition to current liabilities and leases. This means we are unable to plan for any large capital projects or improvements, until earliest 2023 when these debts are settled. This deal allows us to immediately see a dramatic improvement in facilities and sports offerings, while retaining our unique ethos, identity, class sizes, etc which is what parents, teachers and students alike love about Oakhill.

Any potential capital projects rely on student numbers increasing to around 550 so that the School can adequately fund them.

Over the last 5 years, student numbers have remained stable between 480 to 500.

We currently have approximately 70 students coming to Oakhill from Plett. Advtech has bought Greenwood Bay, and parents in Plett now have an alternative, well-funded private school to select as an alternative to Oakhill.

We have already seen a decline in numbers in the prep school with parents choosing to send their children to Greenwood. We are heavily reliant on our Plett families to keep our numbers at a level which allows us to make our debt repayments – if we lost them to Greenwood or elsewhere we would have to review our school fees to maintain the same offering. With service protests recently, the road into Knysna became unsafe and this sort of risk increases the likelihood more parents may choose to keep their children at schools in Plett.

Glenwood in George was bought by Advtech and they are marketing the boarding school aggressively to persuade Knysna and Plett parents to consider Glenwood as a private boarding school option.

Selling to Curro offers Oakhill the opportunity to deal with this competition, to settle all of its debt, and build a number of facilities and effect a number of improvements and upgrades that Oakhill would not be able to afford for at least 10 years, while remaining uniquely Oakhill.

30. How do we know Curro will stick to their commitments?

They are legally obliged to, firstly – they would be bound by legal contract, and if they renege, then we will be able to use contract law to sue them for performance.

It is in their own interest to do so – Curro is a listed company with a market cap of R18bn, this acquisition is a brand-building exercise for Curro, Oakhill represents a real feather in its cap as an elite school, to enhance and complement their portfolio of Select Schools (of which there are only currently 9).

As a listed company, lawsuits are public and unwelcome.

Curro needs the parents to be satisfied – parents vote with their feet, and if parents leave the School, Curro have paid for an underperforming asset, it is absolutely not in its interest to upset the parents.

Of course Curro may make changes in future, but they are highly unlikely to change a winning formula, and our research at another Select School recently acquired confirms that their model is to allow the Select School to continue to operate in the way in which it did prior to acquisition, to attract and keep parents.

31. How do we know that the price offered is the best price?

Over the past 5 years, the Board has been in discussions with various interested parties and received a clear indication of true value.

This offer represents the current top price on offer in the market and more importantly is part of a package deal which buys the School relative independence while still obtaining maximum value for the new School going forward.

This offer is also fairly comparative to what AdvTech paid for Glenwood.

32. How will the purchase considerations be applied?

The capital projects as identified will be delivered by the end of 2021.

R32M to settle debts, expenses and liabilities of the OSA.

The OSC will need to be wound up.

All OSA taxes will need to be paid, aside from income tax from which it is exempt.

A wind up of the previous OSA business will be audited by Mazars.

The OSA will continue to incur minimal expenses for as long as it needs to be kept active to ensure compliance with the sale agreement.

Following the signature of the sale agreement, the current board will be reconstituted in order to execute on the sale agreement and attend to the winding up of the OSA.

33. What happens to all debtors and liabilities?

Debts owed to the OSA on the date on which the School is transferred to Curro, will remain with the OSA for collection and Liabilities will need to be settled by the OSA.

This deal allows the OSA to pay off all of the School's liabilities from the sale price and provides certainty to parents that no future additional fees will need to be raised as debt payments become due.

The School's assets, contracts with teachers and every part that is involved in the day to day running of the School is transferred to a new company, owned by a shareholder with a strong balance sheet and 20 years of experience in school development and management.

34. How will we retain all our staff?

All staff are retained by Curro on at least the same terms as currently in place.

Curro is very aware that we value our staff and want them to continue in the School and they have agreed to work with us to ensure that we strive to retain all staff.

Our staff will now have access to the Curro teacher training programmes and vast body of educational research.



35. What changes will our children see?

New and improved sports, cultural and academic facilities.

Increased numbers over time with talent and diversity from the scholarship and bursary programmes

Other than that all things should stay the same from their perspective.

36. What changes will we as parents see?

New and improved sports, cultural and academic facilities.

Increased numbers over time with talent and diversity from the scholarship and bursary programmes.

A parent committee to interact with the School.

37. Surely Curro need to increase profits to cover their purchase price?

Curro has been able to raise shareholder capital for acquisitions at a relatively low cost.

This means the amount it needs to make for a return on capital is lower than you might think.

Curro is acutely aware that they need to compete in the market and that unless their fees are fair for what is available in the market they will lose students.

Oakhill without its debt would make around R2m per year in profit to apply to new capital or service new debt.

This gives an indication of how long it would take to build R30m facilities.

With improved facilities, we should attract more students which means the profit increases, and that is how Curro, as a commercial organisation, makes profits for its shareholders i.e volume with fixed overheads.

Curro is in the business of providing private school education - their customers are parents, they need to balance the needs and satisfaction of their customers with their requirement to be profitable for shareholders. It is a constant balance.

38. How will increases for uniforms and books be dealt with?

Curro would like to ensure that the cost of schooling is made as affordable as possible to retain students

This includes the provision of uniforms and books to the extent they are under the control of the school.

In addition we will negotiate to ensure a maximum fixed increase on these items (similar to on fees) in the sale agreement.

39. Will there be an impact of VAT on tours, trips, etc?

When parents are part of a group whose children are attending a tour, they become a casual syndicate. Tour operators and service providers charge VAT to the group as a whole, and parents pay their respective portion of total cost.

This situation would be the same should the school be sold or not sold so the sale would make no difference to the VAT implications.

40. How will decisions be made on what sports and subjects will be offered or discontinued?

Exactly as they are made now, only with a greater variety possible in future with improved facilities and expanded student numbers

Decisions will no longer need to be considered based on the financial cost to the school as a major consideration.

41. How can we be sure the projects on the list will be built and what the quality will be?

Curro is bound by contract and should it fail to do so, we ensure compliance through appropriate legal action. All Curro schools visited have high quality buildings and ours will be built based on designs agreed by the parties and attached to the sale agreement.

42. What happens if the projects are more expensive than the budgeted amounts?

Curro will be bound to deliver the list of facilities to the designs as agreed by the parties and appended to the sale agreement. Any variance on the costing is for Curro's account.

43. How will the entire project-building process be managed?

Detailed design plans will be agreed between the parties and attached to the sale agreement.

Curro has a full department which is tasked with building facilities at its schools and this department will be responsible to deliver according to the agreed design plans.

The board of the OSA will ensure compliance to both design and timetable, as agreed in the sale agreement.

44. What will Curro improve?

Immediate debt relief.

Immediate vast improvements in infrastructure.

Financial backing to enable quicker execution of future projects.

Ability to tap into Curro array of educational methods, tools and excellent resources and support.

The ability to undertake new capital projects based on need rather than when they can be financially afforded

Contribution to bursaries to ensure consistent improvement in the School's diversity.

45. How will we improve the diversity of the school?

With the R30m for bursaries, we will be in a position to award a number of bursaries to talented children in the Knysna area who fit the Oakhill profile.

In addition, Curro has agreed to fund a further 6 bursaries and is committed to improving diversity at the School.

46. How will bursaries be awarded?

The current process to identify and select prospective candidates will continue.

It is intended that the proposed candidate list will be presented to the trustees of the OSA. They will provide final approval for the bursaries to be offered and they will continue to review the performance of students.

47. Will Curro build a boarding house and/or move the School to the OSC?

As discussed at the meeting regarding the boarding facility this is required to ensure sustainable growth for the school into the future. Both York and Glenwood keep extending their boarding facilities and this supports the view. Given that students can be added for a low additional fixed cost it is undoubtedly a really good investment to build a boarding facility

As growth is maintained it would be sensible to expand the school by moving it over time to the OSC grounds.

This has always been our long term plan and we have been and will continue to be hindered in going this by capital constraints.

Curro has shown great interest in the OSC and its potential for a boarding school.

48. Will our policies and rules change?

No. Curro has agreed that Oakhill retains its policies and rules.

We will only be required to change policies or procedures which do not meet at least the minimum of the Curro standards. A review of a selected number of ours shows that we exceed their minimum standard by a fair margin.

Where Curro policies are an improvement on our policies and we wish to change ours for the improvement we are of course free to do so.



49. How will school fee plans, payment and financial considerations be affected?

The board does not expect there to be any negative changes to these. The board will advise Curro on the projects we have been working on such as to reduce the big step-up of fees in the junior grades and to achieve a more balanced fee increase over the life of a student and the fee at pre-school level. We believe that without debt pressure on the school that Curro will have the ability and long term financial stability to action plans such as these.

50. What will happen to the Board?

The constitution will need to be changed as the business of the OSA will no longer be to run a school. In addition the management structure of the Board will also need to change. The parents have been asked to give approval for the Board to make these changes to the Constitution and this must then be done by unanimous approval of all Board members. This will allow for the the winding up of the current business and ensuring compliance with the sale agreement going forward.

51. How will we be kept up to date after the sale?

The School will keep parents abreast of building plans, timelines and any changes to the proposed facilities list.

52. Who is Curro?

Curro is a public company, listed on the JSE, operating as a provider of independent schools in South Africa. Their mission is to make independent quality schooling accessible to more learners in South Africa. They are focused on 21st century learning, with a strong emphasis on maths, science and technology. They are better known for their self-built schools, including the Meridien model which offers affordable independent education to middle class families. They are less well-known for their Select School portfolio.

53. Isn't Curro a very Christian lower-middle income school provider?

While Curro started out as a self build lower income school providers they have evolved into a leading provider of education with a number of different models. These include own built, Castle schools, Meridian, Select schools, Curro Academy, etc. Each group has a specific niche and offering to address all aspects of the market. They emphasise Christian values as important in all of their schools. They do not prescribe any religion for adoption at Select Schools which are encouraged to remain as they are.

54. What is a select school?

CURRO SELECT SCHOOLS are schools that have been acquired by Curro as opposed to having been self-built. They are chosen by Curro for their unique ethos and identity, and potential for growth, subject always to the class size limitation that suits the school and its immediate environment. Although owned and managed by Curro Holdings, these schools retain their original well-established identities and ethos. Select Schools accommodate learners from age three months to Grade 12, at the end of which the IEB (Independent Examinations Board) is written. The medium of instruction and learning must be English, and the school must offer superior facilities, a rich heritage, sound academic and extramural results.



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By developing select private schools we believe Curro aims to lift the image of the Curro private school brand overall. By turning Oakhill into a “flagship school of the Southern Cape” they upgrade the image of the Curro private offering nationally.

So, although Curro generally aims to offer private school schooling at public school cost (and they explain that they are able to do so by building at lower cost), this is not the case for the Select Schools which is designed to improve the general perception of what Curro education offers.

55. Why did we not get to vote on AdvTech and Educas offers?

At the time of receipt of those offers, the Board was of the opinion that the offers did not offer superior, valuable options for the parents to seriously consider.

56. How do we know things like the Odyssey and Chukka festivals will continue?

These, amongst many other factors, are what has drawn interest in our school. Oakhill is a leading provider of these types of events in the country. This is important not only to ensure that the school is attractive to prospective students, but to draw teachers, support and to maintain our reputation as being a leading educational institution in South Africa.

Curro would have no reason to cease to offer these events, they are profitable and showcase the Oakhill offering to a wide array of parents.

These sort of decisions will rest with the school management, who will always recommend the best way forward for the School and its community.

57. Has Curro tried to buy other schools in Knysna or on the Garden Route?

They have a Curro built school in Mossel Bay and a Castle school in George which was acquired. Curro had discussions with the Glenwood owners but these never reached an advanced stage.