



Hermannsburg Treuhänderschaft | Board of Trustees

19 August 2019

Dear Members of the Hermannsburg School Family

DEUTSCHE SCHULE HERMANSBURG - THE NEXT STEP

Recent Developments:

We are pleased to report that we held a very productive and positive meeting with the prospective buyer of our school last week.

There has been much speculation within the School Family, and further afield, as to the identity of the buyer. There are also false and unfounded rumours circulating. Once the initial stages of the purchase process are behind us, particulars of the Company and its Board of Directors will be provided. As mentioned in previous communications, we can confirm at this stage that the major shareholder of the Company wishing to buy our school is an Old Scholar who is passionate about education, and who is a true *Product-of-Hermannsburg-Success-Story*. The Company has the resources necessary to undertake a venture of this nature, and to inject the required capital to adequately improve the school infrastructure.

The Buyer's Vision for the future:

It is the buyer's expressed intention to continue to keep the school open and operating as a school; and furthermore, to retain what sits at the core of Hermannsburg, namely our school's Christian ethos and our school's heritage.

The Company has shared its intentions for the immediate future, following signing of the sale agreement:

- upgrades to the vehicle fleet;
- upgrades to the Boarding Establishments - both exterior and interior;
- repairs and maintenance to staff housing and other buildings on campus;
- important maintenance and retention of the historic exteriors of old school buildings, but with fully-equipped and modern interiors of the classrooms.
- extension and upgrading of digital communications systems throughout the campus;



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- the upgrading of sporting facilities and replacement of equipment;
- investment in staff development and training;
- improvements to teaching resources available to staff;
- to work with school management, and to support their efforts to “future-proof” our scholars, and to prepare them for the jobs of the future.

More details of the proposed short-term, and longer-term, plans were provided in the HMB Business Plan that was communicated to the School Family on 29 June.

What is currently happening in the background?

- A surveyor has been appointed to provide a detailed map outlining the various owner-entities of the land: i.e. to confirm and demarcate clearly what is ‘School Land’, what is ‘Church Land’ and what is ‘Farm Trust Land’. This process will be completed within the course of this week.
- An external valuation company (that specialises in this type of asset valuation) has been appointed to conduct a detailed valuation of our school (i.e. the land, buildings, staff housing, movable assets, goodwill, etc.) to enable the Trustees to arrive at a fair and equitable sale price. Due to the extent of the assets involved, we expect this process to take at least two to three weeks.
- Discussions with the ELCSA (N-T), the German authorities, and various other stakeholders are underway, in order to clarify immediate intentions and future plans, with the hope of cementing their continued good relationships with our school.
- Legal counsel has been instructed to ensure full compliance with all requirements of the Trust Deed, as well as existing contracts, and any other related legal matters.

The Way Forward:

As can be expected, many details still require clarification and agreement. We remain confident that all parties involved in this process, including the prospective buyer, have the best interests of our school at heart. There is every intention to ensure that the school not only continues to function, but is able to grow, and to build on a great track-record of education excellence in the coming years.

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Expectations on Finality:

The Board of Trustees has set itself a deadline for the end of Term 3, but every effort is being made to reach finality sooner.

We will keep the School Family informed as progress is made. We thank you sincerely for your continued prayers for guidance and wisdom throughout this process.

Warm regards
Deutsche Schule Hermannsburg Trust